

REFERENCE TITLE: national park support districts II

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
First Regular Session  
2009

## **HB 2584**

Introduced by  
Representatives Konopnicki, Mason, Tobin; Williams, Senator Pierce

AN ACT

AMENDING SECTIONS 9-101 AND 11-251.06, ARIZONA REVISED STATUTES; AMENDING TITLE 48, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 39; RELATING TO NATIONAL PARK SUPPORT DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 9-101, Arizona Revised Statutes, is amended to  
3 read:

4 9-101. Incorporation; definition

5 A. When two-thirds of the qualified electors residing in a community  
6 containing a population of fifteen hundred or more inhabitants ~~or in a~~  
7 ~~community within ten miles of the boundary of a national park or monument~~  
8 ~~that contains a population of five hundred or more persons~~ petition the board  
9 of supervisors, setting forth the metes and bounds of the community, and the  
10 name under which the petitioners desire to be incorporated, and praying for  
11 the incorporation of the community into a city or town, and the board is  
12 satisfied that two-thirds of the qualified electors residing in the community  
13 have signed the petition, it shall, by an order entered of record, declare  
14 the community incorporated as a city or town.

15 B. When ten per cent of the qualified electors residing in a community  
16 containing a population of fifteen hundred or more persons ~~or in a community~~  
17 ~~within ten miles of the boundary of a national park or monument that contains~~  
18 ~~a population of five hundred or more persons~~ petition the board of  
19 supervisors in the manner prescribed in subsection A of this section, praying  
20 for the calling of an election for the purpose provided in this section, the  
21 board shall within sixty days after filing the petition call the election,  
22 and the election shall take place on a date prescribed by section 16-204 but  
23 not more than one hundred eighty days after the petition is filed, except  
24 that no such election shall be called within twelve months from the date of a  
25 previous election for incorporation of substantially the same territory.  
26 Only qualified electors of the community shall vote on this question. If a  
27 majority of qualified electors voting thereon votes for incorporation, then  
28 the board of supervisors shall, by an order entered of record, declare the  
29 community incorporated as a city or town.

30 C. Prior to obtaining any signatures on a petition required by  
31 subsection A or B of this section, a copy of such petition shall be filed  
32 with the county recorder or, in a county having an elections department, with  
33 the county elections department. The petition shall state its purpose  
34 clearly and concisely and shall be in the form and signed and verified as  
35 generally provided for initiative petitions. Petitioners shall have one  
36 hundred eighty days from the date of such filing to obtain the required  
37 number of signatures.

38 D. By whichever proceeding the incorporation of a city or town is  
39 accomplished, the order shall designate the name of the city or town, and its  
40 metes and bounds, and thereafter the inhabitants within the area so defined  
41 shall be a body politic and corporate by the name designated.

42 ~~F.~~ E. An area to be incorporated shall not include large areas of  
43 uninhabited, rural or farm lands, but it shall be urban in nature.

44 ~~G.~~ F. Territory shall not be incorporated if, as a result of such  
45 incorporation, unincorporated territory is completely surrounded by

1 incorporated areas nor shall an area to be incorporated exclude interior  
2 county streets and roads, unless the board of supervisors approves the  
3 exclusion of such territory, streets and roads.

4 ~~H.~~ G. The board of supervisors shall exclude from the community  
5 proposed to be incorporated pursuant to subsection A or B of this section any  
6 territory which has been included in an annexation ordinance adopted by a  
7 city or town pursuant to law after the incorporation petition has been filed  
8 pursuant to subsection C of this section. If the remaining community fails  
9 to meet the qualifications for incorporation, the board of supervisors shall  
10 reject the petition.

11 ~~E.~~ H. For the purposes of this section, "community" means a locality  
12 in which a body of people resides in more or less proximity having common  
13 interests in such services as public health, public protection, fire  
14 protection and water which bind together the people of the area, and where  
15 the people are acquainted and mingle in business, social, educational and  
16 recreational activities.

17 Sec. 2. Section 11-251.06, Arizona Revised Statutes, is amended to  
18 read:

19 11-251.06. Reimbursement for county services to special  
20 districts

21 A. Notwithstanding any other statute, the board of supervisors may  
22 require the following special districts to reimburse the county for the cost  
23 of services provided to the special districts:

- 24 1. Antinoxious weed districts formed pursuant to title 48, chapter 2.
- 25 2. Pest control districts formed pursuant to title 48, chapter 3.
- 26 3. County improvement districts formed pursuant to title 48,  
27 chapter 6.
- 28 4. County improvement districts for lighting formed pursuant to  
29 sections 48-960 and 48-961.
- 30 5. Domestic water improvement districts formed pursuant to title 48,  
31 chapter 6, article 4.
- 32 6. County television improvement districts formed pursuant to title  
33 48, chapter 7.
- 34 7. Community park maintenance districts formed pursuant to title 48,  
35 chapter 8.
- 36 8. Special road districts formed pursuant to title 48, chapter 10.
- 37 9. Power districts formed pursuant to title 48, chapter 11.
- 38 10. Electrical districts formed pursuant to title 48, chapter 12.
- 39 11. Hospital districts formed pursuant to title 48, chapter 13.
- 40 12. Sanitary districts formed pursuant to title 48, chapter 14.
- 41 13. Pest abatement districts formed pursuant to title 48, chapter 15.
- 42 14. Health service districts formed pursuant to title 48, chapter 16.
- 43 15. Agricultural improvement districts formed pursuant to title 48,  
44 chapter 17.

1 16. Drainage and flood protection districts formed pursuant to title  
2 48, chapter 18.

3 17. Irrigation and water conservation districts formed pursuant to  
4 title 48, chapter 19.

5 18. Irrigation water delivery districts formed pursuant to title 48,  
6 chapter 20.

7 19. County flood control districts formed pursuant to title 48,  
8 chapter 21.

9 20. Multi-county water conservation districts formed pursuant to title  
10 48, chapter 22.

11 21. County jail districts formed pursuant to title 48, chapter 25.

12 22. Regional attraction districts formed pursuant to title 48,  
13 chapter 38.

14 23. NATIONAL PARK SUPPORT DISTRICTS FORMED PURSUANT TO TITLE 48,  
15 CHAPTER 39.

16 B. Fire districts formed pursuant to title 48, chapter 5 shall  
17 reimburse the county for the actual costs of organization, reorganization,  
18 boundary changes, election services, use of the county attorney and other  
19 services provided by the assessor and treasurer directly associated with  
20 county services provided to fire districts.

21 C. The board of supervisors shall establish a schedule for  
22 reimbursement of county services and shall distribute this schedule to the  
23 special districts prior to providing any service named in the schedule. The  
24 schedule may include charges to newly organized special taxing districts for  
25 county services rendered to these districts before and during organization.  
26 The reimbursement schedule shall not exceed the actual costs for the services  
27 provided by the county.

28 D. If the board of supervisors requires reimbursement for county  
29 services pursuant to subsections A and C of this section, the governing body  
30 of a special district listed in subsection A of this section may elect to  
31 perform for itself any of the services provided by the county in lieu of  
32 reimbursement, except election and financial services provided by the county.

33 E. Subsection D of this section does not authorize the governing body  
34 of any of the named special districts to levy any additional taxes not  
35 otherwise specified by statute.

36 Sec. 3. Title 48, Arizona Revised Statutes, is amended by adding  
37 chapter 39, to read:

38 CHAPTER 39  
39 NATIONAL PARK SUPPORT DISTRICTS  
40 ARTICLE 1. GENERAL PROVISIONS

41 48-6901. Definitions

42 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

- 43 1. "BOARD OF DIRECTORS" OR "BOARD" MEANS THE BOARD OF DIRECTORS OF A  
44 NATIONAL PARK SUPPORT DISTRICT.

1           2. "DISTRICT" MEANS A NATIONAL PARK SUPPORT DISTRICT FORMED PURSUANT  
2 TO THIS CHAPTER.

3           3. "GENERAL PLAN" MEANS THE GENERAL PLAN OF THE DISTRICT DESCRIBED IN  
4 THE PETITION FOR FORMATION OF THE DISTRICT OR AS THE PLAN MAY BE SUBSEQUENTLY  
5 AMENDED.

6           4. "PUBLIC INFRASTRUCTURE" MEANS IMPROVEMENTS AUTHORIZED PURSUANT TO  
7 SECTION 48-6906.

8           48-6902. Establishment; board of directors

9           A. A NATIONAL PARK SUPPORT DISTRICT MAY BE ESTABLISHED IN A COMMUNITY  
10 THAT IS ENTIRELY LOCATED WITHIN TEN MILES OF THE EXTERIOR BOUNDARIES OF A  
11 NATIONAL PARK OR A NATIONAL MONUMENT AND AT LEAST THREE MILES OUTSIDE THE  
12 EXTERIOR BOUNDARIES OF ANY INCORPORATED CITY OR TOWN IN EXISTENCE AT THE TIME  
13 OF ESTABLISHMENT. THE FORMATION PROCESS SHALL BE INITIATED BY PETITION OF  
14 THE QUALIFIED ELECTORS IN THE PROPOSED DISTRICT AS PRESCRIBED BY THIS  
15 SECTION.

16           B. BEFORE OBTAINING ANY SIGNATURES ON A PETITION REQUIRED BY THIS  
17 SECTION, A COPY OF THE PETITION MUST BE FILED WITH THE COUNTY RECORDER OR, IN  
18 A COUNTY HAVING AN ELECTIONS DEPARTMENT, WITH THE COUNTY ELECTIONS  
19 DEPARTMENT. THE PETITION MUST:

20           1. STATE ITS PURPOSE CLEARLY AND CONCISELY.

21           2. INCLUDE A GENERAL PLAN FOR THE PROPOSED DISTRICT SETTING OUT A  
22 GENERAL DESCRIPTION OF THE PUBLIC INFRASTRUCTURE IMPROVEMENTS FOR WHICH THE  
23 DISTRICT IS PROPOSED AND THE GENERAL AREAS TO BE IMPROVED. THE GENERAL PLAN  
24 MAY PROVIDE FOR PAYING SURPLUS DISTRICT REVENUES TO A SCHOOL DISTRICT OR  
25 SANITARY DISTRICT IN WHICH THE DISTRICT IS LOCATED TO REDUCE THE SCHOOL  
26 DISTRICT'S OR SANITARY DISTRICT'S AD VALOREM PROPERTY TAX LEVY AS PROVIDED BY  
27 SECTION 48-6906, SUBSECTION A.

28           3. SET FORTH THE PROPOSED METES AND BOUNDS OF THE DISTRICT WHICH SHALL  
29 NOT EXCEED ONE THOUSAND FIVE HUNDRED ACRES.

30           4. REQUEST THE FORMATION OF THE DISTRICT.

31           5. BE IN THE FORM AND SIGNED AND VERIFIED AS GENERALLY PROVIDED FOR  
32 INITIATIVE PETITIONS.

33           6. BE COMPLETED AND FILED WITH THE CLERK OF THE BOARD OF SUPERVISORS  
34 WITHIN ONE HUNDRED EIGHTY DAYS AFTER THE INITIAL FILING WITH THE COUNTY  
35 RECORDER OR ELECTIONS DEPARTMENT.

36           C. IF THE PETITION CONTAINS THE VALID SIGNATURES OF AT LEAST  
37 TWO-THIRDS OF THE QUALIFIED ELECTORS RESIDING IN THE PROPOSED DISTRICT AND IF  
38 THE BOARD OF SUPERVISORS IS SATISFIED THAT THE PETITION OTHERWISE MEETS THE  
39 REQUIREMENTS OF THIS SECTION, THE BOARD OF SUPERVISORS SHALL ADOPT A  
40 RESOLUTION ORDERING THE ESTABLISHMENT OF THE DISTRICT.

41           D. IF THE PETITION CONTAINS THE VALID SIGNATURES OF AT LEAST TEN PER  
42 CENT BUT FEWER THAN TWO-THIRDS OF THE QUALIFIED ELECTORS RESIDING IN THE  
43 PROPOSED DISTRICT AND IF THE BOARD OF SUPERVISORS IS SATISFIED THAT THE  
44 PETITION OTHERWISE MEETS THE REQUIREMENTS OF THIS SECTION, THE BOARD OF  
45 SUPERVISORS SHALL ORDER AND CALL AN ELECTION IN THE PROPOSED DISTRICT ON THE

1 FIRST DATE PRESCRIBED BY SECTION 16-204 OCCURRING AT LEAST SIXTY BUT NOT MORE  
2 THAN ONE HUNDRED EIGHTY DAYS AFTER THE PETITION IS FILED WITH THE CLERK OF  
3 THE BOARD OF SUPERVISORS, EXCEPT THAT AN ELECTION SHALL NOT BE HELD WITHIN  
4 TWELVE MONTHS AFTER A PREVIOUS ELECTION FOR THE FORMATION OF A DISTRICT IN  
5 SUBSTANTIALLY THE SAME TERRITORY. ONLY QUALIFIED ELECTORS IN THE PROPOSED  
6 DISTRICT MAY VOTE ON THE ISSUE. IF A MAJORITY OF THE ELECTORS VOTING ON THE  
7 ISSUE APPROVE THE DISTRICT, THE BOARD OF SUPERVISORS SHALL ADOPT A RESOLUTION  
8 ORDERING THE ESTABLISHMENT OF THE DISTRICT.

9 E. AN ORDER ESTABLISHING THE DISTRICT SHALL DESIGNATE ITS BOUNDARIES  
10 AS GENERALLY DESCRIBED IN THE PETITION. THE DISTRICT SHALL NOT INITIALLY  
11 EXCEED ONE THOUSAND FIVE HUNDRED ACRES IN SIZE. THE DISTRICT SHALL BE  
12 CONTIGUOUS, COMPACT AND URBANIZED IN NATURE, INCLUDING AT LEAST FOUR HUNDRED  
13 RESIDENTS, AND SHALL NOT INCLUDE LARGE AREAS OF UNINHABITED, RURAL OR  
14 FEDERALLY-OWNED LANDS AS A PERCENTAGE OF THE TOTAL ACREAGE OF THE DISTRICT.

15 F. THE BOARD OF SUPERVISORS SHALL APPOINT FIVE QUALIFIED ELECTORS TO  
16 SERVE AS THE INITIAL DISTRICT BOARD OF DIRECTORS. THE INITIAL BOARD OF  
17 DIRECTORS SHALL SERVE UNTIL ELECTIVE MEMBERS ARE ELECTED AT THE NEXT ELECTION  
18 HELD FOR COUNTY OFFICERS. ELECTIVE MEMBERS SERVE FOUR-YEAR TERMS OF OFFICE.  
19 MEMBERS OF THE BOARD MUST RESIDE IN THE DISTRICT. IF A MEMBER MOVES FROM THE  
20 DISTRICT FOR MORE THAN NINETY CONSECUTIVE DAYS, THE POSITION BECOMES VACANT.  
21 IF A VACANCY OCCURS FOR ANY REASON, THE BOARD OF SUPERVISORS SHALL APPOINT A  
22 REPLACEMENT MEMBER TO SERVE THE REMAINDER OF THE TERM. A DIRECTOR SHALL NOT  
23 HOLD ANY OTHER ELECTIVE OFFICE. THE MEMBERS OF THE BOARD OF DIRECTORS ARE  
24 NOT ELIGIBLE TO RECEIVE COMPENSATION FOR THEIR SERVICES.

25 G. THE BOARD OF DIRECTORS SHALL FILE AND RECORD WITH THE COUNTY  
26 RECORDER THE ORDER ESTABLISHING THE DISTRICT AND THE GENERAL PLAN OF THE  
27 DISTRICT.

28 H. THE ESTABLISHMENT OF A DISTRICT UNDER THIS CHAPTER DOES NOT  
29 PREVENT:

30 1. THE SUBSEQUENT ESTABLISHMENT OF:

31 (a) AN INCORPORATED CITY OR TOWN THAT INCLUDES ALL OR PART OF THE  
32 DISTRICT.

33 (b) ANOTHER SPECIAL TAXING DISTRICT UNDER THIS TITLE WITH SIMILAR  
34 OPERATIONAL PURPOSES.

35 2. THE COUNTY OR A SUBSEQUENT CITY OR TOWN FROM EXERCISING ITS POWERS  
36 ON THE SAME BASIS AS OTHER COUNTIES, CITIES OR TOWNS WITHIN ITS  
37 JURISDICTIONAL LIMITS.

38 48-6903. Powers and duties

39 A. A DISTRICT ESTABLISHED UNDER THIS CHAPTER:

40 1. IS A POLITICAL SUBDIVISION OF THIS STATE AND HAS ALL THE RIGHTS,  
41 POWERS, PRIVILEGES AND IMMUNITIES GRANTED GENERALLY TO MUNICIPAL CORPORATIONS  
42 BY THE CONSTITUTION AND LAWS OF THIS STATE EXCEPT AS LIMITED, MODIFIED OR  
43 PROVIDED BY THIS CHAPTER.

44 2. HAS PERPETUAL SUCCESSION.

- 1           3. DOES NOT HAVE THE AUTHORITY TO:
- 2           (a) LEVY AD VALOREM TAXES, SPECIAL ASSESSMENTS OR DEVELOPMENT FEES.
- 3           (b) EXERCISE THE POWER OF EMINENT DOMAIN.
- 4           B. A DISTRICT ESTABLISHED UNDER THIS CHAPTER, THROUGH ITS BOARD OF
- 5 DIRECTORS, MAY:
- 6           1. CONTRACT AND ENTER INTO INTERGOVERNMENTAL AGREEMENTS PURSUANT TO
- 7 TITLE 11, CHAPTER 7, ARTICLE 3.
- 8           2. ADOPT AND CHANGE A SEAL.
- 9           3. SUE AND BE SUED.
- 10          4. REIMBURSE THE COUNTY FOR:
- 11          (a) PROVIDING ENHANCED COUNTY SERVICES IN THE DISTRICT. FOR THE
- 12 PURPOSES OF THIS SUBDIVISION, "ENHANCED COUNTY SERVICES" MEANS PUBLIC SERVICE
- 13 PROVIDED BY A COUNTY AT A HIGHER LEVEL OR TO A GREATER DEGREE WITHIN THE
- 14 DISTRICT THAN PROVIDED IN THE REMAINDER OF THE COUNTY.
- 15          (b) STAFF, CONSULTANT AND SUPPORT SERVICES AND FACILITIES SUPPLIED BY
- 16 THE COUNTY.
- 17          5. EMPLOY OFFICERS AND STAFF. OFFICERS AND EMPLOYEES OF THE DISTRICT
- 18 ARE CONSIDERED TO BE PUBLIC EMPLOYEES FOR PURPOSES OF TITLE 38.
- 19          6. CONTRACT FOR OR RETAIN CONSULTING, LEGAL, ACCOUNTING AND OTHER
- 20 OUTSIDE PROFESSIONAL SERVICES.
- 21          7. ACCEPT GIFTS OR GRANTS FOR ANY PUBLIC INFRASTRUCTURE OR PUBLIC
- 22 SERVICE PURPOSE.
- 23          8. PAY THE FINANCIAL, LEGAL AND ADMINISTRATIVE COSTS OF THE DISTRICT.
- 24          C. THE BOARD OF DIRECTORS SHALL:
- 25           1. APPOINT A CHAIRPERSON FROM AMONG ITS MEMBERS.
- 26           2. DESIGNATE A FISCAL AGENT TO DEPOSIT, HOLD, INVEST AND DISBURSE THE
- 27 DISTRICT'S MONIES.
- 28           3. ADOPT ADMINISTRATIVE RULES AS NECESSARY TO ADMINISTER AND OPERATE
- 29 THE DISTRICT.
- 30          48-6904. Public records; open meetings; conflicts of interest
- 31          A. THE DISTRICT SHALL MAINTAIN THE FOLLOWING RECORDS, WHICH ARE OPEN
- 32 TO PUBLIC INSPECTION:
- 33           1. MINUTES OF ALL MEETINGS OF THE BOARD OF DIRECTORS.
- 34           2. ALL RESOLUTIONS OF THE BOARD OF DIRECTORS.
- 35           3. ACCOUNTS OF ALL MONIES RECEIVED AND DISBURSED.
- 36           4. THE ANNUAL BUDGET.
- 37           5. ALL OTHER RECORDS THE DISTRICT IS REQUIRED TO MAINTAIN BY LAW.
- 38          B. THE BOARD OF DIRECTORS IS A PUBLIC BODY FOR THE PURPOSES OF TITLE
- 39 38, CHAPTER 3, ARTICLE 3.1, RELATING TO PUBLIC MEETINGS AND PROCEEDINGS.
- 40          C. THE DIRECTORS OF THE DISTRICT ARE SUBJECT TO TITLE 38, CHAPTER 3,
- 41 ARTICLE 8, RELATING TO CONFLICTS OF INTEREST, INCLUDING THE PENALTIES
- 42 PRESCRIBED BY SECTION 38-510. A MEMBER OF THE BOARD OF DIRECTORS SHALL NOT
- 43 HAVE ANY DIRECT OR INDIRECT FINANCIAL INTEREST IN ANY:
- 44           1. CONTRACT ENTERED INTO BY THE DISTRICT.

1           2. PRIVATE CORPORATION OR OTHER ENTITY WITH WHICH THE DISTRICT  
2 CONTRACTS.

3           48-6905. Change in district boundaries or general plan:  
4                                   hearings

5           A. AFTER A DISTRICT IS ESTABLISHED UNDER THIS CHAPTER, AN AREA MAY BE  
6 ADDED TO OR DELETED FROM THE DISTRICT ONLY FOLLOWING A HEARING AND ADOPTION  
7 OF A RESOLUTION BY THE BOARD OF DIRECTORS. THE BOARD OF DIRECTORS SHALL  
8 NOTIFY THE CLERK OF THE COUNTY BOARD OF SUPERVISORS AND THE DEPARTMENT OF  
9 REVENUE OF ANY CHANGE IN THE DISTRICT BOUNDARIES.

10          B. THE DISTRICT BOARD FOLLOWING A HEARING, MAY AMEND THE DISTRICT'S  
11 GENERAL PLAN IN ANY MANNER THAT IT DETERMINES WILL NOT SUBSTANTIALLY REDUCE  
12 THE BENEFITS TO BE RECEIVED FROM THE PUBLIC INFRASTRUCTURE ON COMPLETION OF  
13 THE WORK TO BE PERFORMED UNDER THE GENERAL PLAN.

14           48-6906. Public infrastructure projects; approval

15          A. THE DISTRICT MAY ENTER INTO CONTRACTS, INCLUDING INTERGOVERNMENTAL  
16 AGREEMENTS PURSUANT TO TITLE 11, CHAPTER 7, ARTICLE 3, WITH THE FOLLOWING  
17 ENTITIES FOR THE PURPOSE OF PROVIDING FUNDING FOR PUBLIC INFRASTRUCTURE OR  
18 PUBLIC SERVICES IN THE DISTRICT:

19           1. SCHOOL DISTRICTS, SANITARY DISTRICTS, FIRE DISTRICTS, HOSPITAL  
20 DISTRICTS, IMPROVEMENT DISTRICTS AND FLOOD CONTROL DISTRICTS IN WHICH THE  
21 NATIONAL PARK SUPPORT DISTRICT IS LOCATED.

22           2. PRIVATE WATER COMPANIES DELIVERING TO A SERVICE AREA IN THE  
23 NATIONAL PARK SUPPORT DISTRICT.

24           3. STATE AGENCIES OPERATING IN THE NATIONAL PARK SUPPORT DISTRICT.

25          B. AFTER SATISFYING ALL PUBLIC INFRASTRUCTURE COSTS PURSUANT TO ITS  
26 CONTRACTS AND AGREEMENTS, THE DISTRICT MAY PAY ANY SURPLUS REVENUE TO A  
27 SCHOOL DISTRICT OR SANITARY DISTRICT TO REDUCE ITS AD VALOREM PROPERTY TAX  
28 LEVY IN THE NEXT TAX YEAR.

29          C. THE DISTRICT MAY OWN PUBLIC INFRASTRUCTURE, AS PROVIDED BY  
30 INTERGOVERNMENTAL AGREEMENT, SUBJECT TO LIENS AND OTHER SECURITY INTERESTS OF  
31 RECORD.

32           48-6907. Feasibility study for proposed infrastructure

33          A. BEFORE FUNDING ANY PUBLIC INFRASTRUCTURE, THE BOARD OF DIRECTORS  
34 SHALL REQUIRE A STUDY OF THE FEASIBILITY AND BENEFITS OF THE PROJECT TO BE  
35 PREPARED BY QUALIFIED PERSONS, WHICH SHALL INCLUDE:

36           1. A DESCRIPTION OF THE PUBLIC INFRASTRUCTURE TO BE FUNDED AND ALL  
37 OTHER INFORMATION USEFUL TO UNDERSTAND THE PROJECT.

38           2. A MAP SHOWING, IN GENERAL, THE LOCATION OF THE PROJECT.

39           3. AN ESTIMATE OF THE COST TO CONSTRUCT, ACQUIRE, OPERATE AND MAINTAIN  
40 THE PROJECT.

41           4. AN ESTIMATED SCHEDULE FOR COMPLETION OF THE PROJECT.

42           5. A MAP OR DESCRIPTION OF THE AREA TO BE BENEFITED BY THE PROJECT.

43           6. A COMPREHENSIVE PLAN FOR FINANCING THE PROJECT, INCLUDING ONGOING  
44 COSTS OF MAINTENANCE AND OPERATION.

1 B. THE BOARD SHALL HOLD A PUBLIC HEARING ON THE REPORT. AFTER THE  
2 HEARING THE BOARD MAY REJECT, AMEND OR APPROVE THE REPORT. IF THE REPORT IS  
3 SUBSTANTIALLY AMENDED, A NEW HEARING MUST BE HELD BEFORE APPROVAL. IF THE  
4 REPORT IS APPROVED, THE DISTRICT BOARD SHALL ADOPT THE REPORT AS APPROVAL,  
5 IDENTIFYING THE PUBLIC INFRASTRUCTURE OF THE PROJECT, THE AREAS BENEFITED,  
6 THE EXPECTED METHOD OF FINANCING THE CONSTRUCTION AND METHOD OF FUNDING THE  
7 MAINTENANCE AND OPERATION OF THE PROJECT.

8 48-6908. Hearings

9 HEARINGS REQUIRED BY THIS CHAPTER SHALL BE HELD ON PUBLIC NOTICE BY  
10 POSTING ON THE DISTRICT'S OFFICIAL WEBSITE FOR AT LEAST THIRTY DAYS BEFORE  
11 THE DATE OF THE HEARING AND BY PUBLICATION AT LEAST THIRTY DAYS BEFORE THE  
12 DATE OF THE HEARING IN A NEWSPAPER OF GENERAL CIRCULATION IN THE DISTRICT, OR  
13 IF NO SUCH NEWSPAPER IS PUBLISHED, IN A NEWSPAPER OF GENERAL CIRCULATION IN  
14 THE COUNTY.

15 48-6909. Dissolution of district

16 A. THE BOARD OF DIRECTORS MAY DISSOLVE THE DISTRICT BY A RESOLUTION OF  
17 THE BOARD IF THE FOLLOWING CONDITIONS EXIST:

18 1. ALL OF THE ASSETS OF THE DISTRICT HAVE BEEN OR WILL BE CONVEYED TO  
19 THE COUNTY OR TO A MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED.

20 2. EITHER THE DISTRICT HAS NO OBLIGATIONS OR THE COUNTY OR A  
21 MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED HAS ASSUMED ALL OF THE  
22 DISTRICT'S OBLIGATIONS.

23 B. THE BOARD OF DIRECTORS SHALL COMPLY WITH THE CONDITIONS PRESCRIBED  
24 BY SUBSECTION A AND SHALL DISSOLVE THE DISTRICT IF BOTH OF THE FOLLOWING  
25 OCCUR:

26 1. THE COUNTY BOARD OF SUPERVISORS, OR THE GOVERNING BODY OF A  
27 MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED, HAS CONSENTED TO COMPLY WITH  
28 THE CONDITIONS PRESCRIBED BY SUBSECTION A AND EITHER:

29 (a) DISSOLUTION HAS BEEN APPROVED BY A VOTE OF THE QUALIFIED ELECTORS  
30 OF THE DISTRICT VOTING IN AN ELECTION CALLED FOR THAT PURPOSE. THE BOARD OF  
31 DIRECTORS MAY CALL SUCH AN ELECTION AND SHALL CALL SUCH AN ELECTION ON THE  
32 PETITION OF AT LEAST TEN PER CENT OF THE QUALIFIED ELECTORS OF THE DISTRICT.

33 (b) THE BOARD OF SUPERVISORS OR THE GOVERNING BODY OF THE  
34 MUNICIPALITY, DETERMINES THAT THE DISTRICT HAS BEEN INACTIVE FOR AT LEAST  
35 FIVE CONSECUTIVE YEARS AND HAS NO FUTURE PURPOSE.

36 2. THE BOARD OF DIRECTORS ADOPTS A RESOLUTION DISSOLVING THE DISTRICT  
37 AND RECORDS THE RESOLUTION IN THE OFFICE OF THE COUNTY RECORDER.

38 ARTICLE 2. FINANCIAL PROVISIONS

39 48-6931. Budget

40 A. ON OR BEFORE JUNE 15 OF EACH YEAR THE DISTRICT FISCAL AGENT SHALL  
41 PREPARE A PROPOSED BUDGET FOR THE FOLLOWING FISCAL YEAR TO BE SUBMITTED TO  
42 THE BOARD OF DIRECTORS FOR APPROVAL.

43 B. ON OR BEFORE JUNE 30 OF EACH YEAR THE BOARD OF DIRECTORS SHALL HOLD  
44 A PUBLIC HEARING TO ADOPT THE BUDGET.

45 C. THE BUDGET SHALL INCLUDE:

- 1           1. RECEIPTS DURING THE PAST FISCAL YEAR.
- 2           2. EXPENDITURES DURING THE PAST FISCAL YEAR.
- 3           3. A LIST OF CURRENT INTERGOVERNMENTAL AGREEMENTS UNDER WHICH THE
- 4 DISTRICT IS PROVIDING FUNDING FOR PUBLIC INFRASTRUCTURE PROJECTS.
- 5           4. ESTIMATES OF AMOUNTS NECESSARY FOR EXPENSES DURING THE FOLLOWING
- 6 FISCAL YEAR INCLUDING:
  - 7           (a) AMOUNTS PROPOSED FOR COSTS OF PLANNING, CONSTRUCTING, FINANCING,
  - 8 MAINTAINING, OPERATING AND MANAGING THE PUBLIC INFRASTRUCTURE FUNDED BY THE
  - 9 DISTRICT.
  - 10           (b) ADMINISTRATIVE COSTS OF THE DISTRICT.
- 11           5. ANTICIPATED REVENUE TO THE DISTRICT BY SOURCE IN THE FOLLOWING
- 12 FISCAL YEAR.
  - 13           6. A COMPLETE ASSET AND LIABILITY STATEMENT.
  - 14           7. CASH ON HAND AS OF THE DATE THE BUDGET IS ADOPTED AND THE
  - 15 ANTICIPATED BALANCE AT THE END OF THE CURRENT FISCAL YEAR.
  - 16           8. AN ITEMIZED STATEMENT OF COMMITMENTS, RESERVES AND ANTICIPATED
  - 17 OBLIGATIONS FOR THE FOLLOWING FISCAL YEAR.
- 18           D. THE BOARD MAY AMEND THE BUDGET ON A FINDING OF GOOD CAUSE.
- 19           48-6932. General fund; investments
- 20           A. THE BOARD OF DIRECTORS SHALL ESTABLISH A GENERAL FUND OF THE
- 21 DISTRICT TO BE ADMINISTERED BY THE DISTRICT'S FISCAL AGENT AND MAY ESTABLISH
- 22 ACCOUNTS AND SUBACCOUNTS WITHIN THE GENERAL FUND AS NECESSARY AND CONVENIENT.
- 23 ALL REVENUES AND MONIES RECEIVED BY THE DISTRICT SHALL BE DEPOSITED IN THE
- 24 GENERAL FUND.
  - 25           B. THE FISCAL AGENT MAY INVEST ANY UNEXPENDED MONIES IN THE FUND AS
  - 26 PROVIDED IN TITLE 35, CHAPTER 2. INTEREST AND OTHER INCOME FROM INVESTMENTS
  - 27 OF MONIES IN ANY ACCOUNT SHALL BE CREDITED TO THAT ACCOUNT EXCEPT AS
  - 28 OTHERWISE PROVIDED BY LAW.
  - 29           C. THE DISTRICT'S INVESTMENTS MUST MATURE WHEN THE FUND ASSETS WILL BE
  - 30 REQUIRED FOR THE PURPOSES OF THIS CHAPTER. IF THE LIQUID ASSETS IN THE FUND
  - 31 BECOME INSUFFICIENT TO MEET THE DISTRICT'S OBLIGATIONS, THE BOARD SHALL
  - 32 DIRECT THE FISCAL AGENT TO LIQUIDATE SUFFICIENT SECURITIES TO MEET ALL OF THE
  - 33 CURRENT OBLIGATIONS AND IMMEDIATELY NOTIFY THE AUDITOR GENERAL OF THE
  - 34 INSUFFICIENCY. THE AUDITOR GENERAL SHALL INVESTIGATE AND AUDIT THE
  - 35 CIRCUMSTANCES SURROUNDING THE DEPLETION OF THE FUND AND REPORT THE FINDINGS
  - 36 TO THE BOARD.
- 37           48-6933. Excise tax; administration
- 38           A. THE DISTRICT MAY LEVY AN EXCISE TAX ON BUSINESS ACTIVITY IN THE
- 39 DISTRICT THAT IS SUBJECT TO TAXATION UNDER TITLE 42, CHAPTER 5. THE TAX
- 40 SHALL BE LEVIED AT A RATE OF NO MORE THAN FIVE PER CENT OF THE GROSS PROCEEDS
- 41 OF SALES OR GROSS INCOME DERIVED FROM THE BUSINESS. IF LEVIED, THE TAX SHALL
- 42 BEGIN ON JANUARY 1 OR JULY 1, WHICHEVER DATE FIRST OCCURS AT LEAST THREE
- 43 MONTHS AFTER THE BOARD OF DIRECTORS ADOPTS THE RESOLUTION APPROVING THE TAX
- 44 LEVY.

1 B. A TAX IMPOSED PURSUANT TO THIS SECTION IS IN ADDITION TO  
2 TRANSACTION PRIVILEGE AND USE TAXES IMPOSED BY THIS STATE PURSUANT TO TITLE  
3 42, CHAPTER 5 AND ANY COUNTY OR OTHER LOCAL TRANSACTION PRIVILEGE TAX.

4 C. UNLESS THE CONTEXT OTHERWISE REQUIRES, SECTION 42-6102 GOVERNS THE  
5 ADMINISTRATION OF THE TAX IMPOSED UNDER THIS SECTION.

6 D. EACH MONTH THE STATE TREASURER SHALL REMIT TO THE DISTRICT THE NET  
7 REVENUES COLLECTED UNDER THIS SECTION DURING THE PRECEDING MONTH. THE  
8 DISTRICT SHALL DEPOSIT THE MONIES IN THE DISTRICT'S GENERAL FUND.

9 48-6934. Reimbursement for county services

10 THE ACTUAL COSTS OF SERVICES PROVIDED BY THE COUNTY TO THE DISTRICT ARE  
11 SUBJECT TO REIMBURSEMENT PURSUANT TO SECTION 11-251.06. THE COUNTY SHALL  
12 PUBLISH THE PROPOSED REIMBURSEMENT ASSESSMENTS FOR THE FOLLOWING FISCAL YEAR  
13 BY JUNE 1 OF THE PRECEDING YEAR.

14 48-6935. Audit

15 A. THE BOARD OF DIRECTORS SHALL CAUSE AN ANNUAL AUDIT TO BE CONDUCTED  
16 OF THE DISTRICT'S GENERAL FUND AND THE ACCOUNTS AND SUBACCOUNTS IN THE  
17 GENERAL FUND BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT WITHIN ONE HUNDRED  
18 TWENTY DAYS AFTER THE END OF THE FISCAL YEAR.

19 B. THE BOARD SHALL IMMEDIATELY FILE A CERTIFIED COPY OF THE AUDIT WITH  
20 THE AUDITOR GENERAL. THE AUDITOR GENERAL MAY MAKE SUCH FURTHER AUDITS AND  
21 EXAMINATIONS AS NECESSARY AND MAY TAKE APPROPRIATE ACTION RELATING TO THE  
22 AUDIT OR EXAMINATION PURSUANT TO TITLE 41, CHAPTER 7, ARTICLE 10.1. IF THE  
23 AUDITOR GENERAL TAKES NO FURTHER ACTION WITHIN THIRTY DAYS AFTER THE AUDIT IS  
24 FILED, THE AUDIT IS CONSIDERED TO BE SUFFICIENT.

25 C. THE BOARD SHALL PAY NEGOTIATED AND APPROVED FEES AND COSTS OF THE  
26 CERTIFIED PUBLIC ACCOUNTANT AND AUDITOR GENERAL UNDER THIS SECTION.

27 Sec. 4. Retroactivity

28 Section 9-101, Arizona Revised Statutes, as amended by this act,  
29 applies retroactively to from and after December 31, 2008.