



ARIZONA STATE SENATE
Fifty-First Legislature, First Regular Session

FACT SHEET FOR S.B. 1371

municipal elections; ballot; disclosure

Purpose

Prescribes ballot requirements for any municipal election to approve a bond, sales tax, property tax or franchise agreement measure.

Background

According to Arizona Revised Statutes (A.R.S.) § 9-821, the manner of conducting and voting at elections of a city or town must conform to the provisions of law relating to the general election of county officers as nearly as possible, except that the returns must be made to the clerk of the city or town, and the governing body of the city or town must canvass the returns, declare the result and issue the certificates of the election. A city or town is authorized to submit to the qualified electors of a municipality any questions on bonds. No bonds can be issued without the consent of a majority of the qualified electors voting at an election held for that purpose (A.R.S. § 9-523).

Public utilities enter into franchise agreements with cities and towns to set forth the terms and conditions related to business conduct. An incorporated city or town is prohibited from granting a franchise for a public utility unless authorized by a majority vote of the qualified electors (A.R.S. § 9-501). The franchise must be presented to the governing body of the incorporated city or town and if deemed beneficial, the governing body is required to pass a resolution and submit the question to the qualified electors at the following regular election held in the municipal corporation, or at a special election called for that purpose (A.R.S. § 9-505).

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

Provisions

1. Prescribes the ballot requirements for any municipal election to approve a bond, sales tax, property tax or franchise agreement measure.
2. Requires, for a bond approval, the ballot to include an estimate of the annual levy of property taxes sufficient to pay the debt on the bonds.
3. Requires, for a sales tax levy, the ballot to state the amount of the tax increase.

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4. Requires, for a property tax levy, the ballot to include an estimate of the tax rate for the following:
 - a) a home valued at \$100,000;
 - b) commercial property valued at \$250,000; and
 - c) vacant land valued at \$100,000.
5. Requires, for a franchise agreement, ballots to include an estimate of the utility rates that the average residential rate payer would pay under the franchise agreement, and identify any proposed fees or taxes a rate payer would pay under the franchise agreement.
6. Becomes effective on the general effective date.

Prepared by Senate Research

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SLL/YP/CRS/tf