

Senate Engrossed

State of Arizona
Senate
Forty-fifth Legislature
Second Regular Session
2002

CHAPTER 209

SENATE BILL 1423

AN ACT

AMENDING SECTIONS 48-589, 48-601, 48-606, 48-721, 48-940.01, 48-944, 48-2057, 48-2069 AND 48-2074, ARIZONA REVISED STATUTES; RELATING TO SPECIAL TAXING DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)



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

2 Section 1. Section 48-589, Arizona Revised Statutes, is amended to
3 read:

4 48-589. Diagrams of property affected; estimate of benefits;
5 assessment; warrant

6 A. The engineer shall make duplicate diagrams of the property fronting
7 upon the proposed work or improvement, or contained within the assessment
8 district when the expenses of the proposed improvement are to be assessed
9 upon a district. The diagrams shall show each separate lot, numbered
10 consecutively, the approximate area in square feet of each lot, and the
11 location of the lot in relation to the work proposed to be done.

12 B. When the diagrams have been approved by the governing body, and the
13 clerk has certified that fact and the date thereof, the diagrams shall be
14 delivered to the superintendent of streets.

15 C. At any time after bids have been received for the construction of
16 the work or the municipality has entered into a contract to purchase an
17 existing facility, the superintendent shall estimate on the lots fronting on
18 the work when no district has been established, or, when a district has been
19 established, upon each of the lots within the district, the benefits arising,
20 or expected to arise, from the work. The superintendent shall thereupon make
21 an assessment to cover the sum due for the work performed and specified in
22 the bid of the person to whom the contract was awarded, including incidental
23 expenses, and shall assess upon and against the lots the total amount of the
24 costs and expenses of the work. In so doing the superintendent shall assess
25 the total sum upon the several lots, each respectively in proportion to the
26 benefits to be received by each lot.

27 D. When the work has not been declared by the resolution of intention
28 to be of more than local or ordinary public benefit, and has not been made
29 assessable upon a district, the lots liable to be assessed for the
30 improvement shall be those fronting upon the street or streets improved, and
31 those situated in the quarter blocks and irregular blocks adjoining and
32 cornering upon the crossings, or where there is a termination in the two
33 quarter blocks adjoining and cornering thereon, halfway to the next main
34 street crossing and all the way to a boundary line of the municipality when
35 no cross street intervenes.

36 E. The assessment shall cover the sum due for the work performed or
37 to be performed as specified in the bid of the person to whom the contract
38 may be awarded, and shall also include incidental expenses. The incidental
39 expenses shall include the compensation of the city or town engineer for work
40 done by him, the cost of printing, advertising and posting, the compensation
41 of the person appointed by the superintendent to take charge of and
42 superintend the work of constructing the improvements and the expenses of
43 making the assessment, interest on the bonds for a period not longer than the
44 expected period of construction and six months beyond and all legal and
45 financial fees, expenses and costs incurred in drafting the proceedings and

1 in the sale of the bonds. The amount of incidental expenses shall be settled
2 and allowed by the superintendent upon verified itemized bills.

3 F. The assessment shall briefly refer to the award of the contract or
4 to the contract if it has then been executed and shall name the person to
5 whom the contract has been awarded and such person's surety, and the amount
6 to be paid therefor as stated in the winning bid or as finally computed by
7 the engineer, if the assessment is not made until the work is completed,
8 together with the incidental expenses, the amount of each assessment, the
9 name of the owner of each lot, if known, and if unknown the word "unknown"
10 shall be written opposite the number of the assessment, together with the
11 amount assessed thereon. The superintendent of streets shall list the names
12 of owners as shown on the most recently certified property tax assessment
13 roll and any other person of whom the superintendent has personal knowledge
14 that such other person may be the owner of the respective lot. The
15 assessments upon the lots assessed shall be consecutively numbered, and the
16 diagram shall be numbered to correspond with the numbers of the assessments.

17 G. There shall be attached to the assessment a warrant signed by the
18 superintendent and countersigned by the mayor, which shall be substantially
19 in the following form: "By virtue hereof, I (name of superintendent of
20 streets), of the (name of municipality and county), and state of Arizona, by
21 virtue of the authority vested in me as said superintendent of streets, do
22 authorize and empower (name of contractor or the municipality, if the
23 municipality elects to sell the bonds instead of delivering the bonds to the
24 contractor), or the contractor's agents or assigns, to demand and receive the
25 several assessments upon the assessment hereto attached, and this shall be
26 the contractor's warrant for the same."

27 H. The warrant and assessment shall be recorded in the office of the
28 superintendent not earlier than the date of execution of the construction
29 contract and one diagram shall be there filed. When so recorded, the several
30 amounts assessed shall be a FIRST lien upon ON the lots assessed SUBJECT ONLY
31 TO THE LIEN FOR GENERAL PROPERTY TAXES AND PRIOR SPECIAL ASSESSMENTS for a
32 period terminating on the date the assessment against the respective lot is
33 paid in full, and such recording shall be notice to all persons interested
34 of the contents of the record.

35 Sec. 2. Section 48-601, Arizona Revised Statutes, is amended to read:

36 48-601. List of delinquent installments; publication of notice;
37 sale of delinquent property

38 A. The superintendent shall, within twenty days from the date of the
39 delinquency, begin the publication of the list of the assessments on which
40 any installment is delinquent. The list shall contain a description of each
41 parcel of property, and opposite each description the name of the owner as
42 stated in the assessment, or, if no name is stated in the assessment, the
43 word "unknown," and the amount of the installment delinquent, together with
44 penalty and costs due, including the cost of advertising.

1 B. The superintendent shall append to and publish with the list, a
2 notice that unless each delinquent installment, together with the penalty and
3 costs thereon, is paid, the whole amount of the assessment will be declared
4 due by him, and the property upon which the assessment is a lien will be sold
5 at public auction at a time and place to be specified in the notice. The
6 publication shall be published and circulated in the municipality for a
7 period of ten days in a daily newspaper, or for two weeks in a weekly
8 newspaper so published and circulated. If published in a daily newspaper,
9 publication shall be made in two issues of the paper, and eight days shall
10 intervene between the first and the last publication.

11 C. BEFORE THE DATE FIXED FOR THE SALE OR BEFORE THE DATE TO WHICH THE
12 SALE HAS BEEN POSTPONED, THE SUPERINTENDENT SHALL OBTAIN A RECORD SEARCH THAT
13 SHOWS THE NAMES AND ADDRESSES OF RECORD OF ALL LIEN CLAIMANTS ON, AND OTHER
14 PERSONS WITH AN INTEREST IN, ALL LOTS OR PARCELS ON WHICH AN INSTALLMENT OF
15 THE ASSESSMENT IS DELINQUENT. THE COST OF A RECORD SEARCH MAY BE ADDED TO
16 THE ASSESSMENT AND IS DEEMED TO BE A PORTION OF THE DELINQUENT INSTALLMENT.

17 D. AT LEAST TEN DAYS BEFORE THE SALE DATE OR THE DATE TO WHICH THE
18 SALE HAS BEEN POSTPONED, THE SUPERINTENDENT SHALL SERVE BY FIRST CLASS MAIL
19 A NOTICE OF THE DATE AND PLACE OF THE SALE OR POSTPONED SALE TO THE OWNER AND
20 TO EACH OF THE LIEN CLAIMANTS AND OTHER PERSONS WITH AN INTEREST AS SHOWN BY
21 THE SEARCH OF RECORDS. THE NOTICE SHALL STATE THE DATE OF THE SALE, THE
22 AMOUNT OF THE DELINQUENT INSTALLMENTS INCLUDING PENALTIES, COSTS OF
23 ADVERTISEMENT AND COSTS OF THE RECORD SEARCH, SHALL STATE EITHER THAT THE
24 WHOLE AMOUNT OF THE ASSESSMENT AND COSTS AND PENALTIES OR, IF THE
25 MUNICIPALITY HAS PROVIDED FOR THE SALE OF THE AMOUNT OF THE DELINQUENT
26 ASSESSMENT, THAT THE AMOUNT THEN DELINQUENT AND COSTS AND PENALTIES ARE DUE
27 AT THE TIME OF THE SALE AND SHALL STATE THAT, UNLESS REDEEMED WITHIN THE TIME
28 ALLOWED BY LAW, A SUPERINTENDENT'S DEED WILL BE DELIVERED TO THE PURCHASER
29 AND THE SUPERINTENDENT'S DEED SHALL CONVEY TITLE TO THE LANDS DESCRIBED
30 THEREIN FREE AND CLEAR OF ALL INTERESTS AND LIENS, EXCEPT FOR THE LIEN FOR
31 GENERAL PROPERTY TAXES AND PRIOR SPECIAL ASSESSMENTS.

32 E. A FINAL SALE MAY NOT BE HELD UNLESS THE SUPERINTENDENT HAS PROVIDED
33 NOTICE BY MAIL AS PRESCRIBED BY THIS SECTION TO ALL LIEN CLAIMANTS DISCOVERED
34 IN THE SEARCH OF RECORDS. THE MAILING MAY OCCUR EITHER BEFORE THE DATE
35 ORIGINALLY SET FOR THE SALE OR BEFORE THE DATE OF ANY POSTPONED SALE, AND
36 ONLY ONE MAILING AND ONE RECORD SEARCH IS REQUIRED.

37 F. The time of sale shall not be less than five days nor ~~more than~~
38 ~~ten days~~ after the last publication, and the place of sale shall be in or in
39 front of the office of the superintendent, or in or in front of the usual
40 place of meeting of the governing body of the municipality. THE SALE MAY BE
41 POSTPONED.



1 Sec. 3. Section 48-606, Arizona Revised Statutes, is amended to read:
2 48-606. Deed to purchaser; notice to owner; redemption after
3 notice; effect of deed

4 A. After the expiration of twelve months from the date of sale, the
5 superintendent shall execute to the purchaser, or his assignee, on his
6 application, if he has fully complied with this section, a deed to the
7 property sold in which shall be recited substantially the matters contained
8 in the certificate, any assignment thereof, and that no person has redeemed
9 the property. The superintendent shall receive from the applicant for a
10 deed, one dollar for making the deed, unless the municipality is the
11 purchaser.

12 B. The purchaser shall, at least thirty days before he applies for a
13 deed, serve upon BY FIRST CLASS MAIL TO the owner, ALL LIEN CLAIMANTS OF
14 RECORD, ALL PERSONS OF RECORD WITH AN INTEREST IN THE PROPERTY and, if
15 occupied, upon the occupant of the property, a written notice that the
16 property, giving the description, has been sold for a delinquent assessment,
17 specifying the improvement for which the assessment was made, the amount for
18 which it was sold, the amount necessary to redeem at the time of giving
19 notice, and the time when the purchaser or assignee will apply to the
20 superintendent for a deed AND THAT, ON ISSUANCE OF THE DEED, ALL INTEREST IN
21 THE PROPERTY, WHETHER OF RECORD BEFORE OR AFTER THE ASSESSMENT LIEN, WILL BE
22 EXTINGUISHED, EXCEPT FOR THE LIEN FOR GENERAL PROPERTY TAXES AND PRIOR
23 SPECIAL ASSESSMENTS. If the owner cannot be found after due diligence, the
24 notice shall be posted in a conspicuous place upon the property at least
25 thirty days before the time stated therein of the application for a deed.

26 C. The applicant shall file with the superintendent an affidavit
27 showing that notice of the application has been given, and if the notice ~~was~~
28 ~~not served on the owner~~ COULD NOT BE FOUND personally, that due diligence was
29 used to find the owner. If redemption of the property is made after the
30 affidavit is filed, and more than eleven months from the date of sale, the
31 person making redemption shall pay, in addition, for payment to the
32 purchaser, three dollars for the service of notice and the making of the
33 affidavit.

34 D. The deed of the superintendent shall be prima facie evidence of the
35 truth of all matters recited therein, and of the regularity of all
36 proceedings prior to the execution thereof, and of title in the grantee. THE
37 DEED OF THE SUPERINTENDENT SHALL CONVEY TO THE PURCHASER FEE TITLE TO THE
38 LANDS DESCRIBED THEREIN, FREE AND CLEAR OF ALL INTERESTS, LIENS, CLAIMS AND
39 ENCUMBRANCES WHETHER OF RECORD BEFORE OR AFTER THE ASSESSMENT LIEN, EXCEPT
40 FOR THE LIEN FOR GENERAL PROPERTY TAXES AND PRIOR SPECIAL ASSESSMENTS.

41 Sec. 4. Section 48-721, Arizona Revised Statutes, is amended to read:
42 48-721. Special assessments; assessment lien bonds

43 A. The district board, by resolution and pursuant to the procedures
44 prescribed by sections 48-576 through 48-589, as nearly as practicable, or
45 such other procedures as the district board provides, may levy an assessment

1 of the costs of any public infrastructure purpose, any operation and
2 maintenance of public infrastructure or any enhanced municipal services on
3 any land in the district based on the benefit determined by the district
4 board to be received by the land. Prior to the issuance of special
5 assessment bonds the district may enter into a written agreement with a
6 landowner as to the manner in which the assessment is to be allocated if the
7 land is to be divided into more than one parcel. If an issue of special
8 assessment lien bonds finances more than one purpose or service, the benefit
9 received by the land, in the discretion of the district, may be determined
10 by reference to the purposes and services as a whole or individually. The
11 assessment may be based on estimated costs and amended to reflect actual
12 costs, and the preparation of plans and specifications and the awarding of
13 the contract are not a prerequisite to the levying of the assessment. An
14 owner of land on which an assessment has been levied may seek judicial review
15 of whether the land is benefited by the proposed infrastructure, on the
16 merits, by special action filed with the court of appeals pursuant to the
17 procedures of section 48-706, within thirty days of the effective date of the
18 resolution.

19 B. After adoption by the district board of a resolution levying a
20 special assessment on property in the district pursuant to section 48-709,
21 subsection A, paragraph 11 the district board may issue and sell special
22 assessment lien bonds payable from amounts collected from the special
23 assessments, from amounts available from time to time in any reserve fund
24 established for those bonds and from any other amounts available for those
25 purposes as prescribed by section 48-717. The district board may also issue
26 and sell bond anticipation notes pursuant to the procedures prescribed in
27 section 48-2081 or with procedures as similar to those as is practicable. The
28 assessment shall be a first lien on the property assessed subject only to
29 general property taxes and prior special assessments. In the event of
30 nonpayment of an assessment, the procedures for collection of delinquent
31 assessments, and sale of delinquent property AND ISSUANCE AND EFFECT OF
32 SUPERINTENDENT'S DEED prescribed by sections 48-601 through 48-607 apply, as
33 nearly as practicable, except that neither the district nor the municipality
34 is required to purchase the delinquent land at the sale if there is no other
35 purchaser. If the landowner owns more than one parcel in the district, the
36 district board may provide procedures for the collection and enforcement of
37 assessments as the board deems appropriate by contract with a landowner to
38 permit the sale of any or all of the landowner's parcels in the district if
39 the landowner becomes delinquent as to any parcel that the landowner owns in
40 the district.

41 C. On adoption of the resolution, but before issuance of the special
42 assessment lien bonds, the district may direct the treasurer to make demand
43 on the owners of the property so assessed, as shown on the property tax roll,
44 for advance payment of the amount assessed. The demand shall state a date
45 not less than twenty days after the date of adoption of the ordinance after

1 which the treasurer may refuse to accept advance payments of the
2 assessment. The treasurer shall certify to the clerk on or after the date
3 specified in the demand the amount collected and the assessments remaining
4 unpaid against each parcel of land assessed. Special assessment lien bonds
5 may not be issued in an amount in excess of the amount assessed in the
6 ordinance or, if advance payments are demanded, the amount certified to the
7 clerk. The district may adopt procedures for prepayment and provisions for
8 payment and reallocation of assessments.

9 D. The district may issue and sell refunding bonds to refund any
10 special assessment bonds of the district.

11 Sec. 5. Section 48-940.01, Arizona Revised Statutes, is amended to
12 read:

13 48-940.01. Notice to lien claimants; loans

14 A. Before the date fixed for the sale or before the date to which the
15 sale has been postponed, the superintendent shall obtain a record search that
16 shows the names and addresses of record of all lien claimants on, AND OTHER
17 PERSONS WITH AN INTEREST IN, all lots or parcels on which an installment of
18 the assessment is delinquent. The cost of a record search may be added to
19 the assessment and is deemed to be a portion of the delinquent installment.

20 B. At least ten days before the sale date or the date to which the
21 sale has been postponed, the superintendent shall mail a notice of the date
22 and place of the sale or postponed sale to the owner and to each of the lien
23 claimants AND OTHER PERSONS WITH AN INTEREST as shown by the search of
24 records. The notice shall state the date of the sale, the amount of the
25 delinquent installments including penalties, costs of advertisement and costs
26 of the record search, and shall state that the whole amount of the assessment
27 and costs and penalties are due at the time of the sale AND SHALL STATE THAT,
28 UNLESS REDEEMED WITHIN THE TIME ALLOWED BY LAW, A SUPERINTENDENT'S DEED WILL
29 BE DELIVERED TO THE PURCHASER AND THE SUPERINTENDENT'S DEED SHALL CONVEY
30 TITLE TO THE LANDS DESCRIBED THEREIN FREE AND CLEAR OF ALL INTERESTS AND
31 LIENS, EXCEPT FOR THE LIEN FOR GENERAL PROPERTY TAXES AND PRIOR SPECIAL
32 ASSESSMENTS.

33 C. A final sale may not be held unless the superintendent has provided
34 notice by mail as prescribed by this section to all lien claimants AND OTHER
35 PERSONS WITH AN INTEREST discovered in the search of records. The mailing
36 may occur either before the date originally set for the sale or before the
37 date of any postponed sale, and only one mailing and one record search is ARE
38 required.

39 D. The county may loan to the district and the district may borrow
40 from the county any monies necessary to pay current bond interest or
41 principal that would be unpaid as a result of a postponed sale. The district
42 shall repay the loan to the county when the delinquent installments are paid
43 or when the lots on which the assessments are delinquent are sold.

1 Sec. 6. Section 48-944, Arizona Revised Statutes, is amended to read:
2 48-944. Deed to purchaser; notice to owner; redemption after
3 notice; effect of deed

4 A. After the expiration of thirteen months from the date of sale, the
5 superintendent shall execute to the purchaser, or his assignee, on his
6 application, if he has fully complied with the provisions of this section,
7 a deed to the property sold in which shall be recited substantially the
8 matters contained in the certificate, any assignment thereof, and that no
9 person has redeemed the property. The superintendent shall receive from the
10 applicant for a deed one dollar for making the deed, unless the district is
11 the purchaser.

12 B. The purchaser shall, at least thirty days before he applies for a
13 deed, mail to the owner, and all lien claimants of record, ALL PERSONS OF
14 RECORD WITH AN INTEREST IN THE PROPERTY and, if occupied by a person other
15 than the owner, to the occupant of the property, a written notice that the
16 property, giving the description, has been sold for a delinquent assessment,
17 specifying the improvement for which the assessment was made, the amount for
18 which the property was sold, the amount necessary to redeem at the time of
19 giving notice, and the time when the purchaser or assignee will apply to the
20 superintendent for a deed AND THAT, ON ISSUANCE OF THE DEED, ALL INTERESTS
21 IN THE PROPERTY, WHETHER OF RECORD BEFORE OR AFTER THE ASSESSMENT LIEN, WILL
22 BE EXTINGUISHED, EXCEPT FOR THE LIEN FOR GENERAL PROPERTY TAXES AND PRIOR
23 SPECIAL ASSESSMENTS. If the owner cannot be found after due diligence, the
24 notice shall be posted in a conspicuous place upon the property at least
25 thirty days before the time stated therein of the application for a deed.

26 C. The applicant shall file with the superintendent an affidavit
27 showing that notice of the application has been given, and if the mailed
28 notice was returned to the sender, that due diligence was used to find the
29 owner. If redemption of the property is made after the affidavit is filed,
30 and more than twelve months from the date of sale, the person making the
31 redemption shall pay, in addition, for payment to the purchaser, ten dollars
32 for the service of notice and the making of the affidavit.

33 D. The deed of the superintendent shall be prima facie evidence of the
34 truth of all matters recited therein, and of the regularity of all
35 proceedings prior to the execution thereof, and of title in the grantee. THE
36 DEED OF THE SUPERINTENDENT SHALL CONVEY TO THE PURCHASER FEE TITLE TO THE
37 LANDS DESCRIBED THEREIN, FREE AND CLEAR OF ALL INTERESTS, LIENS, CLAIMS AND
38 ENCUMBRANCES WHETHER OF RECORD BEFORE OR AFTER THE ASSESSMENT LIEN, EXCEPT
39 FOR THE LIEN FOR GENERAL PROPERTY TAXES AND PRIOR SPECIAL ASSESSMENTS.

40 Sec. 7. Section 48-2057, Arizona Revised Statutes, is amended to read:
41 48-2057. Diagrams of property affected; estimate of benefits;
42 assessment; warrant

43 A. The engineer shall make duplicate diagrams of the property fronting
44 on the proposed improvement or in the assessment district if the expenses of
45 the proposed improvement are to be assessed on a district. The diagrams

1 shall show each separate lot, numbered consecutively, the approximate area
2 in square feet of each lot and the location of the lot in relation to the
3 work proposed to be done.

4 B. When the diagrams have been approved, certified and dated by the
5 board, the diagrams shall be filed with the sanitary district.

6 C. At any time after bids have been received for the construction of
7 the work or the district has entered into a contract to purchase an existing
8 facility, the district shall estimate on the lots fronting on the work if no
9 assessment district has been established, or if an assessment district has
10 been established, on each of the lots in the district, the benefits arising,
11 or expected to arise, from the work. It shall thereupon make an assessment
12 to cover the amount due for the work performed and specified in the bid of
13 the person to whom the contract was awarded, including incidental expenses,
14 and shall assess against the lots the total amount of the costs and expenses
15 of the work. In so doing the district shall assess the total amount on the
16 several lots, each respectively in proportion to the benefits to be received
17 by each lot.

18 D. If the work has not been declared by the resolution of intention
19 to be of more than local or ordinary public benefit and has not been made
20 assessable on a district, the lots liable to be assessed for the improvement
21 are those fronting on the improvement and those benefited by the improvement.

22 E. The assessment shall cover the amount due for the work performed
23 as specified in the bid of the person to whom the contract may be awarded and
24 shall also include incidental expenses. The incidental expenses shall
25 include the compensation of the sanitary district engineer for work done by
26 him, the cost of printing, advertising and posting, the compensation of the
27 person appointed by the district to take charge of and superintend the
28 construction of the improvement, the expenses of making the assessment, the
29 interest on the bonds for a period not longer than the expected period of
30 construction and six months beyond and all legal and financial fees, expenses
31 and costs incurred in drafting the proceedings, in the sale of the bonds and
32 the connection fees to connect the sewer lines to the main trunk lines of the
33 district and administering the work. The amount of incidental expenses shall
34 be settled and allowed by the board on presentation of verified itemized
35 bills.

36 F. The assessment shall briefly refer to the award of the contract or
37 to the contract if it has then been executed and shall name the person to
38 whom the contract has been awarded and such person's surety, the amount to
39 be paid as stated in the winning bid or as finally computed by the engineer,
40 if the assessment is not made until the work is completed, the incidental
41 expenses, the amount of each assessment, the name of the owner of each lot,
42 if known, and if unknown the word "unknown" shall be written opposite the
43 number of the assessment, together with the amount assessed on the lot. The
44 district shall list the names of owners as shown on the most recent certified
45 county assessment roll and any other person of whom the district has personal

1 knowledge that such other person may be the owner of the respective lot. The
2 assessments on the lots shall be consecutively numbered and the diagram shall
3 be numbered to correspond with the assessment numbers.

4 G. A warrant shall be attached to the assessment signed by the
5 chairman of the board, which shall be substantially in the following form:
6 By virtue hereof, I (name of chairman of board of directors), of the (name
7 of sanitary district and county), and state of Arizona, by virtue of the
8 authority vested in me as chairman, do authorize and empower (name of
9 contractor or the treasurer or other person nominated by the board), his
10 agents or assigns to demand and receive the several assessments on the
11 assessment hereto attached, and this shall be his warrant for the same.

12 H. The warrant and assessment shall be recorded in the district's
13 office, and one diagram shall be filed, not earlier than the date of
14 execution of the contract or the date of the sale of any bonds, whichever
15 first occurs. When so recorded, the several amounts assessed are a FIRST
16 lien on the lots assessed SUBJECT ONLY TO THE LIEN FOR GENERAL PROPERTY TAXES
17 AND PRIOR SPECIAL ASSESSMENTS for a period terminating on the date the
18 assessment against the respective lot is paid in full, and the recording
19 constitutes notice to all persons interested in the contents of the record.

20 Sec. 8. Section 48-2069, Arizona Revised Statutes, is amended to read:

21 48-2069. List of delinquent installments; publication of
22 notice; sale of delinquent property

23 A. The board, within twenty days from the date of the delinquency,
24 shall begin the publication of the list of the assessments on which any
25 installment is delinquent. The list shall contain a description of each
26 parcel of property and, opposite each description, the name of the owner as
27 stated in the assessment or, if no name is stated in the assessment, the word
28 "unknown" and the amount of the installment delinquent, together with the
29 penalty and costs due, including the cost of advertising.

30 B. The board shall attach to and publish with the list a notice that
31 unless each delinquent installment, and the penalty and costs on the
32 installment, is paid, the whole amount of the assessment will be declared due
33 and the property on which the assessment is a lien will be sold at public
34 auction at a time and place to be specified in the notice. The publication
35 shall be circulated in the sanitary district for a period of ten days in a
36 daily newspaper, or for two weeks in a weekly newspaper so published and
37 circulated. If published in a daily newspaper, publication shall be made in
38 two issues for the paper, and eight days shall intervene between the first
39 and last publication.

40 C. BEFORE THE DATE FIXED FOR THE SALE OR BEFORE THE DATE TO WHICH THE
41 SALE HAS BEEN POSTPONED, THE DISTRICT BOARD SHALL OBTAIN A RECORD SEARCH THAT
42 SHOWS THE NAMES AND ADDRESSES OF RECORD OF ALL LIEN CLAIMANTS ON, AND OTHER
43 PERSONS WITH AN INTEREST IN, ALL LOTS OR PARCELS ON WHICH AN INSTALLMENT OF
44 THE ASSESSMENT IS DELINQUENT. THE COST OF A RECORD SEARCH MAY BE ADDED TO
45 THE ASSESSMENT AND IS DEEMED TO BE A PORTION OF THE DELINQUENT INSTALLMENT.

1 D. AT LEAST TEN DAYS BEFORE THE SALE DATE OR THE DATE TO WHICH THE
2 SALE HAS BEEN POSTPONED, THE DISTRICT SHALL CAUSE TO BE MAILED A NOTICE OF
3 THE DATE AND PLACE OF THE SALE OR POSTPONED SALE TO THE OWNER AND TO EACH OF
4 THE LIEN CLAIMANTS AND OTHER PERSONS WITH AN INTEREST AS SHOWN BY THE SEARCH
5 OF RECORDS. THE NOTICE SHALL STATE THE DATE OF THE SALE, THE AMOUNT OF THE
6 DELINQUENT INSTALLMENTS INCLUDING PENALTIES, COSTS OF ADVERTISEMENT AND COSTS
7 OF THE RECORD SEARCH, SHALL STATE EITHER THAT THE WHOLE AMOUNT OF THE
8 ASSESSMENT AND COSTS AND PENALTIES OR, IF THE DISTRICT HAS PROVIDED FOR THE
9 SALE OF THE AMOUNT OF THE DELINQUENT ASSESSMENT, THAT THE AMOUNT THEN
10 DELINQUENT PLUS INTEREST, PENALTIES AND COSTS ARE DUE AT THE TIME OF THE SALE
11 AND SHALL STATE THAT, UNLESS REDEEMED WITHIN THE TIME ALLOWED BY LAW, THE
12 DISTRICT'S DEED WILL BE DELIVERED TO THE PURCHASER AND THE DISTRICT'S DEED
13 SHALL CONVEY TITLE TO THE LANDS DESCRIBED THEREIN FREE AND CLEAR OF ALL
14 INTERESTS AND LIENS EXCEPT LIENS FOR GENERAL PROPERTY TAXES AND PRIOR SPECIAL
15 ASSESSMENTS.

16 E. A FINAL SALE MAY NOT BE HELD UNLESS THE DISTRICT HAS PROVIDED
17 NOTICE BY MAIL AS PRESCRIBED BY THIS SECTION TO ALL LIEN CLAIMANTS AND OTHERS
18 WITH AN INTEREST DISCOVERED IN THE SEARCH OF RECORDS. THE MAILING MAY OCCUR
19 EITHER BEFORE THE DATE ORIGINALLY SET FOR THE SALE OR BEFORE THE DATE OF ANY
20 POSTPONED SALE, AND ONLY ONE MAILING AND ONE RECORD SEARCH ARE REQUIRED.

21 F. The time of the sale shall not be fewer than five days nor more
22 than ten days after the last publication. The place of sale shall be in or
23 in front of the office of the district or in or in front of the usual place
24 of meeting of the board. THE SALE MAY BE POSTPONED.

25 Sec. 9. Section 48-2074, Arizona Revised Statutes, is amended to read:
26 48-2074. Deed to purchaser; notice to owner; redemption after
27 notice; effect of deed

28 A. After the expiration of twelve months from the date of sale, the
29 board shall cause to be executed to the purchaser or his assignee on his
30 application, if he has fully complied with this section, a deed to the
31 property sold. The deed shall recite substantially the matters contained in
32 the certificate, any assignment and that no person has redeemed the property.
33 The district shall receive from the applicant for a deed one dollar for
34 making the deed.

35 B. The purchaser shall, at least thirty days before he applies for a
36 deed, ~~serve on~~ MAIL TO the owner, ALL LIEN CLAIMANTS OF RECORD, ALL PERSONS
37 OF RECORD WITH AN INTEREST IN THE PROPERTY and, if occupied, ~~on~~ the occupant
38 of the property a written notice that the property, as described, has been
39 sold for a delinquent assessment, the improvement for which the assessment
40 was made, the amount for which the property was sold, the amount necessary
41 to redeem at the time of giving notice, and the time the purchaser or
42 assignee may apply to the district for a deed. AND THAT ALL INTERESTS IN THE
43 PROPERTY, WHETHER OF RECORD BEFORE OR AFTER RECORDING OF THE ASSESSMENT LIEN
44 IN THE DISTRICT OFFICE, WILL BE EXTINGUISHED, EXCEPT FOR THE LIEN FOR GENERAL
45 PROPERTY TAXES AND PRIOR SPECIAL ASSESSMENTS. If the owner cannot be found

1 after due diligence, the notice shall be posted in a conspicuous place on the
2 property at least thirty days before the time stated in the notice for the
3 application for a deed.

4 C. The applicant shall file with the district an affidavit showing
5 that notice of the application has been given and, if the notice was not
6 served on the owner personally, that due diligence was used to find the
7 owner. If redemption of the property is made after the affidavit is filed
8 and more than eleven months from the date of sale, the person making
9 redemption shall pay, in addition, for payment to the purchaser, fifteen
10 dollars for the service of notice and the making of the affidavit.

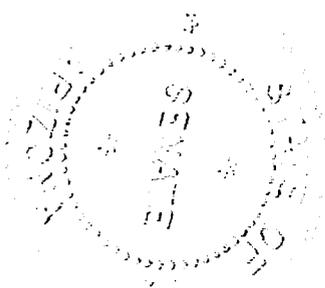
11 D. The deed of the district is prima facie evidence of the truth of
12 all matters stated in the deed, the regularity of all proceedings before the
13 execution of the deed and of title in the grantee. THE DEED SHALL CONVEY TO
14 THE PURCHASER FEE TITLE TO THE LANDS DESCRIBED THEREIN, FREE AND CLEAR OF ALL
15 INTERESTS, LIENS, CLAIMS AND ENCUMBRANCES WHETHER OF RECORD BEFORE OR AFTER
16 THE ASSESSMENT LIEN, EXCEPT FOR THE LIEN FOR GENERAL PROPERTY TAXES AND PRIOR
17 SPECIAL ASSESSMENTS.

18 Sec. 10. Emergency

19 This act is an emergency measure that is necessary to preserve the
20 public peace, health or safety and is operative immediately as provided by
21 law.

APPROVED BY THE GOVERNOR MAY 9, 2002.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 9, 2002.



ON RECONSIDERATION

Passed the House May 2, 2002

Passed the Senate _____, 20____

by the following vote: 49 Ayes,

by the following vote: _____ Ayes,

9 Nays, 2 Not Voting

_____, Nays, _____ Not Voting

with emergency

[Signature]
Speaker of the House

President of the Senate

[Signature]
Norman L. Moore
Chief Clerk of the House

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

8 day of May, 2002

at 2:17 o'clock P M.

[Signature]
Vivian Ramsey
Secretary to the Governor

Approved this 9 day of

May, 2002

at 1:55 o'clock P M.

[Signature]
Governor of Arizona

S.B. 1423

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 9 day of May, 2002

at 3:27 o'clock P M.

[Signature]
Secretary of State

FAILED
Passed the House April 29, 20 02

by the following vote: 30 Ayes,

26 Nays, 4 Not Voting

[Signature]
Speaker of the House

[Signature]
Norman L. Moore
Chief Clerk of the House

Passed the Senate March 27, 20 02

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

[Signature] *with Emergency*
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

6 day of May, 2002

at 12:30 o'clock P M.

[Signature]
Secretary to the Governor

Approved this _____ day of

_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

S.B. 1423

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