

REFERENCE TITLE: fire districts; formation; county supervisors

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HB 2330

Introduced by
Representative Marshall

AN ACT

AMENDING SECTION 48-261, ARIZONA REVISED STATUTES; AMENDING TITLE 48,
CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 48-825;
RELATING TO FIRE DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 48-261, Arizona Revised Statutes, is amended to
3 read:

4 48-261. District creation; procedures; notice; hearing;
5 determinations; petitions

6 A. EXCEPT FOR A FIRE DISTRICT FORMED PURSUANT TO SECTION 48-825, a
7 fire district, community park maintenance district, sanitary district or
8 hospital district for either a hospital or an urgent care center shall be
9 created by the following procedures:

10 1. Any adult person desiring to propose creation of a district
11 shall provide a legal description of the area proposed for inclusion in
12 the district to the county assessor of the county in which the district is
13 to be located. The county assessor shall provide to the person proposing
14 formation of the district a detailed list of all taxable properties in the
15 area proposed for inclusion in the district. The person proposing
16 formation of the district shall prepare and submit a district impact
17 statement to the board of supervisors of the county in which the district
18 is to be located. The county assessor's parcel map and the assessed
19 valuation of the properties as prescribed by section 42-17052 and as shown
20 in the county assessor's records at the time the district impact statement
21 is submitted are deemed sufficient for any required maps and for
22 determining the assessed valuations prescribed by this section. Except
23 for a proposed community park maintenance district that is to be located
24 in more than one county, if a proposed district is located in more than
25 one county, the impact statement shall be submitted to the board of
26 supervisors of the county in which the majority of the assessed valuation
27 of the proposed district is located. The boards of supervisors of any
28 other counties in which a portion of the district is to be located shall
29 provide information and assistance to the responsible board of
30 supervisors. For a community park maintenance district that is to be
31 located in more than one county, the impact statement shall be submitted
32 to the board of supervisors for each of the affected counties. If the
33 person desiring to create a district pursuant to this section is unable to
34 complete the district impact statement, the board of supervisors may
35 assist in the completion of the impact statement if requested to do so,
36 provided the bond required in subsection C of this section is in an amount
37 sufficient to cover any additional cost to the county. The district
38 impact statement shall contain at least the following information:

39 (a) A legal description of the boundaries of the proposed district
40 and a map and a general description of the area to be included in the
41 district sufficiently detailed to ~~permit~~ ALLOW a property owner to
42 determine whether a particular property is within the proposed district.

43 (b) The detailed list of taxable properties provided by the
44 assessor pursuant to this paragraph.

45 (c) An estimate of the assessed valuation within the proposed
46 district.

1 (d) An estimate of the change in the property tax liability, as a
2 result of the proposed district, of a typical resident of the proposed
3 district.

4 (e) A list and explanation of benefits that will result from the
5 proposed district.

6 (f) A list and explanation of the injuries that may result from the
7 proposed district.

8 (g) The names, addresses and occupations of the proposed members of
9 the district's organizing board of directors.

10 (h) A general description of the scope of services to be provided
11 by the district during its first five years of operation. At a minimum
12 this description shall include an estimate of anticipated capital
13 expenditures, personnel growth and enhancements to service.

14 2. On receipt of the district impact statement, the board of
15 supervisors shall set a day, at least thirty but not more than sixty days
16 after that date, for a hearing on the impact statement. The board of
17 supervisors, at any time before making a determination pursuant to
18 paragraph 4 of this subsection, may require that the impact statement be
19 amended to include any information that the board of supervisors deems to
20 be relevant and necessary.

21 3. On receipt of the district impact statement, the clerk of the
22 board of supervisors shall mail, by first class mail, notice of the day,
23 hour and place of the hearing on the proposed district to each owner of
24 taxable property within the boundaries of the proposed district. The
25 written notice shall state the purpose of the hearing and shall state
26 where a copy of the impact statement may be viewed or requested. The
27 clerk of the board of supervisors shall post the notice in at least three
28 conspicuous public places in the area of the proposed district and shall
29 publish twice in a daily newspaper of general circulation in the area of
30 the proposed district, at least ten days before the hearing, or, if no
31 daily newspaper of general circulation exists in the area of the proposed
32 district, at least twice at any time before the date of the hearing, a
33 notice setting forth the purpose of the impact statement, the description
34 of the area of the proposed district and the day, hour and place of the
35 hearing.

36 4. At the hearing called pursuant to paragraph 2 of this
37 subsection, the board of supervisors shall hear those who appear for and
38 against the proposed district and shall determine whether the creation of
39 the district will promote public health, comfort, convenience, necessity
40 or welfare. If the board of supervisors determines that the public
41 health, comfort, convenience, necessity or welfare will be promoted, it
42 shall approve the district impact statement and authorize the circulation
43 of petitions as provided in this subsection. For a community park
44 maintenance district that is required to obtain the approval of more than
45 one county's board of supervisors, the petitions may only be circulated
46 after approval of the board of supervisors from each affected county. The

1 order of the board of supervisors shall be final, but if the request to
2 circulate petitions is denied, a subsequent request for a similar district
3 may be refiled with the board of supervisors ~~after~~ six months ~~from~~ AFTER
4 the date of the denial. The county board of supervisors shall authorize
5 the circulation of petitions of only one proposed new district of the same
6 type in which any property owner's land is proposed for inclusion. A new
7 petition circulation shall not be authorized until the one-year period to
8 submit signatures prescribed by paragraph 6 of this subsection of the
9 original petition circulation has expired or has otherwise been
10 extinguished.

11 5. Within fifteen days after receiving the approval of the board of
12 supervisors as prescribed by paragraph 4 of this subsection, the clerk of
13 the board shall determine the minimum number of signatures and assessed
14 valuation required for compliance with paragraph 7 of this subsection.
15 After making that determination, the number of signatures shall remain
16 fixed and the assessed valuation of the taxable properties within the
17 boundaries of the proposed district shall remain fixed as prescribed in
18 this subsection for the purposes of determining compliance with the
19 property valuation requirement prescribed in paragraph 7 of this
20 subsection.

21 6. After receiving the approval of the board of supervisors as
22 provided in paragraph 4 of this subsection, any adult person may circulate
23 and present petitions to the board of supervisors of the county in which
24 the district is located. All petitions circulated shall be returned to
25 the board of supervisors within one year ~~from~~ AFTER the date of the
26 approval of the board of supervisors pursuant to paragraph 4 of this
27 subsection. Any petition that is returned more than one year from that
28 date is void.

29 7. The petitions presented pursuant to paragraph 6 of this
30 subsection shall comply with the provisions regarding verification in
31 section 48-266 and shall:

32 (a) At all times, contain a map and general description of the
33 boundaries of the proposed district sufficiently detailed to ~~permit~~ ALLOW
34 a property owner to determine whether a particular property is within the
35 proposed district and the names, addresses and occupations of the proposed
36 members of the district's organizing board of directors. An alteration of
37 the proposed district shall not be made after receiving the approval of
38 the board of supervisors as provided in paragraph 4 of this subsection.
39 The items required to be contained with the petition under this
40 subdivision shall be printed on the back of the petition form required
41 pursuant to section 48-266 unless the size of the items precludes
42 compliance with this requirement. An error in the legal description of
43 the proposed district shall not invalidate the petitions if considered as
44 a whole the information provided is sufficient to identify the property as
45 illustrated in the map required pursuant to this subdivision.

1 (b) Be signed by owners of more than one-half of the taxable
2 property units in the area of the proposed district and be signed by
3 persons owning collectively more than one-half of the assessed valuation
4 of the property in the area of the proposed district. Property exempt
5 pursuant to title 42, chapter 11, article 3 shall not be considered in
6 determining the total assessed valuation of the proposed district nor
7 shall owners of property not subject to taxation be eligible to sign
8 petitions.

9 8. On receipt of the petitions, including any supplemental
10 signatures, and the report of the county assessor, the board of
11 supervisors shall set a day for a hearing on the petition.

12 9. Before the hearing called pursuant to paragraph 8 of this
13 subsection, the board of supervisors shall determine the validity of the
14 petitions presented.

15 10. At the hearing called pursuant to paragraph 8 of this
16 subsection, the board of supervisors, if the petitions are valid, shall
17 order the creation of the district. The board of supervisors shall enter
18 its order setting forth its determination in the minutes of the meeting,
19 not later than ten days after the day of the hearing, and a copy of the
20 order shall be filed in the county recorder's office. The order of the
21 board of supervisors shall be final, and the proposed district shall be
22 created thirty days after the board of supervisors votes to create the
23 district, except that for a community park maintenance district that is
24 proposed for more than one county, the proposed district is created thirty
25 days after the approval of the board of supervisors of the final county of
26 the counties in which the district is to be located. A decision of the
27 board of supervisors under this subsection is subject to judicial review
28 under title 12, chapter 7, article 6.

29 B. For the purpose of determining the validity of the petitions
30 presented pursuant to subsection A, paragraph 6 of this section:

31 1. Property held in multiple ownership shall be treated as if it
32 had only one property owner, and the signature of only one of the owners
33 of property held in multiple ownership is required on the formation
34 petition. The number of persons owning property inside the boundaries of
35 the proposed district shall be determined as follows:

36 (a) In the case of property assessed by the county assessor, the
37 number of persons owning property shall be as shown on the most recent
38 assessment of property.

39 (b) In the case of property valued by the department of revenue,
40 the number of persons owning property shall be as shown on the most recent
41 valuation of property.

42 (c) If an undivided parcel of property is owned by multiple owners,
43 those owners are deemed to be one owner for the purposes of this section.

44 (d) If a person owns multiple parcels of property, that owner is
45 deemed to be a single owner for the purposes of this section.

1 2. The value of property shall be determined as follows:

2 (a) In the case of property assessed by the county assessor, values
3 shall be the same as those shown on the day the district impact statement
4 is submitted.

5 (b) In the case of property valued by the department of revenue,
6 the values shall be those determined by the department in the manner
7 provided by law, for municipal assessment purposes. The county assessor
8 and the department of revenue, respectively, shall furnish to the board of
9 supervisors, within twenty days after a request, a statement in writing
10 showing the owner, the address of each owner and the appraisal or
11 assessment value of properties contained within the boundaries of the
12 proposed district as described in subsection A of this section.

13 3. Petition signatures representing real property on which taxes
14 and assessments are not current at the time of petition review are
15 invalid.

16 C. The board of supervisors may require of the person desiring to
17 propose creation of a district pursuant to subsection A, paragraph 1 of
18 this section a reasonable bond to be filed with the board at the start of
19 proceedings under this section. The bond shall be in an amount sufficient
20 to cover costs incurred by the county if the district is not finally
21 organized. County costs covered by the bond include any expense incurred
22 from completion of the district impact statement, mailing of the notice of
23 hearing to district property owners, publication of the notice of hearing
24 and other expenses reasonably incurred as a result of any requirements of
25 this section.

26 D. If a district is created pursuant to this section, the cost of
27 publication of the notice of hearing, the cost of the mailing of notices
28 to property owners, the cost of the bond and all other costs incurred by
29 the county as a result of this section shall be a charge against the
30 district.

31 E. If a proposed district would include property located within an
32 incorporated city or town, in addition to the other requirements of
33 subsection A of this section, the board shall approve the creation and
34 authorize the circulation of petitions only if the governing body of the
35 city or town has by ordinance or resolution endorsed the creation.

36 F. Except as provided in section 48-851 and section 48-2001,
37 subsection A, the area of a district created pursuant to this section
38 shall be contiguous.

39 G. A district organized pursuant to this section shall have an
40 organizing board of directors to administer the affairs of the district
41 until a duly constituted board of directors is elected as provided in this
42 title. The organizing board shall have all the powers, duties and
43 responsibilities of an elected board. The organizing board shall consist
44 of the three or five individuals named in the district impact statement
45 and the petitions presented pursuant to subsection A of this section. If
46 a vacancy occurs on the organizing board, the remaining board members

1 shall fill the vacancy by appointing an interim member. Members of the
2 organizing board shall serve without compensation but may be reimbursed
3 for actual expenses incurred in performing their duties. The organizing
4 board shall elect from its members a chairman and a clerk.

5 H. For the purposes of this section assessed valuation does not
6 include property exempt pursuant to title 42, chapter 11, article 3.

7 Sec. 2. Title 48, chapter 5, article 1, Arizona Revised Statutes,
8 is amended by adding section 48-825, to read:

9 48-825. Alternate formation process for fire district; board
10 of supervisors; election; board of directors

11 A. UNTIL DECEMBER 31, 2026, IN A COUNTY WITH A POPULATION OF LESS
12 THAN FIVE HUNDRED THOUSAND PERSONS, A FIRE DISTRICT MAY BE FORMED AS
13 FOLLOWS:

14 1. ON WRITTEN REQUEST TO THE BOARD OF SUPERVISORS FOR FORMATION OF
15 A FIRE DISTRICT WITH FIVE THOUSAND OR FEWER PERSONS AND SUBMISSION OF A
16 MAP DELINEATING THE PROPOSED BOUNDARIES OF THE DISTRICT, THE BOARD OF
17 SUPERVISORS MAY HOLD A HEARING ON THE MATTER AT A MEETING OF THE BOARD OF
18 SUPERVISORS.

19 2. THE BOARD OF SUPERVISORS MAY CONSIDER THE MATTER, INCLUDING BY
20 TAKING TESTIMONY FROM THE PUBLIC, AND MAY REVISE THE PROPOSED BOUNDARIES
21 FOR THE DISTRICT.

22 3. ON A DETERMINATION BY THE BOARD OF SUPERVISORS TO PROCEED WITH
23 POSSIBLE FORMATION OF THE FIRE DISTRICT, THE BOARD OF SUPERVISORS SHALL
24 SUBMIT THE MATTER TO A VOTE OF THE QUALIFIED ELECTORS IN THE PROPOSED
25 BOUNDARIES OF THE DISTRICT. THE ELECTION SHALL BE HELD ON ONE OF THE FOUR
26 DATES PRESCRIBED BY SECTION 16-204.

27 4. THE ELECTION SHALL COMPLY WITH THE GENERAL ELECTION LAWS OF THIS
28 STATE. AT THE ELECTION ON THE FORMATION OF THE FIRE DISTRICT, THE WORDS
29 TO APPEAR ON THE BALLOTS SHALL BE "FIRE DISTRICT, YES" AND "FIRE DISTRICT,
30 NO". THE RETURNS OF THE ELECTION SHALL BE MADE TO THE BOARD OF
31 SUPERVISORS.

32 B. IF APPROVED AT THE FORMATION ELECTION, THE BOARD OF SUPERVISORS
33 SHALL DECLARE THE FIRE DISTRICT FORMED AND SHALL NAME THREE PERSONS WHO
34 ARE RESIDENTS OF THE FIRE DISTRICT TO SERVE ON THE FIRE DISTRICT
35 ORGANIZING BOARD OF DIRECTORS UNTIL FIRE DISTRICT BOARD MEMBERS ARE
36 ELECTED AS OTHERWISE PROVIDED BY LAW AT THE NEXT GENERAL ELECTION
37 IMMEDIATELY FOLLOWING FORMATION OF THE FIRE DISTRICT.

38 C. AFTER DECLARING THE FIRE DISTRICT FORMED, THE BOARD OF
39 SUPERVISORS SHALL TRANSMIT TO THE COUNTY ASSESSOR A CERTIFIED COPY OF THE
40 DESCRIPTION OF THE BOUNDARIES OF THE FIRE DISTRICT.

41 D. A FIRE DISTRICT FORMED PURSUANT TO THIS SECTION HAS ALL OF THE
42 POWERS AND DUTIES OF A FIRE DISTRICT PRESCRIBED BY THIS ARTICLE.

43 E. FROM AND AFTER DECEMBER 31, 2026, A FIRE DISTRICT MAY NOT BE
44 FORMED PURSUANT TO THIS SECTION.