

ARTICLE 15.

DISSOLUTION OF SPECIAL PURPOSE DISTRICTS

SECTION 6-11-2010. Definitions.

For purposes of this article:

(1) "Special purpose district" or "district" means any district, including a public service district, created by or pursuant to an act of the General Assembly before March 7, 1973, and to which has been committed before March 7, 1973, any governmental function, including those districts created by general or special legislation and those districts created by referenda held pursuant to general or special legislation, the boundaries of which are wholly within a single county and which are not expressly governed by Chapter 9 of Title 4 or Chapter 7 of Title 5.

(2) "Commissioners of election" means the commissioners of registration and election of a county. In a county where the functions of voter registration and conducting elections are not combined, the petition referred to in Section 6-11-2030 must be filed with the body responsible for voter registration in that county. This body is responsible for taking the action required by Section 6-11-2040, and with the commissioners of election or other body charged by law with conducting elections within the county, which shall undertake all other actions required of the "commissioners of election" in this article.

SECTION 6-11-2020. Dissolution referendum.

Notwithstanding any other provision of law, a special purpose district may be dissolved in accordance with this article upon a two-thirds vote of the qualified electors of the district voting in the referendum. These votes must be cast at a referendum held in accordance with this article and with the election laws of this State, mutatis mutandis.

SECTION 6-11-2027. Transfer of special purpose district assets and liabilities to county.

(A) Notwithstanding the provisions of this article, the assets and liabilities of a special purpose district that:

- (1) is created by act of the General Assembly that does not require a referendum;
- (2) provides only recreational services; and
- (3) has as its boundary the same as the county in which it is located may be transferred to the governing body of the county in which the special purpose district is located if the governing body of the special purpose district, the governing body of the county, and the legislative delegation for the county each pass by a supermajority of two-thirds vote of members present and voting resolutions that transfer the special purpose district's assets and liabilities to the governing body of the county in which the special purpose district is located. The governing body of the special purpose district must hold a public hearing prior to the passage by a supermajority of two-thirds vote of the resolutions by the governing body of the special purpose district, the governing body of the county, and the legislative delegation for the county. The provisions of this section are applicable only if the governing body of the county also adopts a resolution agreeing to follow the provisions of Section 6-11-2140.

(B) For purposes of calculating the millage limitation imposed pursuant to Section 6-1-320 for a county, any millage for operating purposes imposed by the dissolved special purpose district is considered to have been imposed by the county.

(C) The provisions of this section do not apply to a special purpose district that provides both recreational and aging services.

(D) The provisions of this section expire on December 31, 2008.

SECTION 6-11-2030. Notice to successor provider; resolution or ordinance relating to assets or liabilities.

Before the circulation of a petition for consideration by qualified electors of a district, the entity or entities named in the petition as those which shall assume the assets and liabilities of the district upon dissolution and shall provide the services currently provided by the district (each a "successor provider") must be provided with a copy of the proposed petition. A successor provider may within one hundred twenty days following receipt of such proposed petition adopt a resolution or ordinance, as appropriate under the general law of the State, by which such successor provider agrees, should a referendum held pursuant to this article be successful, to become responsible for the assets and liabilities of the district and to provide the service or services set forth in the petition upon the dissolution of the district. The resolution or ordinance must affirmatively state that the political subdivision is authorized by law to provide such service or services, and is authorized to and shall, before the dissolution of the district, issue such obligations as are necessary to fully pay or defease all outstanding general obligation bonds, revenue bonds, lease-purchase obligations, and other obligations of the district, except to the extent, if any, that the political subdivision is able to lawfully assume the obligations with the consent of the holder thereof. A certified copy of the resolution or ordinance must be forwarded to the governing body of the district and the party submitting the petition within five days of its adoption. Signatures affixed to a petition before the adoption by each successor provider named in it of a resolution or ordinance, as appropriate, in accordance with this paragraph are of no force or effect.

(1) If the successor provider is a county and the county proposes to finance the provision of one or more services then provided by the district to the area within the district in whole or in part through the levy and collection of ad valorem taxes, the tax district must be established pursuant to the ordinance adopted pursuant to the preceding paragraph, subject to the dissolution of the district. Nothing herein contained shall prevent a county from creating a special tax district pursuant to this article solely for the purpose of payment of debt service on general obligation bonds issued by the county as a successor provider in order to discharge obligations of the district.

(2) In the event that more than one successor provider is named in the petition or resolution of the governing body of the district, the entities so named, before the adoption of a resolution or ordinance as provided above, shall agree in writing as to the division of assets and liabilities of the district, and such agreement must be incorporated by reference into each resolution or ordinance adopted.

SECTION 6-11-2040. Contents of petition.

The referendum must be called and held in accordance with this article upon the filing with the commissioners of election for the county in which the district is located a petition conforming with the following requirements:

- (1) The petition must contain the name and address of the person clearly printed and the signature of each individual executing the same; and
- (2) printed at the top of each page of the petition an explanation of its purpose, which explanation shall contain, at a minimum:
 - (a) the name of the district proposed to be dissolved;
 - (b) a statement that the purpose of the petition is to authorize a referendum to be held on the question of the dissolution of the district;

- (c) the following inscription: “This petition shall not become effective unless signed by at least forty percent of the qualified electors in (name of district).”;
- (d) the services which the district is by law authorized to provide;
- (e) the outstanding principal balance of general obligation bonds of the district, the outstanding principal balance of the revenue bonds of the district, the outstanding principal balance of lease-purchase obligations of the district, and an outstanding balance of the total of other obligations of the district; and
- (f) if the services are to continue, the name of the entity or entities which shall assume the assets and liabilities of the district upon dissolution and shall provide the services currently provided by the district.

SECTION 6-11-2050. Duties of county commissioners of election; certificate of number of qualified electors and number signing petition.

(A) Upon the filing of a petition, it is the duty of the commissioners of election of a county to:

- (1) forward a copy of the petition to the governing body of the district;
- (2) ascertain the number of qualified electors residing in the district; and
- (3) ascertain that each person named on the petition is a qualified elector shown on voter registration books maintained by the commissioners of election as residing at an address located within the district.

(B) The commissioners of election shall within thirty days of the receipt of a petition deliver to the governing body of the district a certificate showing the number of qualified electors within the district and the number of qualified electors residing in the district that have signed the petition. Signatures on the petition are valid only if:

- (1) dated not more than one hundred eighty days prior to the delivery of the petition to the commissioners of election, and
- (2) they are of persons ascertained to be a qualified elector residing in the district as shown on the voter registration books.

Signatures on the petition accompanied by illegible names and addresses are void and must be disregarded in determination of the number of qualified electors residing in the district that have signed the petition.

SECTION 6-11-2060. Petition to be forwarded to successor providers.

Upon receipt of the commissioners of election, and if the certificate demonstrates that at least forty percent of the qualified electors of the district have signed a petition conforming to this article, the governing body of the district shall forward it to each political subdivision which is named by the petition as a successor provider.

SECTION 6-11-2070. Authorization of referendum; when held.

Upon receipt of a petition pursuant to Section 6-11-2050, and provided that the governing body of the district has received all necessary resolutions or ordinances conforming with Section 6-11-2030 from each successor provider, the governing body shall within thirty days of the petition action adopt a resolution by which it authorizes a referendum to be held on the question of the dissolution of the district. The referendum must be held on the date of the general election in November of the even-numbered year if the governing body has received all required resolutions or ordinances and the petition by one hundred twenty days before that election. If all required resolutions or ordinances and the petition are not received by that deadline, the governing body must schedule the referendum for the next following general election.

SECTION 6-11-2080. Publication of notice of referendum; contents.

The resolution required by Section 6-11-2070 shall also provide for the publication of notice of the referendum in one newspaper of general circulation within the district. The notice of referendum must be published no less than sixty days prior to the referendum, on that date which is two weeks following the initial publication, and once a week for each of the four weeks immediately preceding the week in which the referendum is held. The notice shall contain matters required by the general election laws of the State and shall also include the following information:

- (1) the name of the district proposed to be dissolved;
- (2) a statement that the purpose of the referendum is to determine whether the district should be dissolved;
- (3) a general description of the boundaries of the district;
- (4) the names, addresses, and telephone numbers of each current member of the governing body of the district;
- (5) the services which the district is by law authorized to provide;
- (6) the outstanding principal balance of general obligation bonds of the district, the outstanding principal balance of the revenue bonds of the district, the outstanding principal balance of lease-purchase obligations of the district, and the outstanding principal balance of other obligations of the district;
- (7) the name of the political subdivision or subdivisions which shall assume the assets and liabilities of the district upon dissolution and, if services are to be continued, shall provide the services currently provided by the district;
- (8) where applicable, a statement that a copy of the written agreement of the successor providers as to the proposed distribution of assets and liabilities is available at the office of the principal administrator of each successor entity and at the principal office of the district;
- (9) where applicable, a statement that in the event the district is dissolved, the area formerly included within the district must be, without further action or approval, designated as a special tax district of the county in which the district is located for the provision of the service or services presently provided by the district for which the county is the successor provider, that the district will be subject to an annual tax for operations and maintenance of it not exceeding the amount as provided in the ordinance of the county enacted pursuant to Section 6-11-2060, and for debt service on general obligation bonds issued to finance the provision of the service or services; and
- (10) the question to be voted upon in the referendum.

SECTION 6-11-2090. Where and when referendum held.

The referendum must be conducted by the commissioners of election for the county in which the district is located and held on the general election date in November of the next even-numbered year pursuant to Section 6-11-2070.

SECTION 6-11-2100. Contents and format of referendum question on ballot.

(A) The question to be voted upon in the referendum must be substantially similar to one of the following:

Must (name of district) be dissolved and its assets and liabilities distributed to (successors providers), upon the condition that (successor provider) must upon dissolution of the district be responsible for providing (name of service) that (additional successor provider) must upon dissolution of the district be

responsible for providing (name of service)?

IN FAVOR OF DISSOLVING

(name of district) _____

OPPOSED TO DISSOLVING

(name of district) _____

Must (name of district) be dissolved and upon the dissolution the area formerly included within (name of district) constitutes a special tax district of _____ County for the purpose of providing (name of services provided by district to be provided through tax district) in which special tax district there must be levied not exceeding _____ mills annually for the operation and maintenance thereof?

IN FAVOR OF DISSOLVING

(name of district) _____

OPPOSED TO DISSOLVING

(name of district) _____

(B) Suitable instructions for completion of the ballot must be provided on it.

SECTION 6-11-2110. Filing of certificate of results.

The commissioners of election for the county in which the referendum is held shall certify the results of the election to the governing body of the district. The question presented in referendum shall be considered approved if at least two-thirds of the qualified electors of the district voting in the referendum vote in favor of it. The commissioners of election shall also cause the certificate of results of the referendum to be filed with the clerk of court for the county in which the district is located within five days of the date of the certification. The results of the referendum and the validity of those actions taken precedent to it are not open to question except by action instituted within thirty days from the filing of the certificate of results.

SECTION 6-11-2120. Notice of approval to subsequent provider.

If the question presented in the referendum is approved as provided in Section 6-11-2110, the governing body of the district shall declare the results of the referendum in writing and within ten days following the referendum provide certified copies of the declaration of results to each successor provider.

SECTION 6-11-2130. Adoption of confirming resolution or ordinance by successor provider.

Upon receipt of a certified copy of the declaration of results of the referendum, a successor provider must adopt a resolution or ordinance, as appropriate, confirming its prior action in agreeing to serve as successor provider within ninety days of receipt of a certified declaration of results. This confirming resolution or ordinance must be forwarded to the governing body of the district and to every other successor provider.

SECTION 6-11-2140. Winding up of district affairs.

When each successor provider has adopted a confirming resolution or ordinance, the governing body of each and of the district shall agree to an orderly winding up of the affairs of the district. Dissolution is not effective before the time as all general obligation debt, revenue debt, lease-purchase obligations, and other obligations, except those obligations which a successor provider may lawfully assume with the consent of the holder thereof, have been paid in full or legally defeased.

SECTION 6-11-2150. Cost of referendum.

The cost of any referendum held under the provisions of this article and all costs of dissolution must be borne by the district, provided, however, that the district is not responsible for any costs associated with the preparation or circulation of any petition calling for a referendum under this article.