House Engrossed

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JANICE K. BREWER
SECRETARY OF STATE

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CHAPTER 151

HOUSE BILL 2560

AN ACT

AMENDING SECTIONS 48-252 AND 48-807, ARIZONA REVISED STATUTES; RELATING TO FIRE DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 48-252, Arizona Revised Statutes, is amended to read:

48-252. District budgets

A. Each district organized under this title and not exempted by subsection D shall submit the annual budget most recently adopted by the district to the county board of supervisors and the county treasurer. The district budget shall be prepared consistent with the annual financial statements required by this article. The board of supervisors may supply forms for use by districts in preparing their annual budget.

B. Budgets required to be submitted pursuant to this section shall be submitted to the county treasurer and the board of supervisors no later than July 10 of each year. If the district fails to submit a budget as required by this section, any taxpayer residing in the district, the board of supervisors or the county treasurer may petition the superior court in a county where the district is organized to show cause why the budget has not been submitted. On a failure to show cause, the court shall order the district to submit the budget within ten days after judgment is entered.

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

D. Districts organized under chapters 4, 5, 6, 17, 22, 27 and 28 of this title are exempt from the requirements of this section.

Sec. 2. Section 48-807, Arizona Revised Statutes, is amended to read:

48-807. County fire district assistance tax; annual budget

A. The board of supervisors of a county shall LEVY, at the time of levying other property taxes, ~~levy~~ a county fire district assistance tax on the taxable property in the county of not to exceed ten cents per one hundred dollars of assessed valuation. The tax levy provided for in this subsection shall be a levy of secondary property taxes and shall not be subject to title 42, chapter 17, article 2. The county treasurer shall pay to each district in the county from the proceeds of the tax an amount equal to twenty per cent of the property tax levy adopted by the district for the fiscal year in which the tax will be levied, except that:

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

(a) By the dollar amount that the fire district receives from the fire district assistance tax that exceeds three hundred thousand dollars from and after June 30~~, 1992 through June 30, 1993 and~~ OF each fiscal year ~~thereafter~~.

(b) Except as provided in paragraph 2 ~~of this subsection~~, if the total amount to be paid to all districts in the county under this paragraph exceeds the amount to be raised by the levy of ten cents per one hundred dollars assessed valuation, then the county treasurer shall pay an amount less than twenty per cent of the property tax levy of each district. The amount to be

paid by the county treasurer to each district shall be determined by multiplying the proceeds of the county fire district assistance tax against the proportion that twenty per cent of the property tax levy of each district bears to the total of twenty per cent of the property tax levies of all fire districts in the county.

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

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

C. Notwithstanding subsection A of this section, if two or more fire districts merge to form a consolidated district, the last amount received by each fire district from the fire district assistance tax prior to the merger shall be combined and if the combined amount exceeds three hundred thousand dollars, the consolidated district may continue to receive that amount from the fire district assistance tax.

D. If two or more fire districts merge to form a consolidated district and the total of the amounts received by each fire district from the fire district assistance tax is less than three hundred thousand dollars, the consolidated district may continue to receive monies until its receipts total three hundred thousand dollars, as prescribed in subsection A of this section.

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

F. The board, based on the budget submitted by the district, shall LEVY, in addition to any tax levied as provided in section 48-806, ~~levy~~ a tax~~,~~ not to exceed three dollars per one hundred dollars of assessed valuation~~,~~ against all property situated within the district boundaries and appearing upon the last assessment roll. The levy shall be made and the taxes collected in the manner, at the time and by the officers provided by law for the collection of general county taxes.

G. The county treasurer shall keep the money received from such taxes in a separate fund known as the "fire district fund" of the town or settlement for which collected. Any surplus remaining in the fund at the end of the fiscal year shall be credited to the fire district fund of the town or settlement for which collected for the succeeding fiscal year.

H. When a fire district has adopted a budget and the board of supervisors has levied a fire district tax as provided in subsection F of this section and the district has insufficient money in its fund with the county treasurer to operate the district, the elected chief and the secretary-treasurer, or if there is a district board, the chairman of the board, ~~may,~~ on or after ~~July 10~~ AUGUST 1 of each year, MAY draw warrants for the purposes prescribed in section 48-805 on the county treasurer, payable on November 1 of that year or on April 1 of the succeeding year. The aggregate amounts of the warrants may not exceed ninety per cent of the taxes levied by the county for the district's current fiscal year. If the treasurer cannot pay a warrant for lack of funds in the fire district fund, the warrant shall be endorsed, be registered, bear interest and be redeemed as provided by law for county warrants, except that the warrants are payable only from the fire district fund.

APPROVED BY THE GOVERNOR APRIL 23, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 23, 2004.