



***ARIZONA STATE SENATE***  
***Fiftieth Legislature, Second Regular Session***

FACT SHEET FOR S.B. 1480

road enhancement improvement districts

Purpose

Establishes a road enhancement improvement district (District) governed by an elected Board of Directors (BOD).

Background

Special taxing districts are usually created to fill a need in an area that may be limited from receiving certain services due to size, location, financial limitations or unavailability of other government support. They establish a funding stream to pay for the desired or needed services by placing the responsibility on those who benefit from that service. Special taxing districts in Arizona may include fire districts, power districts or hospital districts.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Establishes a District to be governed by an elected BOD at the option of the board of supervisors:
  - a) after presentation of a petition requesting establishment of a District; or
  - b) on the submission of a separate petition following the establishment of a District.
2. Requires the elected board to consist of the number of members specified in the petition, but no less than three.
3. Requires the first BOD to be qualified electors of the district and selected by the board of supervisors at the time the District is established
4. Requires the directors to divide into two classes nearly equal in number with the first class serving a four year term and the second class serving a two year term.
5. Requires every director from the first BOD, to continue the duties of office until a successor is elected and qualifies.
6. Requires the dates of elections and expiration of terms to be specified in the petition for establishment of the District.

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7. Requires the BOD to appoint a qualified elector if there is a vacancy due to disability or resignation.
8. Allows the county board of supervisors to revoke the authority of the appointed or elected BOD if the District board lacks a quorum, when filling a vacancy, for more than thirty days.
9. Requires the BOD to annually elect a chairperson from it's members.
10. Permits the county board of supervisors, when only one person files a nominating petition, to cancel the election and appoint that person.
11. Permits the county board of supervisors, when no person files a nominating petition, to cancel the election for those offices and consider them vacant.
12. Entitles each member of the BOD to receive no more than seventy-five dollars for each meeting attended with no more than four meetings a month, and reimbursement for travel expenses, paid by the district.
13. Stipulates that each director receive reimbursement for necessary expenses while engaged in official business.
14. Specifies that the BOD have all of the duties and powers of a board of directors of a county improvement district.
15. Requires the board to appoint a clerk and employ a superintendent with known offices and mailing addresses.
16. Requires alterations and additions to the District to be provided for in the same manner as the establishment of a District with notification published in a newspaper circulated in the district.
17. Requires petitions to be filed with the BOD with all actions related to a proposed boundary change being the responsibility of the BOD.
18. Prohibits the board of supervisors from having veto authority over financial transactions of the BOD.
19. Specifies that services provided by a county to a District are subject to reimbursement.
20. Allows a county improvement district formed for road enhancement improvements, requiring ongoing maintenance to convert to a District by either of the following methods:
  - a) a board of supervisors may order conversion after a public hearing with at least twenty days' notice mailed to the owners of the property in the county improvement district as shown on the most recent tax assessment roll; or
  - b) the owners of at least fifty per cent of the property in a county improvement district may petition the board of supervisors and after consideration of the petition the board shall order the conversion.

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21. Specifies that on adoption of an order of conversion to a District, the BOD must specify the number of members on the board and appoint the initial members.
22. Stipulates that all costs, expenses and attorney fees incurred by a county improvement district in seeking conversion are a liability of the District if the conversion is ordered.
23. Stipulates that all costs, expenses and attorney fees incurred by a county improvement district in seeking conversion are a liability of the county improvement district if the conversion is not ordered.
24. Specifies that all of the assets and liabilities of a converted county improvement district are assumed by the District.
25. Specifies that, as the successor, the District has all of the power, rights and privileges of the former county improvement district.
26. Prohibits a person from using conversion as a reason for relief of debt, liability, obligation or assessment to a county improvement district.
27. Includes definitions.
28. Becomes effective on the general effective date.

Prepared by Senate Research

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