

REFERENCE TITLE: **healthcare districts**

State of Arizona
House of Representatives
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HB 2454

Introduced by
Representatives Hanson, Pearce, Gullett, Nelson, Allen: Cannell, Chase,
Miranda, Pickens, Tom

AN ACT

**AMENDING TITLE 48, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 23; RELATING
TO HEALTHCARE DISTRICTS.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 48, Arizona Revised Statutes, is amended by adding
3 chapter 23, to read:

4 CHAPTER 23
5 HEALTHCARE DISTRICTS
6 ARTICLE 1. ORGANIZATION

7 48-3801. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "BOARD" MEANS THE BOARD OF DIRECTORS OF A HEALTHCARE DISTRICT.

10 2. "COUNTY" MEANS THE COUNTY IN WHICH A HEALTHCARE DISTRICT IS
11 ORGANIZED.

12 3. "DISTRICT" MEANS A HEALTHCARE DISTRICT ORGANIZED PURSUANT TO THIS
13 CHAPTER.

14 48-3802. Organization

15 THE BOARD OF SUPERVISORS OF ANY COUNTY MAY ESTABLISH A HEALTHCARE
16 DISTRICT, TO INCLUDE BOTH THE INCORPORATED AND UNINCORPORATED AREAS OF THE
17 COUNTY, IF THE BOARD OF SUPERVISORS DETERMINES THAT THE PUBLIC HEALTH,
18 CONVENIENCE, NECESSITY OR WELFARE WILL BE PROMOTED BY ESTABLISHING THE
19 DISTRICT. THE BOUNDARIES OF THE DISTRICT SHALL BE COTERMINOUS WITH THE
20 BOUNDARIES OF THE COUNTY.

21 48-3803. Board of directors

22 A. THE COUNTY BOARD OF SUPERVISORS SHALL SERVE AS THE BOARD OF
23 DIRECTORS OF THE DISTRICT.

24 B. THE DIRECTORS SHALL NOT RECEIVE COMPENSATION FOR THEIR SERVICES AS
25 SUCH, BUT ARE ENTITLED TO REIMBURSEMENT FOR THEIR NECESSARY EXPENSES IN
26 ATTENDING DISTRICT MEETINGS AND TRAVELING IN AND OUT OF THIS STATE IF
27 NECESSARY TO CONDUCT THE AFFAIRS OF THE DISTRICT.

28 48-3804. District as municipal corporation

29 A. A HEALTHCARE DISTRICT IS A TAX LEVYING PUBLIC IMPROVEMENT DISTRICT
30 AND A MUNICIPAL CORPORATION FOR ALL PURPOSES OF ARTICLE XIII, SECTION 7,
31 CONSTITUTION OF ARIZONA, TO THE EXTENT OF THE POWERS, PRIVILEGES AND
32 IMMUNITIES CONFERRED BY THIS CHAPTER OR GRANTED GENERALLY TO MUNICIPAL
33 CORPORATIONS BY THE CONSTITUTION AND STATUTES OF THIS STATE

34 B. THE BOARD IS REGARDED AS PERFORMING A GOVERNMENTAL FUNCTION IN
35 CARRYING OUT THE PURPOSES OF THIS CHAPTER AND THE DISTRICT'S PROPERTY, BONDS,
36 DEBTS, INCOME, INTEREST AND OTHER ASSETS AND LIABILITIES ARE EXEMPT FROM
37 TAXATION.

38 48-3805. Administrative powers and duties

39 A. THE BOARD OF DIRECTORS, ON BEHALF OF THE DISTRICT, MAY:

40 1. ADOPT AND USE A CORPORATE SEAL.

41 2. SUE AND BE SUED.

42 3. ENTER INTO CONTRACTS, INCLUDING INTERGOVERNMENTAL AGREEMENTS UNDER
43 TITLE 11, CHAPTER 7, ARTICLE 3, AS NECESSARY TO CARRY OUT THE PURPOSES AND
44 REQUIREMENTS OF THIS CHAPTER.

1 4. ENTER INTO AGREEMENTS WITH OTHER HEALTH CARE ENTITIES AND OTHER
2 ORGANIZATIONS, FOUNDATIONS OR PROVIDERS FOR ALL OR PART OF THE DISTRICT'S
3 SERVICES OR FACILITIES, AS APPROPRIATE, FOR PROVIDING, MAINTAINING,
4 ESTABLISHING OR ENHANCING HEALTH CARE SERVICES TO THE PUBLIC.

5 5. EMPLOY A CHIEF EXECUTIVE OFFICER AND OTHER NECESSARY OFFICERS AND
6 EMPLOYEES, OR CONTRACT FOR OTHER MANAGEMENT PERSONNEL, AND PRESCRIBE THE
7 TERMS AND CONDITIONS OF THEIR EMPLOYMENT AS NECESSARY TO CARRY OUT THE
8 PURPOSES OF THE DISTRICT.

9 6. ACQUIRE AND OPERATE, MAINTAIN, LEASE, ENCUMBER AND DISPOSE OF REAL
10 AND PERSONAL PROPERTY AND INTERESTS IN PROPERTY.

11 7. ADMINISTER TRUSTS DECLARED OR ESTABLISHED FOR THE DISTRICT, RECEIVE
12 AND HOLD, IN TRUST OR OTHERWISE, PROPERTY LOCATED IN OR OUT OF THIS STATE
13 AND, IF NOT OTHERWISE PROVIDED, DISPOSE OF THE PROPERTY FOR THE BENEFIT OF
14 THE DISTRICT.

15 8. RETAIN LEGAL COUNSEL, WITH THE APPROVAL OF THE COUNTY ATTORNEY, AND
16 SUCH OTHER PROFESSIONAL CONSULTANTS AS NECESSARY TO CARRY OUT THE PURPOSES OF
17 THE DISTRICT.

18 9. USE ANY REVENUES RECEIVED BY THE DISTRICT FOR ANY PURPOSE OF THIS
19 CHAPTER.

20 B. THE BOARD SHALL:

21 1. APPOINT FROM AMONG ITS MEMBERS A CHAIRMAN, A SECRETARY AND OTHER
22 OFFICERS THAT ARE NECESSARY TO CONDUCT ITS BUSINESS. THE COUNTY TREASURER IS
23 DESIGNATED EX OFFICIO AS THE TREASURER OF A DISTRICT ESTABLISHED UNDER THIS
24 CHAPTER.

25 2. KEEP AND MAINTAIN A COMPLETE AND ACCURATE RECORD OF ALL OF ITS
26 PROCEEDINGS. ALL PROCEEDINGS OF THE BOARD SHALL BE OPEN TO THE PUBLIC
27 PURSUANT TO TITLE 38, CHAPTER 3, ARTICLE 3.1.

28 3. ADOPT ADMINISTRATIVE RULES NECESSARY TO ADMINISTER AND OPERATE THE
29 DISTRICT AND ANY PROPERTY UNDER ITS JURISDICTION, INCLUDING AN EMPLOYEE MERIT
30 SYSTEM AND COMPETITIVE PROCUREMENT PROCESS.

31 48-3806. Conflicts of interest; violation; classification

32 A. THE DIRECTORS, OFFICERS AND EMPLOYEES OF THE DISTRICT ARE SUBJECT
33 TO TITLE 38, CHAPTER 3, ARTICLE 8, RELATING TO CONFLICTS OF INTEREST.

34 B. A DIRECTOR, OFFICER OR EMPLOYEE OF THE DISTRICT SHALL NOT HAVE ANY
35 DIRECT OR INDIRECT FINANCIAL INTEREST IN ANY PROPERTY OWNED, OPERATED,
36 PURCHASED OR CONSTRUCTED BY THE DISTRICT.

37 C. A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A CLASS 1
38 MISDEMEANOR.

39 48-3807. Indemnity coverage for benefits, losses and claims

40 THE BOARD MAY PROCURE INSURANCE OR ESTABLISH A SELF-INSURANCE PROGRAM
41 TO MANAGE AND ADMINISTER A SYSTEM FOR DIRECT PAYMENT OF BENEFITS, LOSSES OR
42 CLAIMS, OR ANY COMBINATION OF INSURANCE AND DIRECT PAYMENTS, AS PROVIDED BY
43 SECTION 11-981 FOR EMPLOYEES AND OFFICERS OF THE DISTRICT OR FOR EMPLOYEES
44 AND OFFICERS OF THE COUNTY.

1 48-3808. Public and confidential records

2 A. A DISTRICT SHALL DISCLOSE AND MAKE AVAILABLE RECORDS AND OTHER
3 MATTERS IN THE SAME MANNER AS IS REQUIRED OF A PUBLIC BODY PURSUANT TO TITLE
4 39, CHAPTER 1, EXCEPT THAT THE DISTRICT IS NOT REQUIRED TO DISCLOSE OR MAKE
5 AVAILABLE ANY RECORDS OR OTHER MATTERS THAT:

6 1. IDENTIFY THE CARE OR TREATMENT OF AN INDIVIDUAL PATIENT WHO
7 RECEIVES SERVICES PROVIDED BY THE DISTRICT, INCLUDING BILLINGS, UNLESS THE
8 PATIENT OR PATIENT'S REPRESENTATIVE CONSENTS TO THE DISCLOSURE IN WRITING.

9 2. REVEAL PROPRIETARY INFORMATION PROVIDED TO THE DISTRICT BY A
10 NONGOVERNMENTAL SOURCE. FOR PURPOSES OF THIS PARAGRAPH, "NONGOVERNMENTAL"
11 MEANS AN ENTITY OTHER THAN THE UNITED STATES GOVERNMENT, AN AGENCY OR
12 INSTRUMENTALITY OF THE UNITED STATES GOVERNMENT OR A PUBLIC BODY AS DEFINED
13 IN SECTION 39-121.01.

14 3. WOULD CAUSE DEMONSTRABLE AND MATERIAL HARM TO THE DISTRICT AND THAT
15 WOULD PLACE IT AT A COMPETITIVE DISADVANTAGE IN THE MARKETPLACE.

16 4. WOULD VIOLATE AN EXCEPTION, PRIVILEGE OR CONFIDENTIALITY GRANTED OR
17 IMPOSED BY STATUTE OR COMMON LAW.

18 B. THIS SECTION DOES NOT APPLY TO REPORTS OF STATISTICAL AND
19 DEMOGRAPHIC DATA REQUIRED BY SECTION 36-125.05.

20 48-3809. Dissolution of district

21 A. A MAJORITY OF THE BOARD OF DIRECTORS MAY PROPOSE THAT THE DISTRICT
22 BE DISSOLVED, BUT ONLY IF ALL CONTRACTUAL OBLIGATIONS AND DEBTS OF THE
23 DISTRICT ARE SATISFIED OR THE COUNTY OR ANOTHER GOVERNMENTAL ENTITY OR
24 ENTITIES ACCEPT DEDICATION OF ALL DISTRICT ASSETS AND LIABILITIES.

25 B. IF A DISTRICT IS DISSOLVED, ALL PROPERTY AND OTHER ASSETS OF THE
26 DISTRICT BECOME THE PROPERTY OF THE COUNTY.

27 ARTICLE 2. ASSUMPTION OF HEALTH CARE RESPONSIBILITIES OF COUNTY

28 48-3831. Providing county health care services

29 A. THE DISTRICT AND THE COUNTY IN WHICH THE DISTRICT IS LOCATED MAY
30 CONTRACT FOR THE DISTRICT TO PROVIDE AT LEAST THE HEALTH CARE SERVICES THE
31 COUNTY IS REQUIRED TO PROVIDE UNDER THE CONSTITUTION AND STATUTES OF THIS
32 STATE. ANY SUCH CONTRACT MUST STATE:

33 1. THE TERM OF THE CONTRACT, NOT TO EXCEED TWENTY-FIVE YEARS.

34 2. THE PURPOSE, TERMS, RIGHTS AND DUTIES OF THE DISTRICT AS AUTHORIZED
35 BY THIS CHAPTER.

36 3. THE FINANCIAL CONTRIBUTIONS TO BE MADE BY EACH PARTY TO THE
37 CONTRACT.

38 B. SECTION 42-17106 DOES NOT APPLY TO ANY COVENANT OR UNDERTAKING IN
39 ANY CONTRACT AUTHORIZED BY THIS SECTION. ANY SUCH COVENANT OR UNDERTAKING
40 CONSTITUTES A LAWFUL, LONG-TERM CONTRACT FOR ALL PURPOSES OF THE CONSTITUTION
41 AND STATUTES OF THIS STATE.

42 48-3832. Conveyance of county property to district

43 A. THE BOARD OF SUPERVISORS OF THE COUNTY IN WHICH A DISTRICT IS
44 ORGANIZED MAY TRANSFER TO THE DISTRICT, BY LEASE OR CONVEYANCE, ALL TITLE OR
45 INTERESTS IN ASSETS, PROPERTY, OBLIGATIONS AND CONTRACTS HELD BY THE COUNTY

1 AT THE TIME THE DISTRICT IS ORGANIZED IN ADDITION TO ALL DEPOSITS, OPERATING
2 MONIES AND RESERVES AS REQUIRED BY LAW.

3 B. FOR THE PURPOSE OF ANY COVENANT, CONDITION OR RESOLUTION THAT MAY
4 APPLY TO ANY REAL OR PERSONAL PROPERTY THAT IS LEASED OR TRANSFERRED TO THE
5 DISTRICT, THE PROPERTY IS CONSIDERED TO BE USED FOR COUNTY HOSPITAL PURPOSES
6 CONSISTENT WITH ANY DEED RESTRICTIONS APPLICABLE TO THE PROPERTY.

7 48-3833. Healthcare district advisory board

8 A. THE BOARD OF DIRECTORS SHALL APPOINT A HEALTHCARE DISTRICT ADVISORY
9 BOARD HAVING THE SAME POWERS AND DUTIES AND BE COMPRISED OF THE SAME NUMBER
10 AND QUALIFICATIONS AS A HOSPITAL BOARD ESTABLISHED PURSUANT TO TITLE 36,
11 CHAPTER 1, ARTICLE 4, EXCEPT THAT THE ADVISORY BOARD SHALL REPORT TO THE
12 DISTRICT BOARD OF DIRECTORS.

13 B. THE BOARD OF DIRECTORS MAY DELEGATE TO THE ADVISORY BOARD AUTHORITY
14 FOR ESTABLISHING PATIENT CHARGES FOR SERVICES.

15 48-3834. Honoring outstanding county debt obligations

16 A. THE DISTRICT SHALL:

17 1. HONOR ALL COVENANTS AND OBLIGATIONS MADE BY THE ORGANIZING COUNTY
18 PURSUANT TO TITLE 35, CHAPTER 3, ARTICLE 7 WITH RESPECT TO ASSETS TRANSFERRED
19 BY THE COUNTY TO THE DISTRICT.

20 2. ASSUME AND PERFORM ALL COVENANTS, CONDITIONS AND REQUIREMENTS
21 UNDERTAKEN BY THE COUNTY PURSUANT TO TITLE 35, CHAPTER 3, ARTICLE 7 WITH
22 RESPECT TO BONDS ISSUED TO ACQUIRE ANY ASSET TRANSFERRED TO THE DISTRICT.

23 3. COMPLY WITH ALL COVENANTS AND CONDITIONS AGAINST PRIVATE USE,
24 PRIVATE SECURITY INTERESTS AND PRIVATE LOANS CONTAINED IN ANY INSTRUMENT OR
25 PROCEEDING THAT PERTAINS TO ISSUING BONDS, NOTES OR OTHER OBLIGATIONS OF THE
26 COUNTY ISSUED TO ORIGINALLY ACQUIRE, CONSTRUCT OR PURCHASE ASSETS TRANSFERRED
27 TO THE DISTRICT BY THE COUNTY.

28 B. NOTWITHSTANDING ANY OTHER LAW, ANY ACTION TAKEN BY THE DISTRICT IN
29 VIOLATION OF THIS SECTION IS VOID.

30 ARTICLE 3. DISTRICT FINANCES

31 48-3851. District budget

32 A. NOT LATER THAN JUNE 30 OF EACH YEAR THE BOARD OF DIRECTORS SHALL
33 HOLD A PUBLIC HEARING TO ADOPT AND SUBMIT TO THE CLERK OF THE COUNTY BOARD OF
34 SUPERVISORS A BUDGET FOR THE FOLLOWING FISCAL YEAR THAT INCLUDES:

35 1. RECEIPTS DURING THE PAST FISCAL YEAR.

36 2. EXPENDITURES DURING THE PAST FISCAL YEAR.

37 3. ESTIMATES OF AMOUNTS NECESSARY FOR EXPENSES DURING THE FOLLOWING
38 FISCAL YEAR INCLUDING AMOUNTS PROPOSED FOR:

39 (a) COSTS OF MAINTAINING, OPERATING AND MANAGING THE DISTRICT.

40 (b) PROMOTIONAL AND MARKETING EXPENSES OF THE DISTRICT FOR THE
41 FOLLOWING YEAR.

42 4. ANTICIPATED REVENUE TO THE DISTRICT IN THE FOLLOWING FISCAL YEAR.

43 5. A COMPLETE ASSET AND LIABILITY STATEMENT.

44 6. A STATEMENT OF PROFIT OR LOSS FROM OPERATIONS.

1 7. CASH ON HAND AS OF THE DATE THE BUDGET IS ADOPTED AND THE
2 ANTICIPATED BALANCE AT THE END OF THE CURRENT FISCAL YEAR.

3 8. AN ITEMIZED STATEMENT OF COMMITMENTS, RESERVES AND ANTICIPATED
4 OBLIGATIONS FOR THE FOLLOWING FISCAL YEAR.

5 B. THE BOARD MAY AMEND THE BUDGET ON A FINDING OF GOOD CAUSE.

6 48-3852. Transaction privilege tax

7 A. THE BOARD OF DIRECTORS BY RESOLUTION MAY LEVY, AND IF LEVIED, THE
8 DEPARTMENT OF REVENUE SHALL COLLECT, A TRANSACTION PRIVILEGE TAX PURSUANT TO
9 THIS SECTION TO BE USED AND SPENT FOR THE PURPOSES DESCRIBED IN THIS CHAPTER.
10 THE BOARD SHALL SET THE RATE OF THE TAX AT NOT MORE THAN TWO PER CENT OF THE
11 TAX RATE PRESCRIBED BY SECTION 42-5010, SUBSECTION A THAT APPLIED ON THE DATE
12 THE TAX IS LEVIED. THE BOARD SHALL LEVY THE TAX ON EACH PERSON ENGAGING IN
13 THE DISTRICT IN A BUSINESS TAXED UNDER TITLE 42, CHAPTER 5, ARTICLE 1.

14 B. EACH MONTH THE STATE TREASURER SHALL REMIT TO THE DISTRICT
15 TREASURER THE NET REVENUES COLLECTED UNDER SUBSECTION A OF THIS SECTION
16 DURING THE PRECEDING MONTH. THE DISTRICT TREASURER SHALL DEPOSIT THE MONIES
17 IN THE DISTRICT'S ACCOUNTS AND SHALL ACCOUNT FOR ALL EXPENDITURES.

18 C. IN LIEU OF A TRANSACTION PRIVILEGE TAX PURSUANT TO SUBSECTION A OF
19 THIS SECTION, THE BOARD BY RESOLUTION MAY LEVY A DISTRICT AD VALOREM PROPERTY
20 TAX IN THE SAME MANNER AND AT THE SAME TIME AS OTHER COUNTY SECONDARY
21 PROPERTY TAXES ARE LEVIED. THE TAX SHALL NOT EXCEED TWENTY-FIVE CENTS PER
22 ONE HUNDRED DOLLARS OF ASSESSED VALUATION AND SHALL BE LEVIED ON ALL TAXABLE
23 PROPERTY IN THE COUNTY, INCLUDING PROPERTY IN INCORPORATED CITIES AND TOWNS
24 IN THE COUNTY. THE DISTRICT SHALL DEPOSIT ALL MONIES COLLECTED PURSUANT TO
25 THIS SUBSECTION IN A SEPARATE ACCOUNT AND SHALL ACCOUNT FOR ALL EXPENDITURES.

26 48-3853. Handling district monies

27 A. THE DISTRICT SHALL DEPOSIT ALL MONIES IT RECEIVES FROM ANY SOURCE
28 WITH THE COUNTY TREASURER TO THE CREDIT OF THE HEALTHCARE DISTRICT. THE
29 MONIES MAY BE PAID OUT ONLY ON WARRANTS APPROVED BY THE BOARD OF DIRECTORS.

30 B. THE BOARD MAY DIRECT THE COUNTY TREASURER TO INVEST AND REINVEST
31 ALL DISTRICT MONIES AS A SINKING FUND. THE INVESTMENTS SHALL BE MADE FOR THE
32 BEST INTERESTS OF THE DISTRICT.

33 C. THE MONIES MAY BE INVESTED AND REINVESTED UNDER THE AUTHORITY OF
34 THE FEDERAL FARM CREDIT ACT OF 1933, OR INVESTED AND REINVESTED IN ANY OF THE
35 FOLLOWING:

- 36 1. UNITED STATES TREASURY OBLIGATIONS.
- 37 2. CONSOLIDATED FARM LOAN BONDS.
- 38 3. OBLIGATIONS ISSUED BY THE FEDERAL INTERMEDIATE CREDIT BANKS OR BY
39 BONDS FOR COOPERATIVES ON AUTHORITY OF THE FARM CREDIT ACT OF 1933.
- 40 4. ANY OTHER OBLIGATIONS GUARANTEED BY THE UNITED STATES GOVERNMENT.
- 41 5. ANY INVESTMENTS THAT ARE AUTHORIZED BY ANY OTHER AGENCIES OF THE
42 UNITED STATES GOVERNMENT AND THAT ARE AUTHORIZED TO SECURE PUBLIC DEPOSITS.
- 43 6. STATE AND LOCAL GOVERNMENT SERIES UNITED STATES TREASURY
44 SECURITIES.

1 7. STATE, COUNTY OR MUNICIPAL BONDS ISSUED IN THIS STATE AND ON WHICH
2 THE PAYMENTS OF INTEREST HAVE NOT BEEN DEFERRED.

3 8. INVESTMENT AGREEMENTS AND REPURCHASE AGREEMENTS COLLATERALIZED BY
4 INVESTMENTS DESCRIBED IN PARAGRAPHS 1 THROUGH 5.

5 D. THE PURCHASE OF THE SECURITIES SHALL BE MADE BY THE COUNTY
6 TREASURER ON AUTHORITY OF A RESOLUTION OF THE BOARD OF DIRECTORS. THE COUNTY
7 TREASURER SHALL BE THE CUSTODIAN OF ALL SECURITIES SO PURCHASED. THE
8 INVESTMENTS MAY BE LIQUIDATED ON AN ORDER OF THE BOARD OF DIRECTORS.

9 E. ALL MONEY EARNED AS INTEREST OR OTHERWISE DERIVED BY VIRTUE OF THE
10 PROVISIONS OF THIS SECTION SHALL BE CREDITED TO THE SINKING FUND.

11 48-3854. Compromise of claims for services

12 THE BOARD OF DIRECTORS MAY DELEGATE TO THE CHIEF EXECUTIVE OFFICER THE
13 AUTHORITY TO COMPROMISE CLAIMS FOR SERVICES PROVIDED BY THE DISTRICT UP TO
14 TWENTY-FIVE THOUSAND DOLLARS, AND UP TO SEVENTY-FIVE THOUSAND DOLLARS WITH
15 APPROVAL OF THE HEALTHCARE DISTRICT ADVISORY BOARD.

16 48-3855. Solicitations of financial contributions

17 THE BOARD OF DIRECTORS MAY ESTABLISH A FOUNDATION OR CHARITABLE
18 ORGANIZATION TO SOLICIT DONATIONS OF FINANCIAL CONTRIBUTIONS, REAL OR
19 PERSONAL PROPERTY AND SERVICES FOR USE SOLELY FOR PERFORMING THE DUTIES AND
20 OBLIGATIONS OF THE DISTRICT.

21 48-3856. Reimbursement for county services

22 SERVICES PROVIDED BY A COUNTY TO A HEALTHCARE DISTRICT ARE SUBJECT TO
23 REIMBURSEMENT PURSUANT TO SECTION 11-251.06.

24 48-3857. Annual audit

25 THE DISTRICT SHALL SUBMIT AN INDEPENDENTLY AUDITED FINANCIAL STATEMENT
26 TO THE AUDITOR GENERAL WITHIN NINETY DAYS AFTER THE CLOSE OF EACH FISCAL
27 YEAR. THE AUDITOR GENERAL SHALL REVIEW THE STATEMENT AND TRANSMIT IT WITH A
28 REPORT TO THE COUNTY BOARD OF SUPERVISORS.

29 ARTICLE 4. DISTRICT BONDS

30 48-3881. District bonds; election

31 A. A DISTRICT MAY ISSUE BONDS FOR THE PURPOSE OF CARRYING OUT ANY OF
32 THE PROVISIONS OF THIS CHAPTER.

33 B. IF THE BOARD OF DIRECTORS DETERMINES THAT BONDS SHOULD BE ISSUED,
34 IT SHALL SUBMIT THE ISSUE TO THE BOARD OF SUPERVISORS, AND THE BOARD OF
35 SUPERVISORS SHALL SUBMIT THE QUESTION TO THE QUALIFIED ELECTORS IN THE COUNTY
36 IN THE MANNER PRESCRIBED BY TITLE 35, CHAPTER 3, ARTICLE 3. IF A MAJORITY OF
37 THE ELECTORS VOTING ON THE ISSUE APPROVE, THE BONDS SHALL BE ISSUED AS
38 PROVIDED BY LAW.

39 48-3882. Securing district bonds

40 IN CONNECTION WITH ISSUING BONDS AND TO SECURE THE PRINCIPAL AND
41 INTEREST ON THE BONDS, THE BOARD BY RESOLUTION MAY PLEDGE OR ENCUMBER FOR THE
42 PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS ALL OR PART OF ANY REVENUES
43 AND OTHER MONIES RECEIVED BY THE DISTRICT

