

Senate Engrossed House Bill

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-ninth Legislature
Second Regular Session
2010

CHAPTER 116

HOUSE BILL 2006

AN ACT

AMENDING TITLE 48, CHAPTER 14, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 48-2001.01; RELATING TO SANITARY DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 48, chapter 14, article 1, Arizona Revised Statutes,
3 is amended by adding section 48-2001.01, to read:

4 48-2001.01. Merger of sanitary districts; hearing; election;
5 joint meeting; resolution

6 A. FOR ANY TWO OR MORE SANITARY DISTRICTS THAT ARE PROPOSED TO MERGE,
7 THE COUNTY BOARD OF SUPERVISORS SHALL HOLD A HEARING ON THE PROPOSED MERGER
8 IF EITHER OF THE FOLLOWING APPLIES:

9 1. THE COUNTY BOARD OF SUPERVISORS HAS RECEIVED A PETITION CONTAINING
10 THE SIGNATURES OF AT LEAST TWENTY-FIVE PER CENT OF THE QUALIFIED ELECTORS IN
11 EACH OF THE AFFECTED DISTRICTS AND PROPOSING THE MERGER OF THE SANITARY
12 DISTRICTS. THE COUNTY BOARD OF SUPERVISORS SHALL VERIFY THE PETITIONS IN THE
13 SAME MANNER PROVIDED IN SECTION 48-903 AND SHALL HOLD A PUBLIC HEARING ON THE
14 MERGER AT A TIME AND PLACE DETERMINED BY THE COUNTY BOARD OF SUPERVISORS.

15 2. THE BOARD OF DIRECTORS OF EACH OF THE AFFECTED SANITARY DISTRICTS
16 HAS ADOPTED BY A TWO-THIRDS VOTE A RESOLUTION REQUESTING THE MERGER OF THE
17 DISTRICTS AND EACH HAS FILED THAT RESOLUTION WITH THE COUNTY BOARD OF
18 SUPERVISORS. ON RECEIPT OF THE RESOLUTIONS, THE COUNTY BOARD OF SUPERVISORS
19 SHALL HOLD A PUBLIC HEARING ON THE MERGER AT A TIME AND PLACE DETERMINED BY
20 THE COUNTY BOARD OF SUPERVISORS.

21 B. THE PETITION OR RESOLUTIONS SHALL CONTAIN THE NAME AND A
22 DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED DISTRICT AND A DETAILED,
23 ACCURATE MAP OF THE AREA TO BE INCLUDED IN THE DISTRICT AND SHALL SPECIFY
24 THAT THE PROPOSED DISTRICT WILL BE ADMINISTERED BY A DISTRICT BOARD. NO NEW
25 TERRITORY MAY BE INCLUDED AS A RESULT OF THE MERGER, BUT THE MERGED DISTRICT
26 MAY THEREAFTER EXPAND AS PROVIDED IN THIS CHAPTER.

27 C. IF THE COUNTY BOARD OF SUPERVISORS DETERMINES AFTER A PUBLIC
28 HEARING THAT THE PROPOSED MERGER WOULD SERVE THE PUBLIC CONVENIENCE, WELFARE
29 OR NECESSITY, THE COUNTY BOARD OF SUPERVISORS SHALL CALL AN ELECTION FOR A
30 VOTE OF THE PUBLIC ON THE QUESTION OF THE MERGER OF THE SANITARY DISTRICTS.
31 THE BOARD OF SUPERVISORS SHALL NOT CALL AN ELECTION TO MERGE SANITARY
32 DISTRICTS MORE FREQUENTLY THAN ONCE EVERY TWO YEARS. THE ORDER SHALL NOT BE
33 ENTERED UNTIL THE PETITIONERS OR THE BOARDS OF DIRECTORS OF THE SANITARY
34 DISTRICTS HAVE DEPOSITED WITH THE BOARD OF SUPERVISORS SUFFICIENT MONIES, NOT
35 EXCEEDING ONE THOUSAND DOLLARS, TO DEFRAY THE EXPENSE OF THE ELECTION. THESE
36 MONIES SHALL BE PAID OUT ON THE ORDER OF THE BOARD OF SUPERVISORS. IF THE
37 SANITARY DISTRICTS ARE MERGED, THE DEPOSITORS OF THESE MONIES SHALL BE
38 REIMBURSED FROM THE MERGED SANITARY DISTRICTS' MONIES. WHETHER OR NOT THE
39 DISTRICTS ARE MERGED, THE SANITARY DISTRICTS SHALL REIMBURSE THE COUNTY FOR
40 THE EXPENSES OF THE ELECTION.

41 D. IF THE PROPOSED DISTRICT IS LOCATED IN MORE THAN ONE COUNTY, THE
42 PETITION OR RESOLUTIONS SHALL BE SUBMITTED TO THE BOARD OF SUPERVISORS OF THE
43 COUNTY IN WHICH THE MAJORITY OF THE ASSESSED VALUATION OF THE PROPOSED MERGED
44 DISTRICT IS LOCATED. THE BOARDS OF SUPERVISORS OF ANY OTHER COUNTIES IN

1 WHICH THE AFFECTED DISTRICTS ARE LOCATED SHALL PROVIDE INFORMATION AND
2 ASSISTANCE TO THE RESPONSIBLE BOARD OF SUPERVISORS.

3 E. FOR ANY ELECTION CALLED PURSUANT TO THIS SECTION, THE WORDS
4 APPEARING ON THE BALLOT SHALL BE "(INSERT SANITARY DISTRICTS' NAMES) MERGE AS
5 A SANITARY DISTRICT-- YES" AND "(INSERT SANITARY DISTRICTS' NAMES) MERGE AS A
6 SANITARY DISTRICT -- NO."

7 F. WITHIN FOURTEEN DAYS AFTER THE ELECTION, THE BOARD OF SUPERVISORS
8 SHALL MEET AND CANVASS THE RETURNS, AND IF IT IS DETERMINED THAT A MAJORITY
9 OF THE VOTES CAST AT THE ELECTION IN EACH OF THE AFFECTED DISTRICTS IS IN
10 FAVOR OF MERGING THE SANITARY DISTRICTS, THE BOARD SHALL ENTER THAT FACT ON
11 ITS MINUTES.

12 G. IF THE PROPOSAL FOR MERGER IS APPROVED AS PROVIDED IN SUBSECTION F
13 OF THIS SECTION, THE GOVERNING BODY OF THE AFFECTED DISTRICT WITH THE LARGEST
14 POPULATION SHALL CALL A JOINT MEETING OF THE GOVERNING BODIES OF THE AFFECTED
15 DISTRICTS. AT THE JOINT MEETING, A MAJORITY OF THE MEMBERS OF THE GOVERNING
16 BODY OF EACH AFFECTED DISTRICT CONSTITUTES A QUORUM FOR THE TRANSACTION OF
17 BUSINESS. THE MEMBERS OF THE GOVERNING BODIES OF BOTH DISTRICTS SHALL
18 APPOINT A TOTAL OF AT LEAST FIVE PERSONS FROM ALL OF THOSE CURRENTLY SERVING
19 ON THE GOVERNING BODIES OF BOTH OF THE DISTRICTS, EACH OF WHOM SHALL COMPLETE
20 THEIR REGULAR TERMS OF OFFICES, EXCEPT THAT NO MORE THAN A SIMPLE MAJORITY OF
21 THE PERSONS APPOINTED MAY SERVE TERMS THAT END IN THE SAME YEAR. NO MORE
22 THAN A SIMPLE MAJORITY MAY BE APPOINTED FROM THE SAME SANITARY DISTRICT
23 BOARD, AND THE MAJORITY OF THE MERGED BOARD SHALL BE FILLED BY BOARD MEMBERS
24 FROM THE DISTRICT THAT HAS THE GREATER NUMBER OF CUSTOMERS. THE APPOINTED
25 BOARD SHALL IMMEDIATELY MEET AND ORGANIZE ITSELF AND ELECT FROM AMONG ITS
26 MEMBERS A CHAIRPERSON. THE APPOINTED BOARD BY RESOLUTION SHALL DECLARE THE
27 DISTRICTS MERGED AND EACH AFFECTED DISTRICT JOINED. THE RESOLUTION AND THE
28 NAMES OF THE NEWLY ORGANIZED BOARD MEMBERS SHALL BE SENT TO THE COUNTY BOARD
29 OF SUPERVISORS WITHIN THIRTY DAYS AFTER ORGANIZATION AND A CERTIFIED COPY OF
30 THE RESOLUTION AND THE LEGAL DESCRIPTION OF THE MERGED DISTRICT SHALL BE
31 RECORDED IN EACH COUNTY IN WHICH THE DISTRICT EXISTS AND SENT TO THE DIRECTOR
32 OF THE ARIZONA STATE RETIREMENT SYSTEM, IF EITHER DISTRICT WAS AN ARIZONA
33 STATE RETIREMENT SYSTEM EMPLOYER BEFORE THE MERGER. FROM THE DATE OF THE
34 RECORDING OF THE RESOLUTION OF MERGER AND LEGAL DESCRIPTION OF THE DISTRICT
35 BY THE APPOINTED BOARD, THE MERGER IS COMPLETE. THE MERGED DISTRICT SHALL
36 ASSUME ANY DEBT OF EACH OF THE AFFECTED SANITARY DISTRICTS. SUBSEQUENT TERMS
37 OF OFFICE FOR DISTRICT BOARD MEMBERS SHALL BE FILLED BY ELECTION OF BOARD
38 MEMBERS WHO SHALL BE QUALIFIED ELECTORS FROM THE MERGED DISTRICT.

39 H. SECTION 48-262 DOES NOT APPLY TO A MERGER OF SANITARY DISTRICTS
40 UNDER THIS SECTION.

APPROVED BY THE GOVERNOR APRIL 23, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 26, 2010.

Passed the House March 3, 2010

Passed the Senate April 14, 2010

by the following vote: 57 Ayes,

by the following vote: 27 Ayes,

2 Nays, 1 Not Voting

0 Nays, 3 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

_____ day of _____, 20_____

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

at _____ o'clock _____ M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this _____ day of _____, 20_____

at _____ o'clock _____ M.

Secretary of State

H.B. 2006

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

April 19, 2010,

by the following vote: 54 Ayes,

1 Nays, 5 Not Voting

[Signature]
Speaker of the House

Cheryl Laube
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

19 day of April, 2010,

at 4:20 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 23rd day of

April, 2010,

at 4:40 o'clock P. M.

[Signature]
Governor of Arizona

H.B. 2006

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 26th day of April, 2010,

at 12:30 o'clock P. M.

[Signature]
Secretary of State