



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

April 28, 2017

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 1st Regular Session, which I signed on April 28, 2017:

IIB 2011 - bonds; levy; net of cash
HB 2094 - small water systems fund; uses
HB 2157 - private property access; rights-of-way
HB 2158 - tax settlement; Native American veterans
HB 2304 - voter guide; publicity pamphlet; e-mail
HB 2411 - homeowners' associations; open meetings
SB 1175 - real estate transfer fees; definition
SB 1186 - alarm industry; fingerprint requirements
SB 1326 - telecommunications; broadband; accelerated depreciation
SB 1415 - mining and mineral museum; transfer
SB 1475 - claimants; residential contractors' recovery fund

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed House Bill

FILED

**MICHELE REAGAN
SECRETARY OF STATE**

State of Arizona
House of Representatives
Fifty-third Legislature
First Regular Session
2017

**CHAPTER 212
HOUSE BILL 2011**

AN ACT

AMENDING SECTION 35-458, ARIZONA REVISED STATUTES; RELATING TO PUBLIC
INDEBTEDNESS.

(TEXT OF BILL BEGINS ON NEXT PAGE)



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

2 Section 1. Section 35-458, Arizona Revised Statutes, is amended to
3 read:

4 35-458. Levy of tax for payment of bonds; security

5 A. After the bonds are issued, the governing body or board shall
6 enter on its minutes a record of the bonds sold and their numbers and
7 dates, and shall annually levy and cause to be collected a tax, at the
8 same time and in the same manner as other taxes are levied and collected
9 on all taxable property in such political subdivision, sufficient to pay
10 the annual interest on the bonds when due, and shall likewise annually
11 levy a tax sufficient to redeem the bonds when they mature. The annual
12 levy shall not exceed the net amount necessary to meet annual payments of
13 principal and interest, projected payments of principal and interest on
14 new debt planned for the ensuing year, a reasonable delinquency factor,
15 including an amount necessary to correct prior year errors or shortages in
16 the levy, if applicable, and any expenses and fees required in conjunction
17 with the authorization pursuant to section 35-512. THE LEVY SHALL BE THE
18 NET OF ALL CASH IN EXCESS OF TEN PERCENT OF THE ANNUAL PAYMENTS OF
19 PRINCIPAL AND INTEREST IN THE CURRENT FISCAL YEAR FROM THE PREVIOUS YEAR
20 REMAINING IN THE FUND OR FUNDS PRESCRIBED BY SUBSECTION B OF THIS SECTION.

21 B. Monies derived from the levy of the tax when collected shall
22 constitute a fund for payment of interest and the bonds. The fund shall
23 be kept separately and shall be known as the "interest fund" and
24 "redemption fund", or the two funds may be combined into a single
25 "interest and redemption fund—".

26 C. All bonds, whenever issued, are secured by a lien on all
27 revenues received pursuant to the tax levy. The lien arises automatically
28 without the need for any action or authorization by the political
29 subdivision or the political subdivision's governing body or board. The
30 lien is valid and binding from the time of the issuance of the bonds. The
31 revenues received pursuant to the levy of the tax are immediately subject
32 to the lien. The lien attaches immediately to the revenues and is
33 effective, binding and enforceable against the political subdivision, the
34 political subdivision's successors, transferees and creditors and all
35 other parties asserting rights in the revenues, irrespective of whether
36 the parties have notice of the lien, without the need for any physical
37 delivery, recordation, filing or further act.

38 Sec. 2. Tax levy; cash reserves; exception

39 Notwithstanding section 35-458, Arizona Revised Statutes, as amended
40 by this act, the governing body or board of a political subdivision that
41 has cash reserves in excess of ten percent in its interest and redemption
42 fund in fiscal year 2017-2018 may reduce the excess reserves in equal
43 amounts in fiscal years 2017-2018 and 2018-2019, except that a city with a
44 population of 500,000 or more persons may reduce the excess reserves in
45 fiscal years 2017-2018 through 2022-2023.

APPROVED BY THE GOVERNOR APRIL-28,- 2017.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 28, 2017.

Passed the House February 1, 20 17

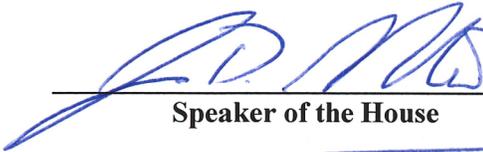
Passed the Senate April 11, 2017

by the following vote: 35 Ayes,

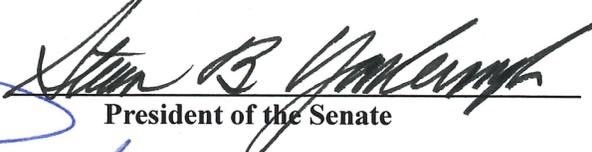
by the following vote: 25 Ayes,

25 Nays, 0 Not Voting

5 Nays, 0 Not Voting

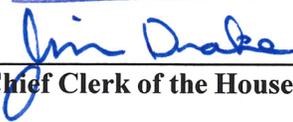


Speaker of the House



President of the Senate

Pro Tempore



Chief Clerk of the House



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

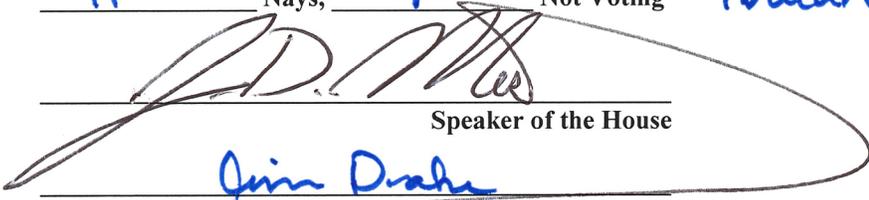
H.B. 2011

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

April 24, 2017,

by the following vote: 39 Ayes,

11 Nays, 9 Not Voting 1 vacant



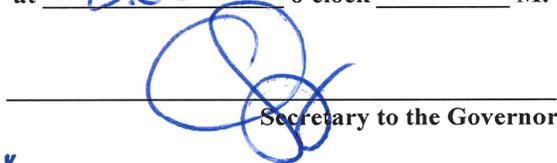
Speaker of the House
Jim Drake

Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

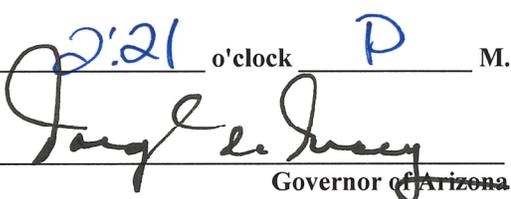
This Bill was received by the Governor this
24th day of April, 2017,

at 2:03 o'clock P M.



Secretary to the Governor

Approved this 28th day of
April, 2017,

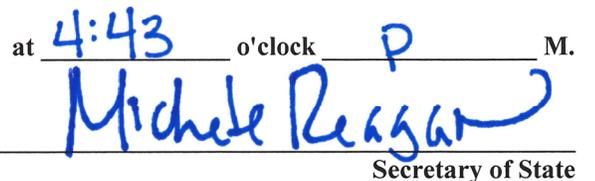
at 2:21 o'clock P M.


Governor of Arizona

H.B. 2011

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this 28 day of April, 2017,

at 4:43 o'clock P M.


Secretary of State