House Engrossed

**FILED**
**KEN BENNETT**
**SECRETARY OF STATE**

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

CHAPTER 100

# HOUSE BILL 2285

AN ACT

AMENDING SECTION 48-807, ARIZONA REVISED STATUTES; RELATING TO FIRE DISTRICT ASSISTANCE TAXES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 48-807, Arizona Revised Statutes, is amended to read:

48-807. <u>County fire district assistance tax; annual budget</u>

A. The board of supervisors of a county shall levy, at the time of levying other property taxes, a county fire district assistance tax on the taxable property in the county of not more than ten cents per one hundred dollars of assessed valuation. The tax levy provided for in this subsection shall be a levy of secondary property taxes and shall not be subject to title 42, chapter 17, article 2. The county treasurer shall pay to each fire district, including a fire district formed pursuant to section 48-851, in the county from the proceeds of the tax an amount equal to twenty per cent of the property tax levy adopted by the district for the fiscal year in which the tax will be levied, except that:

1. The amount of assistance from the county to a fire district shall be reduced as follows:

(a) By the dollar amount that the fire district receives from the fire district assistance tax that exceeds three hundred thousand dollars from and after June 30 of each fiscal year.

(b) Except as provided in paragraph 2, if the total amount to be paid to all districts in the county under this paragraph exceeds the amount to be raised by the levy of ten cents per one hundred dollars assessed valuation, then the county treasurer shall pay an amount less than twenty per cent of the property tax levy of each district. The amount to be paid by the county treasurer to each district shall be determined by multiplying the proceeds of the county fire district assistance tax against the proportion that twenty per cent of the property tax levy of each district bears to the total of twenty per cent of the property tax levies of all fire districts in the county.

2. For fiscal years beginning from and after July 1, 1992, the amount of assistance from the county to a fire district shall not be less than the assistance provided from and after June 30, 1991 through June 30, 1992, if, for the fiscal year in which the tax will be levied, the district levies a tax, in addition to any tax levied under section 48-806, of three dollars per one hundred dollars of assessed valuation and the assessed valuation is at least ninety per cent of the assessed valuation for the 1991 tax year. This paragraph does not apply to fire districts subject to paragraph 1, subdivision (a).

B. For the purpose of subsection A of this section, the property tax levy of the fire district shall include in lieu contributions pursuant to chapter 1, article 8 of this title but shall not include property tax levies to be applied to the payment of principal and interest on bonds issued pursuant to section 48-806.

C. Notwithstanding subsection A of this section, if two or more fire districts merge to form a consolidated district, the last amount received by each fire district from the fire district assistance tax prior to the merger shall be combined and if the combined amount exceeds three hundred thousand dollars, the consolidated district may continue to receive ~~that amount~~ THE SUM OF THE AVERAGE OF THE FIRE DISTRICT ASSISTANCE TAX RECEIVED BY EACH FIRE DISTRICT IN THE THREE PREVIOUS YEARS PRIOR TO THE MERGER from the fire district assistance tax.

D. If two or more fire districts merge to form a consolidated district and the total of the amounts received by each fire district from the fire district assistance tax is less than three hundred thousand dollars, the consolidated district may continue to receive monies until its receipts total three hundred thousand dollars, as prescribed in subsection A of this section.

E. Not more than ten days after the perfection of the organization of a fire district, and thereafter not later than August 1 of each year, the chief and the secretary-treasurer of the district, or if there is a district board, the chairman of the board, shall submit to the board of supervisors an estimate, certified by items, of the amount of money required for the equipment and maintenance of the district for the ensuing year.

F. The board, based on the budget submitted by the district, shall levy, in addition to any tax levied as provided in section 48-806, a tax not to exceed three dollars twenty-five cents per one hundred dollars of assessed valuation against all property situated within the district boundaries and appearing on the last assessment roll. The levy shall be made and the taxes collected in the manner, at the time and by the officers provided by law for the collection of general county taxes.

G. The county treasurer shall keep the money received from taxes levied pursuant to subsection F of this section in a separate fund known as the "fire district fund" of the district for which collected. Any surplus remaining in the fund at the end of the fiscal year shall be credited to the fire district fund of the district for which collected for the succeeding fiscal year.

H. When a fire district has adopted a budget and the board of supervisors has levied a fire district tax as provided in subsection F of this section and the district has insufficient money in its fund with the county treasurer to operate the district, the elected chief and the secretary-treasurer, or if there is a district board, the chairman of the board, on or after August 1 of each year, may draw warrants for the purposes prescribed in section 48-805 on the county treasurer, payable on November 1 of that year or on April 1 of the succeeding year. The aggregate amounts of the warrants may not exceed ninety per cent of the taxes levied by the county for the district's current fiscal year. If the treasurer cannot pay a warrant for lack of funds in the fire district fund, the warrant shall be endorsed, be registered, bear interest and be redeemed as provided by law for

1 county warrants, except that the warrants are payable only from the fire
2 district fund.
3 Sec. 2. Retroactivity
4 Section 48-807, Arizona Revised Statutes, as amended by this act,
5 applies retroactively to fire districts that consolidated from and after
6 December 31, 2007.

APPROVED BY THE GOVERNOR JULY 10, 2009.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 13, 2009.

Passed the House May 6, 2009

by the following vote: 36 Ayes,

24 Nays, 0 Not Voting

Speaker of the House

Pro Tempore

Chief Clerk of the House

Passed the Senate July 1, 2009

by the following vote: 18 Ayes,

9 Nays, 3 Not Voting

President of the Senate

Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA**
**OFFICE OF GOVERNOR**

This Bill received by the Governor this

1st day of July, 2009

at 8:25 o'clock A. M.

Susan K Myers

Secretary to the Governor

Approved this 10th day of

July 2009

at 4:27 o'clock P M.

Janice K. Brewer

Governor of Arizona

**EXECUTIVE DEPARTMENT OF ARIZONA**
**OFFICE OF SECRETARY OF STATE**

This Bill received by the Secretary of State

this 13 day of July, 2009

at 9:15 o'clock A. M.

Secretary of State

H.B. 2285