

Senate Engrossed

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

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CHAPTER 52

SENATE BILL 1249

AN ACT

AMENDING SECTIONS 48-903, 48-905 AND 48-908, ARIZONA REVISED STATUTES;
RELATING TO COUNTY 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 48-903, Arizona Revised Statutes, is amended to
3 read:

4 48-903. Petition to establish district; elected board;
5 verification; plat

6 A. A petition addressed to the board of supervisors requesting the
7 establishment of an improvement district may be filed with the clerk of the
8 board, if signed by a majority of the persons owning real property or by the
9 owners of fifty-one per cent or more of the real property within the limits
10 of the proposed district.

11 B. A petition with the required number of signatures shall not be
12 declared void on account of any alleged defect, but the board of supervisors
13 shall allow the petition to be amended in form and substance to conform to
14 the requirements of this article. One or more similar petitions, or copies
15 of the same petition with additional signatures, for the establishment of any
16 improvement district may be filed prior to the time of the hearing on the
17 first petition, and shall be considered as though filed with the first
18 petition. The petition shall be presumed to contain the signatures of the
19 persons whose signatures appear thereon, unless the contrary is proved.

20 C. The petition shall set forth:

21 1. The name of the proposed improvement district.

22 2. The necessity for the proposed district.

23 3. That the public convenience, necessity or welfare will be promoted
24 by the establishment of the district and that the property to be included in
25 such district will be benefited.

26 4. The boundaries of the proposed district.

27 5. A general outline of the proposed improvement.

28 6. Such other matters as are required by this article.

29 D. IN ADDITION TO THE INFORMATION REQUIRED PURSUANT TO SUBSECTION C OF
30 THIS SECTION, A PETITION REQUESTING THE ESTABLISHMENT OF AN IMPROVEMENT
31 DISTRICT FOR THE PURPOSES DESCRIBED IN SECTION 48-909, SUBSECTION A,
32 PARAGRAPH 5 OR 6 SHALL STATE WHETHER THE BOUNDARIES OF THE PROPOSED DISTRICT
33 ARE WHOLLY OR PARTIALLY WITHIN EITHER OF THE FOLLOWING:

34 1. THE BOUNDARIES OF THE EXISTING SERVICE TERRITORY OF A PUBLIC
35 SERVICE CORPORATION THAT PROVIDES DOMESTIC WATER OR WASTEWATER SERVICES AS
36 DEFINED BY A CERTIFICATE OF CONVENIENCE AND NECESSITY ISSUED BY THE
37 CORPORATION COMMISSION.

38 2. THE BOUNDARIES OF THE PROPOSED SERVICE TERRITORY OF A PUBLIC
39 SERVICE CORPORATION THAT PROVIDES DOMESTIC WATER OR WASTEWATER SERVICES AS
40 DEFINED IN AN APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY THAT
41 IS PENDING BEFORE THE CORPORATION COMMISSION OR THAT HAS BEEN CONSIDERED BY
42 THE COMMISSION WITHIN ONE YEAR BEFORE THE DATE THE PETITION FOR AN
43 IMPROVEMENT DISTRICT IS FILED WITH THE CLERK OF THE BOARD.

44 E. THE PETITIONER SHALL OBTAIN THE INFORMATION PRESCRIBED BY
45 SUBSECTION D OF THIS SECTION FROM THE CORPORATION COMMISSION. A REQUEST

1 SUBMITTED TO THE COMMISSION PURSUANT TO THIS SUBSECTION SHALL INCLUDE A
2 TOWNSHIP, RANGE AND SECTION MAP SHOWING THE BOUNDARIES OF THE PROPOSED
3 DISTRICT. THE COMMISSION SHALL PROVIDE TO THE PETITIONER A TOWNSHIP, RANGE
4 AND SECTION MAP THAT SHOWS THE APPROPRIATE SERVICE AREAS WITHIN FIFTEEN
5 BUSINESS DAYS OF THE REQUEST.

6 ~~D.~~ F. A petition requesting the establishment of an improvement
7 district for the purpose of purchasing an existing domestic water delivery
8 system shall provide that the district be governed by a board of directors
9 elected pursuant to article 4 of this chapter. Establishment of an
10 improvement district with an elected board of directors shall be subject to
11 the approval of the board of supervisors.

12 ~~E.~~ G. Upon compliance with the requirements prescribed by subsection
13 A OF THIS SECTION, the owners of real property and qualified electors within
14 the limits of an existing district formed for the purpose of purchasing an
15 existing domestic water delivery system may petition the board of supervisors
16 to allow an elected board of directors to govern the district.

17 ~~F.~~ H. Each copy of the petition shall be verified by one of the
18 petitioners and shall be accompanied by a plat or sketch indicating the
19 approximate area and boundaries of the district.

20 Sec. 2. Section 48-905, Arizona Revised Statutes, is amended to read:
21 48-905. Hearing on petition; summary establishment; notice

22 A. Except as provided in subsection C of this section, upon receipt of
23 a petition for the establishment of a district, or for an addition to an
24 existing district, the board of supervisors shall set a date for a hearing on
25 the petition not later than forty days after presentation of the
26 petition. At the hearing all interested property owners may appear and be
27 heard on any matter relating to the establishment of the proposed improvement
28 district, or addition to an existing district. Any person wishing to object
29 to the establishment of the district or addition may FILE, before the date
30 set for the hearing, file the person's objections with the clerk of the board
31 of supervisors.

32 B. Notice announcing the hearing and stating the boundaries of the
33 proposed district or addition shall be published twice in a newspaper of
34 general circulation in the county within which the proposed district or
35 addition is located. The publications shall be one week apart, and the first
36 publication shall be not less than ten days prior to the date of the
37 hearing. The notice shall also be mailed by first class mail at least twenty
38 days before the hearing to:

39 1. The owners of the real property within the area of the proposed
40 district according to the names and addresses that appear on the most recent
41 property tax assessment roll.

42 2. THE CORPORATION COMMISSION, IF THE PETITION REQUESTS THE
43 ESTABLISHMENT OF A DISTRICT OR AN ADDITION TO AN EXISTING DISTRICT FOR THE
44 PURPOSES DESCRIBED IN SECTION 48-909, SUBSECTION A, PARAGRAPH 5 OR 6 AND THE

1 BOUNDARIES OF THE PROPOSED DISTRICT OR ADDITION ARE WHOLLY OR PARTIALLY
2 WITHIN EITHER OF THE FOLLOWING:

3 (a) THE BOUNDARIES OF THE EXISTING SERVICE TERRITORY OF A PUBLIC
4 SERVICE CORPORATION THAT PROVIDES DOMESTIC WATER OR WASTEWATER SERVICES AS
5 DEFINED BY A CERTIFICATE OF CONVENIENCE AND NECESSITY ISSUED BY THE
6 CORPORATION COMMISSION.

7 (b) THE BOUNDARIES OF THE PROPOSED SERVICE TERRITORY OF A PUBLIC
8 SERVICE CORPORATION THAT PROVIDES DOMESTIC WATER OR WASTEWATER SERVICES AS
9 DEFINED IN AN APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY THAT
10 IS PENDING BEFORE THE CORPORATION COMMISSION OR THAT HAS BEEN CONSIDERED BY
11 THE COMMISSION WITHIN ONE YEAR BEFORE THE DATE THE PETITION FOR AN
12 IMPROVEMENT DISTRICT IS FILED WITH THE CLERK OF THE BOARD.

13 C. EXCEPT AS PROVIDED IN SUBSECTION G OF THIS SECTION, if the petition
14 is signed by the owners of all of the real property in the proposed district
15 and if the petitioners provide a copy of a record search that shows the names
16 of the owners of all the property in the proposed district, the board of
17 supervisors may summarily order the formation of the district and a hearing
18 is not required.

19 D. The clerk shall retain all notices that are mailed pursuant to
20 subsection B of this section and that are returned to the clerk as
21 undeliverable or that indicate that the address is incorrect. The clerk
22 shall prepare a list of the names and addresses on the returned notices and
23 shall deliver that list to the county recorder or a searcher of records.

24 E. The county recorder or a searcher of records shall determine from
25 the records in the office of the county recorder whether the listed owner has
26 another address or whether a different person is shown as the owner of the
27 parcel. The county recorder or a searcher of records shall provide to the
28 clerk the new information on the owners and the addresses as shown in the
29 records. The new information shall be used by the clerk for purposes of
30 sections 48-916, 48-917, 48-924 and 48-928 until a new assessment roll is
31 approved by the board of supervisors of the county. The recorder may charge
32 up to three dollars for each record search. The charges of the recorder or
33 of a searcher of records are incidental expenses pursuant to section 48-927.

34 F. A district may be formed or its boundaries may be changed without
35 mailing notice to new owners or new addresses that are provided to the clerk
36 pursuant to subsection E of this section.

37 G. THE BOARD OF SUPERVISORS SHALL HOLD A HEARING PURSUANT TO
38 SUBSECTION A OF THIS SECTION IF THE PETITION REQUESTS THE ESTABLISHMENT OF A
39 DISTRICT OR AN ADDITION TO AN EXISTING DISTRICT FOR THE PURPOSES DESCRIBED IN
40 SECTION 48-909, SUBSECTION A, PARAGRAPH 5 OR 6 AND THE BOUNDARIES OF THE
41 PROPOSED DISTRICT OR ADDITION ARE WHOLLY OR PARTIALLY WITHIN THE SERVICE AREA
42 OR PROPOSED SERVICE AREA OF A PUBLIC SERVICE CORPORATION AS PRESCRIBED IN
43 SECTION 48-903, SUBSECTION D.

1 Sec. 3. Section 48-908, Arizona Revised Statutes, is amended to read:
2 48-908. Board of directors; expenses
3 Unless established pursuant to section 48-903, subsection ~~D~~ F,
4 districts organized under this article shall be governed by the board of
5 supervisors of the county in which the district is situated and the board of
6 supervisors shall be deemed to be the board of directors of the
7 district. The directors shall receive no compensation for their services as
8 such except as provided pursuant to section 48-1013 but shall be reimbursed
9 for their necessary expenses in attending district meetings.

APPROVED BY THE GOVERNOR APRIL 6, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 6, 2006.

