

House Engrossed Senate Bill

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
Senate
Fiftieth Legislature
First Regular Session
2011

CHAPTER 322

SENATE BILL 1218

AN ACT

AMENDING SECTIONS 48-251, 48-253, 48-807 AND 48-3603, 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 48-251, Arizona Revised Statutes, is amended to
3 read:

4 48-251. Annual report

5 A. Each district organized under this title and not exempted under
6 subsection C of this section shall submit an annual report as prescribed by
7 this section ~~which~~ THAT contains the following information:

8 1. A schedule of the beginning and ending fund balances and all
9 revenues and expenditures for the preceding fiscal year on a form prescribed
10 by the auditor general or the same information contained in a financial
11 statement for the preceding fiscal year that has been attested to by an
12 independent certified public accountant. The schedule or statement shall
13 include all monies, gifts or donations that are received from all sources and
14 that have a value exceeding one hundred dollars.

15 2. Legal descriptions of any boundary changes occurring during the
16 preceding fiscal year.

17 3. The names, occupations and business telephone numbers of all
18 members of the governing board and officers of the district on the last day
19 of the preceding fiscal year.

20 4. The schedule and location of regular meetings of the district
21 governing board.

22 5. The location or locations where public notices of meetings are
23 posted pursuant to section 38-431.02.

24 6. The name and title of the person or persons completing the
25 reporting requirements pursuant to this subsection.

26 B. The secretary or other officer of the district governing board
27 shall submit the report within ~~one hundred eighty~~ TWO HUNDRED FORTY days of
28 the close of the district's fiscal year to the clerk of the board of
29 supervisors of each county in which the district is located.

30 C. Districts organized under chapters 4, 6, 17, 22, 27 and 28 of this
31 title are exempt from the requirements of this section. Districts that do
32 not provide services or otherwise operate during the entire period covered by
33 the report and that notify the clerk of the board of supervisors in writing
34 of such circumstances within the time for filing the report are exempt from
35 the requirements of subsection A of this section.

36 D. If a district fails to submit a report as required by this section,
37 any taxpayer residing in the district may petition the superior court in a
38 county in which the district is organized to order the district to show cause
39 why the report has not been submitted. On a failure to show cause the court
40 shall order the district to file all reports as required by this section. A
41 failure to obey the order of the court is punishable as contempt of court.

42 E. If the court finds that a district has violated this section, it
43 shall award the taxpayer attorney fees and costs associated with bringing the
44 action.

1 F. The board of supervisors of each county shall submit annually by
2 ~~January 31~~ MARCH 31 a report on compliance with the requirements of this
3 section to the president of the senate, the speaker of the house of
4 representatives and the governor. The annual report shall include a listing
5 of all those districts required to comply with the requirements of this
6 section, the districts in compliance and not in compliance with the
7 requirements and an analysis of the sufficiency of each district report.

8 G. The board of supervisors shall notify each district not in
9 compliance with the reporting requirements of this section to comply within
10 thirty days after receipt by certified mail of such noncompliance and that
11 the district is subject to a civil penalty if it fails to comply. The board
12 of supervisors shall assess, and the county treasurer shall collect from the
13 monies of a district remaining in noncompliance thirty days after receipt of
14 certified mail a penalty assessment of one hundred dollars per day for each
15 day that such district is not in compliance with the reporting requirements
16 of this section from thirty days after receipt by certified mail of the
17 noncompliance notice until such time as the board of supervisors receives a
18 copy of the district's annual report, to the extent that district monies are
19 available and unencumbered. Penalty monies collected shall be deposited in
20 the county general fund.

21 Sec. 2. Section 48-253, Arizona Revised Statutes, is amended to read:
22 48-253. District audits and financial reviews

23 A. Each district that is organized under this title, that is not
24 exempt under subsection F of this section and that is required to make an
25 annual report under this article shall have its reports audited in accordance
26 with generally accepted GOVERNMENT auditing standards and the following:

27 1. Audits required by this section shall be performed annually for
28 districts whose budgets are one million dollars or more. Districts whose
29 budgets are one hundred thousand dollars or more but less than one million
30 dollars shall have a financial review performed annually. Districts whose
31 budgets are more than fifty thousand dollars and less than one hundred
32 thousand dollars shall have a financial review performed at least biennially.
33 Districts whose budgets are fifty thousand dollars or less shall have a
34 financial review performed at the request of the county board of supervisors
35 or on receipt of a request for a financial review that is signed by at least
36 ten residents of that district. A district shall not be required to perform
37 a financial review more than once per fiscal year.

38 2. A district may select an outside auditor who is a certified public
39 accountant or a representative who is selected by the board of supervisors
40 and who is trained as an auditor.

41 3. A district may advertise and use competitive bidding practices to
42 select an agent to perform the audits or financial reviews required by this
43 section.

44 B. Each district that submits a financial statement for the preceding
45 fiscal year that has been attested to by an independent certified public

1 accountant pursuant to section 48-251 is deemed to have complied with this
2 section by submitting a copy of the financial statement to the county
3 treasurer.

4 C. Each district shall submit a copy of the completed audit or
5 financial review to the county treasurer and the board of supervisors within
6 ~~one hundred eighty~~ TWO HUNDRED FORTY days after the close of the district's
7 fiscal year or within one hundred eighty days after a request for a financial
8 review is received by the district pursuant to subsection A, paragraph 1 of
9 this section.

10 D. If a district fails to submit an audit or financial review as
11 required by this section, any taxpayer residing in the district, the board of
12 supervisors or the county treasurer may petition the superior court in a
13 county where the district is organized to show cause why the audit or
14 financial review has not been submitted. On a failure to show cause the
15 court shall order the district to submit the audit or financial review within
16 ten days after the judgment is entered.

17 E. If the court enters a judgment against the district under this
18 section, the court may award the taxpayer, board of supervisors or county
19 treasurer reasonable attorney fees and costs associated with bringing the
20 action.

21 F. Districts organized under chapters 4, 6, 17, 22, 27 and 28 of this
22 title are exempt from the requirements of this section.

23 Sec. 3. Section 48-807, Arizona Revised Statutes, is amended to read:
24 48-807. County fire district assistance tax; annual budget;
25 override

26 A. The board of supervisors of a county shall levy, at the time of
27 levying other property taxes, a county fire district assistance tax on the
28 taxable property in the county of not more than ten cents per one hundred
29 dollars of assessed valuation. The tax levy provided for in this subsection
30 shall be a levy of secondary property taxes and shall not be subject to title
31 42, chapter 17, article 2. The county treasurer shall pay to each fire
32 district, including a fire district formed pursuant to section 48-851, in the
33 county from the proceeds of the tax an amount equal to twenty per cent of the
34 property tax levy adopted by the district for the fiscal year in which the
35 tax will be levied, except that:

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

38 (a) THROUGH THE FISCAL YEAR THAT ENDS JUNE 30, 2012, by the dollar
39 amount that the fire district receives from the fire district assistance tax
40 that exceeds three hundred thousand dollars from and after June 30 of each
41 fiscal year.

42 (b) BEGINNING WITH THE FISCAL YEAR THAT STARTS JULY 1, 2012, BY THE
43 DOLLAR AMOUNT THAT THE FIRE DISTRICT RECEIVES FROM THE FIRE DISTRICT
44 ASSISTANCE TAX THAT EXCEEDS FOUR HUNDRED THOUSAND DOLLARS FROM AND AFTER

1 JUNE 30 OF EACH FISCAL YEAR, WITHOUT REGARD TO WHETHER THE DISTRICT IS
2 LOCATED IN MORE THAN ONE COUNTY.

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

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

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

27 C. Notwithstanding subsection A of this section AND THROUGH THE FISCAL
28 YEAR THAT ENDS JUNE 30, 2012, if two or more fire districts merge to form a
29 consolidated district, the last amount received by each fire district from
30 the fire district assistance tax prior to the merger shall be combined, and
31 if the combined amount exceeds three hundred thousand dollars, the
32 consolidated district may continue to receive the sum of the average of the
33 fire district assistance tax received by each fire district in the three
34 previous years prior to the merger from the fire district assistance tax.
35 BEGINNING WITH THE FISCAL YEAR THAT STARTS JULY 1, 2012, A CONSOLIDATED
36 DISTRICT SHALL NOT RECEIVE MORE THAN FOUR HUNDRED THOUSAND DOLLARS IN FIRE
37 DISTRICT ASSISTANCE TAX MONIES, WITHOUT REGARD TO WHETHER THE CONSOLIDATED
38 DISTRICT IS LOCATED IN MORE THAN ONE COUNTY.

39 D. THROUGH THE FISCAL YEAR THAT ENDS JUNE 30, 2012, if two or more
40 fire districts merge to form a consolidated district and the total of the
41 amounts received by each fire district from the fire district assistance tax
42 is less than three hundred thousand dollars, the consolidated district may
43 continue to receive monies until its receipts total three hundred thousand
44 dollars, as prescribed in subsection A of this section, WITHOUT REGARD TO
45 WHETHER THE CONSOLIDATED DISTRICT IS LOCATED IN MORE THAN ONE COUNTY.

1 BEGINNING WITH THE FISCAL YEAR THAT STARTS JULY 1, 2012, IF TWO OR MORE FIRE
2 DISTRICTS MERGE TO FORM A CONSOLIDATED DISTRICT AND THE TOTAL OF THE AMOUNTS
3 RECEIVED BY EACH FIRE DISTRICT FROM THE FIRE DISTRICT ASSISTANCE TAX IS LESS
4 THAN FOUR HUNDRED THOUSAND DOLLARS, THE CONSOLIDATED DISTRICT MAY CONTINUE TO
5 RECEIVE MONIES UNTIL ITS RECEIPTS TOTAL FOUR HUNDRED THOUSAND DOLLARS, AS
6 PRESCRIBED IN SUBSECTION A OF THIS SECTION, WITHOUT REGARD TO WHETHER THE
7 CONSOLIDATED DISTRICT IS LOCATED IN MORE THAN ONE COUNTY.

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

14 F. The board, based on the budget submitted by the district, shall
15 levy, in addition to any tax levied as provided in section 48-806, a tax not
16 to exceed three dollars twenty-five cents per one hundred dollars of assessed
17 valuation, or the amount of the levy in the preceding tax year multiplied by
18 1.08, whichever levy is less, and minus any amounts required to reduce the
19 levy pursuant to subsection I of this section, against all property situated
20 within the district boundaries and appearing on the last assessment roll.
21 The levy shall be made and the taxes collected in the manner, at the time and
22 by the officers provided by law for the collection of general county taxes.

23 G. The qualified electors of the district, voting in an election as
24 prescribed by subsection H of this section, may authorize the board to levy a
25 tax exceeding the limits prescribed by subsection F of this section under
26 one, but not both, of the following options:

27 1. The electors may authorize a permanent override allowing annual
28 levies without reference to the levy in the preceding tax year, but remaining
29 subject to the tax rate limit of three dollars twenty-five cents per one
30 hundred dollars of assessed valuation. An election for the purposes of this
31 paragraph must be held at a regularly scheduled general election held on the
32 first Tuesday following the first Monday in November as prescribed by section
33 16-204, subsection B, paragraph 1, subdivision (d).

34 2. If the net assessed valuation of all property in the district
35 declines by a combined total of twenty per cent or more over two consecutive
36 valuation years, the electors voting at the next regularly scheduled general
37 election held on the first Tuesday following the first Monday in November as
38 prescribed by section 16-204, subsection B, paragraph 1, subdivision (d) may
39 authorize an override for five consecutive tax years allowing annual levies
40 that are exempt from the tax rate limit of three dollars twenty-five cents,
41 but subject to an annual levy limit of the amount of the levy in the
42 preceding tax year multiplied by 1.05. After the fifth tax year, the
43 district is again subject to the limits prescribed by subsection F of this
44 section, computed by multiplying the levy beginning in the year preceding the
45 override by 1.08 for each year through the current tax year.

1 H. The call for an override election held for the purposes of
2 subsection G of this section must state:

3 1. The purpose for requesting additional secondary property tax
4 revenue for the district.

5 2. If the voters approve the levy:

6 (a) The maximum dollar amount of secondary property tax that may be
7 collected in the first year compared to the existing maximum secondary
8 property tax levy prescribed in subsection F of this section.

9 (b) The estimated secondary property tax rate to fund the proposed
10 levy under subdivision (a) in the first tax year compared to the secondary
11 property tax rate levied in the current year.

12 I. If the district annexes additional territory, the limit under
13 subsection F of this section shall be adjusted by applying the district's tax
14 rate to the assessed valuation of the annexed property in the preceding tax
15 year. If districts are merged or consolidated under this chapter, the
16 limitation under this subsection in the first year after the districts are
17 merged or consolidated is the total of the levies of the merged or
18 consolidated districts in the preceding tax year multiplied by 1.08 or the
19 amount of the levies allowed by the maximum rate prescribed by subsection F
20 of this section, whichever is less.

21 J. The district shall maintain any property tax revenues collected in
22 excess of the sum of the amounts of taxes collectible pursuant to section
23 42-17054 and the allowable levy determined under subsection F of this section
24 in a separate fund and used to reduce the property tax levy in the following
25 tax year.

26 K. The levy limit under this section is considered to be increased
27 each year to the maximum limit permissible under subsection F of this section
28 regardless of whether the district actually levies taxes up to the maximum
29 permissible amount in that year.

30 L. The county treasurer shall keep the money received from taxes
31 levied pursuant to subsection F of this section in a separate fund known as
32 the "fire district GENERAL fund" of the district for which collected. Any
33 surplus remaining in the FIRE DISTRICT GENERAL fund at the end of the fiscal
34 year shall be credited to the fire district GENERAL fund of the district for
35 which IT WAS collected for the succeeding fiscal year AND AFTER SUBTRACTION
36 OF ACCOUNTS PAYABLE AND ENCUMBRANCES, SHALL BE USED TO REDUCE THE PROPERTY
37 TAX LEVY IN THE FOLLOWING TAX YEAR.

38 M. A FIRE DISTRICT MAY MAINTAIN SEPARATE ACCOUNTS WITH A FINANCIAL
39 INSTITUTION THAT IS AUTHORIZED TO DO BUSINESS IN THIS STATE FOR THE PURPOSE
40 OF OPERATING A PAYROLL ACCOUNT OR FOR HOLDING CONTRIBUTIONS, GRANTS, SPECIAL
41 REVENUES OR TRUST MONIES AS NECESSARY TO FULFILL THE DISTRICT'S FIDUCIARY
42 RESPONSIBILITIES.

43 N. A FIRE DISTRICT, THROUGH THE COUNTY TREASURER, SHALL ESTABLISH THE
44 RELEVANT GOVERNMENTAL FUNDS NECESSARY FOR THE PROPER MANAGEMENT AND FISCAL
45 ACCOUNTABILITY OF DISTRICT MONIES FROM PROPERTY TAXES, GRANTS, CONTRIBUTIONS

1 AND DONATIONS, AS DEFINED BY THE GOVERNMENT ACCOUNTING STANDARDS BOARD.
2 UNLESS THE MONIES RECEIVED ARE LEGALLY RESTRICTED BY CONTRACT, AGREEMENT OR
3 LAW, THOSE MONIES MAY BE TRANSFERRED BETWEEN ACCOUNTS ACCORDING TO THE
4 ORIGINAL OR AMENDED BUDGET OF THE FIRE DISTRICT.

5 O. NOTWITHSTANDING SECTION 11-605, A FIRE DISTRICT MAY REGISTER
6 WARRANTS ONLY IF SEPARATE ACCOUNTS ARE MAINTAINED BY THE COUNTY TREASURER FOR
7 EACH GOVERNMENTAL FUND OF A FIRE DISTRICT. WARRANTS MAY ONLY BE REGISTERED
8 ON THE MAINTENANCE AND OPERATION ACCOUNT, THE UNRESTRICTED CAPITAL OUTLAY
9 ACCOUNT AND THE SPECIAL REVENUE ACCOUNT, AND ONLY IF THE TOTAL CASH BALANCE
10 OF ALL THREE ACCOUNTS IS INSUFFICIENT TO PAY THE WARRANTS AND AFTER ANY
11 REVOLVING LINE OF CREDIT HAS BEEN EXPENDED AS PRESCRIBED IN SECTION 11-635.

12 ~~M.~~ P. When a fire district has adopted a budget and the board of
13 supervisors has levied a fire district tax as provided in subsection F of
14 this section and the district has insufficient money in its GENERAL fund with
15 the county treasurer to operate the district, the elected chief and the
16 secretary-treasurer, or if there is a district board, the chairman of the
17 board, on or after August 1 of each year, may draw warrants for the purposes
18 prescribed in section 48-805 on the county treasurer, payable on November 1
19 of that year or on April 1 of the succeeding year. The aggregate amounts of
20 the warrants may not exceed ninety per cent of the taxes levied by the county
21 for the district's current fiscal year. If the treasurer cannot pay a
22 warrant for lack of funds in the fire district GENERAL fund, the warrant
23 shall be endorsed, be registered, bear interest and be redeemed as provided
24 by law for county warrants, except that the warrants are payable only from
25 the fire district GENERAL fund.

26 Sec. 4. Section 48-3603, Arizona Revised Statutes, is amended to read:
27 48-3603. Powers, duties and immunities of district and board;
28 exemptions

29 A. A county flood control district organized under this article is a
30 political taxing subdivision of this state and has all the powers, privileges
31 and immunities granted generally to municipal corporations by the
32 constitution and laws of this state, including immunity of its property and
33 bonds from taxation.

34 B. The board of directors shall exercise all powers and duties in the
35 acquisition and operation of the properties of the district and in carrying
36 out its regulatory functions under this article as are ordinarily exercised
37 by the governing body of a municipal corporation.

38 C. A district organized under this article, acting through its board
39 of directors, may:

40 1. Acquire by eminent domain, purchase, donation, dedication, exchange
41 or other lawful means rights-of-way for and construct, operate and maintain
42 flood control works and storm drainage facilities within or without the
43 district for the benefit of the district.

- 1 2. Acquire by eminent domain, purchase, donation, dedication, exchange
2 or other lawful means and dispose of by sale, exchange or other lawful means
3 real and personal property within the boundaries of the district.
- 4 3. Contract and join with this state, the United States or any other
5 flood control district or floodplain board, municipality, political
6 subdivision, governmental agency, irrigation or agricultural improvement
7 district, association, corporation or individual in acquiring, constructing,
8 maintaining and operating flood control works, and regulating floodplains.
- 9 4. Enter into contracts of indemnity to indemnify this state, the
10 United States or any other flood control district, municipality, political
11 subdivision, governmental agency, irrigation or agricultural improvement
12 district, association, corporation or individual against liability by virtue
13 of injuries, losses or damages occurring through the use of their facilities,
14 structures, streets, rights-of-way or properties in connection with the
15 operation of a flood control district and the regulation of floodplains.
- 16 5. Acquire and maintain existing flood control and drainage facilities
17 within the district for the benefit of the district if mutually agreeable to
18 the owners of such facilities.
- 19 6. Acquire, convert and maintain surplus irrigation facilities as
20 storm drainage facilities if mutually agreeable to owners of such facilities.
- 21 7. Construct, maintain and operate flood control and storm drainage
22 facilities and regulate floodplains in the district by agreement with this
23 state, counties, other municipal corporations, political subdivisions and
24 other persons and reimburse such agencies or persons for the cost of the
25 work.
- 26 8. On the dissolution of any other flood control district, assume the
27 assets and obligations of the other district.
- 28 9. Enter into intergovernmental agreements with other public agencies
29 pursuant to title 11, chapter 7, article 3 to carry out the objects and
30 purposes of the district.
- 31 10. Apply for, obtain, expend and repay flood control loans pursuant to
32 title 45, chapter 8, article 5.
- 33 11. Apply to the director of water resources for alternative flood
34 control assistance for flood control projects pursuant to section 45-1471,
35 except that the director shall not grant any such assistance for any project
36 unless the director has approved the project in advance of planning.
- 37 12. Sue and be sued, enter into contracts and generally do all things
38 which may be necessary to construct, acquire and maintain facilities, operate
39 the district and perform its regulatory functions and which are in the
40 interests of the district.
- 41 13. Adopt such rules and bylaws for its orderly operation as it sees
42 fit.

1 14. Appoint a chief engineer and general manager, who may be the county
2 engineer.

3 15. Appoint a treasurer, who may be the county treasurer, an attorney,
4 who may be the county attorney, and other employees it considers desirable
5 and necessary to carry out the purposes of the district. Any other work
6 required by the district may be performed by regular employees of the county
7 on assignment by the board of supervisors, except that regular county
8 employees shall not undertake construction projects with an estimated cost of
9 five thousand dollars or more.

10 16. Allow variances from the terms or regulations adopted pursuant to
11 this article to the extent permitted by section 48-3609, subsection B,
12 paragraph 7 and if, owing to peculiar conditions, a strict interpretation
13 would work an unnecessary hardship, if in granting the variance the general
14 intent and purposes of this article and the regulations will be preserved.

15 17. Construct, operate and maintain artificial groundwater recharge
16 facilities, and, if organized in a county having a population of more than
17 five hundred thousand persons according to the most recent United States
18 decennial census, underground storage and recovery facilities, if they have
19 flood control benefits, and contract and join with the United States, this
20 state and other governmental units for the purpose of constructing, operating
21 and maintaining multipurpose groundwater recharge, underground storage and
22 recovery and flood control facilities, except that a district shall not
23 expend district funds for any underground storage and recovery facility that
24 does not have flood control benefits.

25 18. Acquire real property by purchase, donation, dedication, exchange
26 or other lawful means, except by eminent domain, in areas suitable for
27 groundwater recharge projects.

28 19. Cooperate and join with other entities that engage in underground
29 water storage and recovery projects under title 45, chapter 3, including
30 multi-county water conservation districts and other political subdivisions.

31 20. Either alone, or by entering into any combination of contracts with
32 this state, the United States, any other flood control district, a floodplain
33 board, a municipality or other political subdivision, a government agency, an
34 irrigation or agricultural improvement district or an association,
35 corporation or individual, implement flood control enhancement solutions
36 including:

37 (a) Assistance for property owners within the floodplain and through
38 the elevation, bank stabilization and flood proofing of existing structures.

39 (b) Preservation and restoration of the floodplain.

40 (c) Maintenance of flood warning systems and associated flood response
41 plans.

42 21. If a part of a parcel of land is to be taken for drainage, basins,
43 impoundments or any other flood control related use and the board and the
44 affected property owner determine that the remainder will be left in such a
45 condition as to give rise to a claim or litigation concerning severance or

1 other damage, acquire the whole parcel by purchase, donation, dedication,
2 exchange, condemnation or other lawful means, and the remainder may be sold
3 or exchanged for other properties needed for flood control use.

4 22. Adopt and enforce civil penalties for violations of its regulations
5 or ordinances and for unauthorized damage and interference to those district
6 facilities that are authorized pursuant to this chapter.

7 23. Pursuant to the authority prescribed in this chapter, appoint
8 hearing officers to hear and determine actions.

9 24. For any district that intends to take enforcement action pursuant
10 to section 48-3615.01, adopt written rules of procedure for the hearing and
11 review of decisions on actions prescribed by this chapter.

12 25. Establish a board of hearing review to review decisions of hearing
13 officers that are issued pursuant to section 48-3615.01. The board of
14 hearing review shall consist of one member from each board of directors'
15 district or the board of directors may authorize the citizens' flood control
16 advisory board or the board of review to designate a like number of its
17 members to serve as the board of hearing review.

18 26. Authorize the chief engineer of the district to apply for and
19 obtain administrative search warrants for entry and inspection from a local
20 court of general jurisdiction to determine if violations of section 48-3609,
21 48-3613, 48-3614 or 48-3615 have occurred. The warrants shall be served by a
22 peace officer as defined in section 1-215. A report of any inspections made
23 pursuant to this section shall be prepared and made available in the records
24 of the district and a copy mailed or otherwise delivered to the owner within
25 fifteen days after the inspection of the owner's premises.

26 D. The board shall adopt and enforce floodplain regulations as
27 provided in section 48-3609.

28 E. The board may adopt a fee schedule for review of applications for
29 permits and variances from or interpretations of the floodplain regulations.

30 F. The affirmative vote of a majority of the board of directors is
31 necessary to approve any measure. One member may adjourn any meeting at
32 which a quorum is not present.

33 G. The board shall keep a proper written record of all of its
34 proceedings, which shall be open to public inspection.

35 H. The accounts of the district are subject to annual and other audits
36 as provided by law.

37 I. Section 9-403 does not apply to a flood control district organized
38 under this article and section 9-402 does not apply when the district is
39 selling property to ~~the~~ THIS state or a political subdivision. Before
40 selling any property to ~~the~~ THIS state or a political subdivision of ~~the~~ THIS
41 state, the flood control district shall obtain an appraisal of the fair
42 market value of the property by a person who is certified pursuant to title
43 32, chapter 36. If any property sold by the district to ~~the~~ THIS state or a
44 political subdivision without complying with section 9-402 is subsequently
45 sold by ~~the~~ THIS state or political subdivision as undeveloped property for a

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1 price exceeding the original sale price, the district shall be paid the
2 difference between the original price and the subsequent sale price. For the
3 purposes of this subsection, "political subdivision" means any incorporated
4 city or town, county, school district, FIRE DISTRICT, charter school,
5 community college or university.

APPROVED BY THE GOVERNOR APRIL 28, 2011.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 29, 2011.

Passed the House April 19, 2011,

Passed the Senate February 23, 2011,

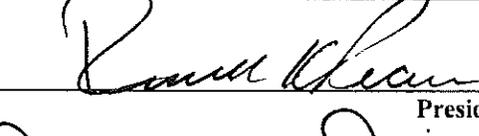
by the following vote: 37 Ayes,

by the following vote: 26 Ayes,

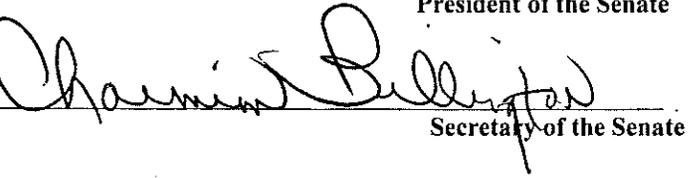
22 Nays, 1 Not Voting

4 Nays, 4 Not Voting


Speaker of the House


President of the Senate


Cheryl Laube
Chief Clerk of the House


Charmine Bellington
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

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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

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 19, 2011

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

20 day of April, 20 11

at 12:00 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 28th day of

April

at 6:50 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 29th day of April, 20 11

at 8:41 o'clock a M.

[Signature]
Secretary of State

S.B. 1218