



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

April 11, 2018

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, 2nd Regular Session, which I signed on April 11, 2018:

HB 2006 minimum age; marriage (Ugenti-Rita)
HB 2042 insurance coverage; telemedicine; urology (Carter)
HB 2047 workers' compensation; employee definition; LLCs (Livingston)
HB 2152 fingerprinting; joint powers authority (John)
HB 2154 personal information; data security breaches (Shope)
HB 2184 secretary of state; counties; rulemaking (Coleman)
HB 2216 schools; dropout recovery programs; report (Leach)
HB 2238 administrative decisions; review; scope (Farnsworth, E.)
HB 2244 dangerous crimes; children; fictitious age (Farnsworth, E.)
HB 2305 vehicle dealers; franchise regulations (Campbell)
HB 2323 schools; inhalers; contracted nurses (Carter)
HB 2342 off-highway vehicles; definition; user indicia (John)
HB 2464 sale of eggs; expiration date (Norgaard)
SB 1041 residency restrictions; sex offenders; victims (Kavanagh)
SB 1281 street lighting improvement districts; consolidation (Kavanagh)
SB 1355 border security trust fund; repeal (Griffin)
SB 1382 TPT; online lodging marketplace; registration (Kavanagh)
SB 1386 high-tech tax fraud (Farnsworth, D.)
SB 1395 temporary custody without court order (Barto)
SB 1421 environmental quality; amendments (Griffin)
SB 1436 prohibition; criminal history; occupational regulation (Burges)
SB 1465 sober living homes; certification (Brophy McGee)

Sincerely,

A handwritten signature in black ink that reads "Douglas A. Ducey". The signature is written in a cursive style with a large initial 'D' and a long, sweeping underline.

Douglas A. Ducey
Governor
State of Arizona

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

Senate Engrossed

FILED

MICHELE REAGAN

SECRETARY OF STATE

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 187

SENATE BILL 1281

AN ACT

AMENDING SECTION 48-616, ARIZONA REVISED STATUTES; RELATING TO MUNICIPAL
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 48-616, Arizona Revised Statutes, is amended to
3 read:

4 48-616. Improvement districts for purchasing energy for
5 lighting public streets and parks; consolidation

6 A. In addition to the purposes for which an improvement district
7 may be formed under the provisions of section 48-572, an improvement
8 district may be formed for the sole purpose of purchasing and not
9 generating energy for the lighting of the public streets and parks of the
10 improvement district.

11 B. Subject to the limitations contained in this section, the powers
12 and duties of the governing body of a municipality ~~shall be~~ ARE as
13 provided in this article for other types of improvement districts.

14 C. The governing body shall make annual statements and estimates of
15 the expenses of the district ~~which~~ THAT shall be provided for by the levy
16 and collection of ad valorem taxes ~~upon~~ ON the assessed value of all the
17 property real and personal in the district or by an equal apportionment of
18 taxes based on the number and classification of properties within the
19 district, publish notice of the statements and estimates, hold hearings on
20 them and adopt them at the times and in the manner provided for
21 incorporated cities and towns' statements and estimates by applicable
22 portions of title 42, chapter 17, article 3, and the governing body, on or
23 before the third Monday in August each year, shall fix, levy and assess
24 the amount to be raised by ad valorem taxes or by an equal apportionment
25 of taxes ~~upon~~ ON all of the property of the district and collect as county
26 taxes are collected the amounts shown by the statements and estimates as
27 adopted by the governing body. All statutes providing for the levy and
28 collection of general county taxes, including collection of delinquent
29 taxes and sale of property for nonpayment of taxes, are applicable to the
30 district taxes as provided to be levied by this section.

31 D. An improvement district formed under the provisions of this
32 section shall not be authorized to issue bonds, and no assessment for
33 district purposes against the property within ~~such~~ THE district shall
34 exceed one dollar twenty cents per one hundred dollars of assessed
35 valuation thereof in any year.

36 E. ~~No such~~ A district is NOT authorized to engage in any activity
37 other than contracting for and purchasing of energy for street and public
38 park lighting.

39 F. In the event the municipality is willing to participate in the
40 costs of the lighting of streets in ~~such~~ improvement districts, the
41 governing body may by resolution summarily order ~~such~~ participation. If
42 the municipality is willing to assume the total cost of ~~such~~ THE lighting,
43 the council may summarily dissolve the district by resolution after
44 payment of all liabilities.

1 G. The formation of an improvement district for street and public
2 park lighting under the provisions of this section shall not prevent the
3 subsequent establishment of improvement districts for other purposes,
4 including improvement districts for the purpose of constructing street
5 lighting facilities within any part or all of the same territory.

6 H. In the event an improvement district is formed ~~which~~ THAT
7 includes the construction and operation of street lighting facilities
8 within all or any part of the territory of a district formed under this
9 section, the governing body may by resolution summarily delete from the
10 district formed under this section any area covered by a subsequently
11 formed district and form a new district from the balance of the original
12 district formed under this section.

13 I. The rate to be paid for the purchase of energy may include a
14 charge for electric power, natural gas and other forms of energy and a
15 charge for the use of lighting facilities if the established rate of the
16 public service corporation or public agency imposes such a charge for the
17 type of lighting facilities ~~which~~ THAT the governing body determines shall
18 be installed in accordance with section 48-617, subsection C.

19 J. In either a new or existing improvement district organized for
20 purposes prescribed by this section, a majority of the real property
21 owners may petition the governing body to levy ad valorem taxes or to
22 equally apportion the taxes based on the number and classification of
23 properties within the district. If the petition is signed by the required
24 number of owners of real property in the district, the governing body of
25 the district shall declare the petition approved and shall provide that
26 beginning on a date certain, all subsequent taxes levied for the benefit
27 of the district shall be assessed and levied as prescribed by this
28 subsection.

29 K. A MUNICIPALITY MAY BY ORDINANCE OR RESOLUTION CONSOLIDATE TWO OR
30 MORE EXISTING IMPROVEMENT DISTRICTS FORMED PURSUANT TO SECTION 48-615,
31 48-617 OR THIS SECTION INTO A SINGLE DISTRICT AS FOLLOWS:

32 1. THE MUNICIPALITY RECEIVES A PETITION SIGNED BY A MAJORITY OF THE
33 REAL PROPERTY OWNERS IN EACH OF THE DISTRICTS THAT ARE PROPOSED TO BE
34 CONSOLIDATED. THE DISTRICTS PROPOSED TO BE CONSOLIDATED SHALL BE
35 CONTIGUOUS AND NEW TERRITORY MAY NOT BE INCLUDED IN THE DISTRICTS BY WAY
36 OF THE CONSOLIDATION. FOR THE PURPOSES OF THIS PARAGRAPH, DISTRICTS ARE
37 CONTIGUOUS IF THEY EITHER HAVE A COMMON BOUNDARY OR ARE SEPARATED ONLY BY
38 A PUBLIC RIGHT-OF-WAY.

39 2. THE GOVERNING BODY PUBLISHES A NOTICE OF HEARING IN A NEWSPAPER
40 OF GENERAL CIRCULATION IN THE MUNICIPALITY IN WHICH THE AFFECTED DISTRICTS
41 ARE LOCATED. THE NOTICE SHALL BE PUBLISHED AT LEAST TEN DAYS BEFORE THE
42 SCHEDULED DATE OF THE HEARING. THE NOTICE SHALL INCLUDE THE DATE, TIME
43 AND PLACE OF A PUBLIC HEARING AT WHICH THE CONSOLIDATION WILL BE
44 CONSIDERED. THE NOTICE SHALL STATE THE PURPOSE OF THE HEARING AND SHALL
45 DESCRIBE WHERE INFORMATION ON THE PROPOSED CONSOLIDATION MAY BE OBTAINED

1 AND REVIEWED. THE INFORMATION PROVIDED BY THE MUNICIPALITY SHALL INCLUDE
2 THE NAME AND A GENERAL DESCRIPTION OF THE BOUNDARIES OF EACH DISTRICT THAT
3 IS PROPOSED TO BE CONSOLIDATED AND A DETAILED, ACCURATE MAP OF THE AREA TO
4 BE INCLUDED IN THE CONSOLIDATION. THE NOTICE ALSO SHALL CONTAIN AN
5 ESTIMATE OF THE ASSESSED VALUE OF THE CONSOLIDATED DISTRICT, THE ESTIMATED
6 CHANGE IN THE PROPERTY TAX LIABILITY OR LIABILITY FOR EQUAL APPORTIONMENT
7 FOR A TYPICAL RESIDENT OF THE PROPOSED CONSOLIDATED DISTRICT AND A LIST OF
8 THE BENEFITS AND INJURIES THAT MAY RESULT FROM THE PROPOSED CONSOLIDATED
9 DISTRICT.

10 3. AT THE PUBLIC HEARING CALLED BY THE MUNICIPALITY, INTERESTED
11 PERSONS MAY APPEAR AND GIVE COMMENT. AFTER THE PUBLIC HEARING, THE
12 GOVERNING BODY MAY ADOPT THE ORDINANCE OR RESOLUTION CONSOLIDATING THE
13 DISTRICTS INCLUDED IN THE PETITIONS.

14 4. THE CONSOLIDATION SHALL TAKE EFFECT ON JULY 1 IMMEDIATELY
15 FOLLOWING THE TIMELY FILING OF NOTICE OF THE CONSOLIDATION WITH THE
16 DEPARTMENT OF REVENUE, THE COUNTY ASSESSOR AND THE COUNTY TREASURER AS
17 PRESCRIBED IN SUBSECTION L OF THIS SECTION.

18 5. ON THE EFFECTIVE DATE OF THE CONSOLIDATION, THE SEPARATE
19 DISTRICTS THAT WERE CONSOLIDATED SHALL TERMINATE AND THE MUNICIPALITY
20 SHALL PAY ALL REMAINING LIABILITIES OF THE FORMERLY SEPARATE DISTRICTS
21 FROM MONIES OF THOSE SEPARATE DISTRICTS, AND TRANSFER ANY REMAINING MONIES
22 AND ALL LATE TAX PAYMENTS THEREAFTER RECEIVED FOR THE SEPARATE DISTRICTS
23 TO THE ACCOUNT OF THE CONSOLIDATED DISTRICT.

24 L. TO BE ELIGIBLE TO LEVY A TAX WITHIN A DISTRICT CONSOLIDATED
25 PURSUANT TO SUBSECTION K OF THIS SECTION AND NOTWITHSTANDING SECTION
26 42-17257, THE MUNICIPALITY SHALL NOTIFY THE DEPARTMENT OF REVENUE, THE
27 COUNTY ASSESSOR AND THE COUNTY TREASURER OF THE DISTRICT CONSOLIDATION NOT
28 LATER THAN JUNE 1 IMMEDIATELY PRECEDING THE EFFECTIVE DATE OF THE
29 CONSOLIDATION.

30 M. NEW TERRITORY MAY BE ADDED TO A DISTRICT FORMED PURSUANT TO THIS
31 SECTION, INCLUDING A CONSOLIDATED DISTRICT FORMED PURSUANT TO SUBSECTION K
32 OF THIS SECTION, BY GIVING NOTICE OF THE ADDED TERRITORY IN THE SAME
33 MANNER AS PROVIDING NOTICE OF IMPROVEMENT PURSUANT TO THIS ARTICLE.
34 NOTICE IS NOT REQUIRED TO BE GIVEN WITHIN THE TERRITORY THEN IN THE
35 DISTRICT. PROTESTS AND OBJECTIONS TO THE EXTENT OF THE ENLARGED DISTRICT
36 MAY BE FILED ONLY BY PERSONS WHO OWN REAL PROPERTY WITHIN THE TERRITORY
37 PROPOSED TO BE ADDED TO AN EXISTING DISTRICT.

APPROVED BY THE GOVERNOR APRIL 11, 2018

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2018

Passed the House April 4, 20 18,

Passed the Senate February 15, 20 18,

by the following vote: 53 Ayes,

by the following vote: 29 Ayes,

4 Nays, 3 Not Voting

0 Nays, 1 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 was received by the Governor this

5th day of April, 20 18

at 10:32 o'clock A. M.

[Signature]
Secretary to the Governor

Approved this 1th day of

April, 20 18

at 2:31 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 11 day of April, 20 18,

at 4:50 o'clock P. M.

[Signature]
Secretary of State

S.B. 1281