

Conference Engrossed

State of Arizona  
Senate  
Forty-fifth Legislature  
First Regular Session  
2001

CHAPTER 366

# SENATE BILL 1327

AN ACT

AMENDING SECTIONS 48-616, 48-617, 48-960 AND 48-961, ARIZONA REVISED  
STATUTES; RELATING TO IMPROVEMENT DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 48-616, Arizona Revised Statutes, is amended to  
3 read:

4 48-616. Improvement districts for purchasing energy for  
5 lighting public streets and parks

6 A. In addition to the purposes for which an improvement district may  
7 be formed under the provisions of section 48-572, an improvement district may  
8 be formed for the sole purpose of purchasing electricity AND NOT GENERATING  
9 ENERGY for the lighting of the public streets and parks of the improvement  
10 district.

11 B. Subject to the limitations contained in this section, the powers  
12 and duties of the governing body of a municipality shall be as provided in  
13 this article for other types of improvement districts.

14 C. The governing body shall make annual statements and estimates of  
15 the expenses of the district which shall be provided for by the levy and  
16 collection of ad valorem taxes upon the assessed value of all the property  
17 real and personal in the district, publish notice thereof, having hearings  
18 thereon and adopt them at the times and in the manner provided for  
19 incorporated cities and towns' statements and estimates by applicable  
20 portions of title 42, chapter 17, article 3, and the governing body, on or  
21 before the third Monday in August each year, shall fix, levy and assess the  
22 amount to be raised by ad valorem taxes upon all of the property of the  
23 district and collect as county taxes are collected the amounts shown by the  
24 statements and estimates as adopted by the governing body. All statutes  
25 providing for the levy and collection of general county taxes, including  
26 collection of delinquent taxes and sale of property for nonpayment of taxes,  
27 are applicable to the district taxes as provided to be levied by this  
28 section.

29 D. An improvement district formed under the provisions of this section  
30 shall not be authorized to issue bonds, and no assessment for district  
31 purposes against the property within such district shall exceed one dollar  
32 twenty cents per one hundred dollars of assessed valuation thereof in any  
33 year.

34 E. No such district is authorized to engage in any activity other than  
35 contracting for and purchasing of electricity ENERGY for street and public  
36 park lighting.

37 F. In the event the municipality is willing to participate in the  
38 costs of the lighting of streets in such improvement districts, the governing  
39 body may by resolution summarily order such participation. If the  
40 municipality is willing to assume the total cost of such lighting, the  
41 council may summarily dissolve the district by resolution after payment of  
42 all liabilities.

43 G. The formation of an improvement district for street and public park  
44 lighting under the provisions of this section shall not prevent the  
45 subsequent establishment of improvement districts for other purposes.

1 including improvement districts for the purpose of constructing street  
2 lighting facilities within any part or all of the same territory.

3 H. In the event an improvement district is formed which includes the  
4 construction and operation of street lighting facilities within all or any  
5 part of the territory of a district formed under this section, the governing  
6 body may by resolution summarily delete from the district formed under this  
7 section any area covered by a subsequently formed district and form a new  
8 district from the balance of the original district formed under this section.

9 I. The rate to be paid for the purchase of ~~electricity~~ ENERGY may  
10 include a charge for electric power, NATURAL GAS and OTHER FORMS OF energy  
11 and a charge for the use of lighting facilities if the established rate of  
12 the public service corporation or public agency imposes such a charge for the  
13 type of lighting facilities which the governing body determines shall be  
14 installed in accordance with section 48-617, subsection C.

15 Sec. 2. Section 48-617, Arizona Revised Statutes, is amended to read:

16 48-617. Special provisions relating to improvement districts  
17 for purchasing energy for lighting public streets or  
18 parks

19 A. If a petition for the formation of an improvement district to  
20 purchase ~~electricity~~ AND NOT GENERATE ENERGY for street or public park  
21 lighting is presented to the governing body, which purports to be signed by  
22 all of the real property owners in the proposed district, exclusive of  
23 mortgagees and other lienholders, the governing body, after verifying such  
24 ownership and making a finding of such fact, shall adopt a resolution of  
25 intention to order the proposed improvement pursuant to the provisions of  
26 section 48-576 and shall have immediate jurisdiction to adopt the resolution  
27 ordering the improvement, pursuant to the provisions of section 48-581,  
28 without the necessity of publication and posting of the resolution of  
29 intention provided for in section 48-578.

30 B. If a petition for the formation of an improvement district to  
31 purchase ~~electricity~~ ENERGY for street or public park lighting is presented  
32 to the governing body signed by a majority of the real property owners in the  
33 proposed district, the governing body shall adopt a resolution of intention  
34 to order the proposed improvement and cause same to be published and posted  
35 pursuant to the provisions of section 48-578, and unless protests received  
36 pursuant to section 48-579 are sufficient to bar further proceedings, the  
37 governing body shall thereafter proceed with the improvements so petitioned.

38 C. At the time of the adoption of the resolution of intention pursuant  
39 to the provisions of section 48-576, the governing body shall determine the  
40 type of lighting facilities to be installed and consider the rate to be paid  
41 for purchasing the ~~electricity~~ ENERGY for the proposed district.

1           Sec. 3. Section 48-960, Arizona Revised Statutes, is amended to read:  
2           48-960. Improvement districts for purchasing energy for  
3                     lighting public streets and parks

4           A. In addition to the purposes for which an improvement district may  
5 be formed under the provisions of section 48-909, an improvement district may  
6 be formed for the sole purpose of purchasing electricity AND NOT GENERATING  
7 ENERGY for the lighting of the public streets and parks of the improvement  
8 district.

9           B. Subject to the limitations contained in this section, the powers  
10 and duties of the board of directors of such district and those of the board  
11 of supervisors shall be as provided in this article for other types of  
12 improvement districts.

13           C. The board of directors shall furnish annual estimates of the  
14 expenses of the district. The expenses shall be paid by a tax on the  
15 property of the district pursuant to sections 48-952, 48-954 and 48-955. The  
16 tax shall be levied on the assessed valuation of all property in the district  
17 unless a majority of the real property owners in a new or existing district  
18 petitions the board of directors to apportion the tax among the lots in the  
19 district according to the area in square feet of each lot. The petition for  
20 the formation of the district may contain a provision for assessment based  
21 on square footage. In either event, if the petition is signed by the  
22 required number of owners of real property in the district, all subsequent  
23 taxes of the district shall be assessed and levied according to the area in  
24 square feet of each lot in the district.

25           D. An improvement district formed under the provisions of this section  
26 shall not be authorized to issue bonds, and no assessment for district  
27 purposes against the property within such district shall exceed the minimum  
28 rate per one hundred dollars of taxable valuation that is necessary to pay  
29 the full cost of purchasing electricity ENERGY in the district in any year  
30 if the tax is levied on the basis of assessed valuation.

31           E. No such district is authorized to engage in any activity other than  
32 contracting for and purchasing electricity ENERGY for street and public park  
33 lighting.

34           F. In the event the entire area comprising an improvement district for  
35 street lighting becomes annexed to any city or town and the city or town is  
36 willing to continue the lighting of streets in the area so annexed, the board  
37 of directors may by resolution summarily dissolve the street lighting  
38 district.

39           G. In the event only a part of the district becomes annexed to any  
40 city or town and the city or town is willing to continue the lighting of  
41 streets in the area so annexed, the board of directors may by resolution  
42 summarily delete from the district the area so annexed and reconstitute the  
43 district from the balance of the original improvement district for street  
44 lighting.

1 H. The formation of an improvement district for street and public park  
2 lighting under the provisions of this section shall not prevent the  
3 subsequent establishment of improvement districts for other purposes  
4 including improvement districts for the purpose of constructing street  
5 lighting facilities within any part or all of the same territory.

6 I. In the event an improvement district is formed which includes the  
7 construction and operation of street lighting facilities within all or any  
8 part of the territory of a district formed under this section, the board of  
9 directors may by resolution summarily delete from the district formed under  
10 this section any area covered by a subsequently formed district and form a  
11 new district from the balance of the original district formed under this  
12 section.

13 J. The rate to be paid for the purchase of electricity ENERGY may  
14 include a charge for electric power, NATURAL GAS and OTHER FORMS OF energy  
15 and a charge for the use of lighting facilities if the established rate of  
16 the public service corporation or public agency imposes such a charge for the  
17 type of lighting facilities which the governing body determines shall be  
18 installed in accordance with section 48-961, subsection C.

19 Sec. 4. Section 48-961, Arizona Revised Statutes, is amended to read:

20 48-961. Special provisions relating to improvement districts  
21 for purchasing energy for lighting public streets or  
22 parks

23 A. If a petition for the formation of an improvement district to  
24 purchase electricity ENERGY for street or public park lighting under section  
25 48-960 is presented to the board of supervisors, which purports to be signed  
26 by all of the real property owners in the proposed district, the board, after  
27 verifying such ownership and making a finding of such fact, forthwith may  
28 hold the hearing prescribed by section 48-906 without the notices prescribed  
29 by section 48-905.

30 B. If a petition for the formation of an improvement district to  
31 purchase electricity ENERGY for street or public park lighting under section  
32 48-960 is presented to the board of supervisors signed by a majority of the  
33 real property owners in the proposed district, the board shall give the  
34 notice of hearing prescribed by section 48-905 and shall hold a hearing  
35 thereafter as prescribed by section 48-906, with proof of actual notice, by  
36 registered CERTIFIED mail, RETURN RECEIPT REQUESTED, or personal service,  
37 received ten days prior to such hearing by all real property owners in the  
38 proposed district who did not sign such petition.

39 C. In the hearing prescribed by section 48-906 the board of  
40 supervisors, in addition to the provisions of section 48-906, shall determine  
41 the type of lighting facilities to be installed and shall consider the rate  
42 to be paid for purchasing the electricity ENERGY for the proposed district.

43 D. Improvement districts for street or public park lighting formed  
44 under the provisions of this section and section 48-960 shall be exempt from  
45 the provisions of sections 48-912 through 48-917.

~~APPROVED BY THE GOVERNOR MAY 7, 2001.~~

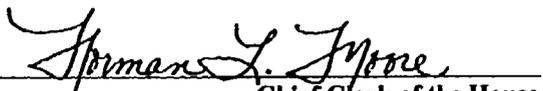
~~FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 8, 2001.~~

Passed the House April 12, 2001

by the following vote: 57 Ayes,

0 Nays, 3 Not Voting

  
Speaker of the House

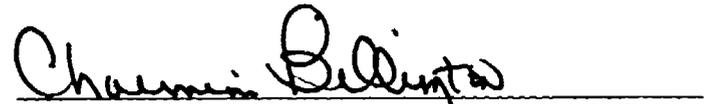
  
Chief Clerk of the House

Passed the Senate March 14, 2001

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

  
President of the Senate

  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

~~\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Secretary to the Governor~~

Approved this \_\_\_\_\_ day of

~~\_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Governor of Arizona~~

S.B. 1327

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

~~this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Secretary of State~~

HOUSE FINAL PASSAGE  
as per Joint Conference

Passed the House May 02, 2001,  
by the following vote: 53 Ayes,

0 Nays, 7 Not Voting

Jake Flaka  
Speaker of the House  
Pro Tempore

Norman L. Moore  
Chief Clerk of the House

SENATE FINAL PASSAGE  
as per Joint Conference

Passed the Senate May 1, 2001,  
by the following vote: 28 Ayes,

0 Nays, 2 Not Voting

Randall Smith  
President of the Senate

Charmine Bellington  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor

this 2 day of May, 2001,

at 2:25 o'clock P M.

Jane Chamisey  
Secretary to the Governor

Approved this 7 day of

May, 2001,

at 3:34 o'clock P M.

Janice K. Hull  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 8 day of May, 2001,

at 2:35 o'clock P M.

Patricia Taylor  
Secretary of State

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