

SCHOOL DISTRICTS—LEGAL EXPENSES IN EXCESS OF  
BUDGET; LITIGATION RECOVERY FUNDS

## CHAPTER 80

SENATE BILL 1206

## AN ACT

RELATING TO EDUCATION; PRESCRIBING PROCEDURE FOR SCHOOL DISTRICTS TO INCUR LIABILITIES IN EXCESS OF BUDGET IN EVENT OF EXCESSIVE AND UNEXPECTED LEGAL EXPENSES; PROVIDING FOR DEPOSIT TO AND DISPOSITION OF PROCEEDS FROM LITIGATION RECOVERY FUND OF SCHOOL DISTRICT; AMENDING SECTION 15-907, ARIZONA REVISED STATUTES, AND AMENDING TITLE 15, CHAPTER 10, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1107.

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

Section 1. Section 15-907, Arizona Revised Statutes, is amended to read:

15-907. Incurring liabilities in excess of school district budget; petition; approval; procedure for expenditures

A. In the event of the destruction of or damage to the facilities of a school OR EXCESSIVE AND UNEXPECTED LEGAL EXPENSES or to mitigate or remove a health or safety hazard at a school, the governing board of the school district may petition the county school superintendent, or in the case of an accommodation school, the county school superintendent may petition the county board of supervisors, requesting authority to incur liabilities in excess of the school district budget, in an amount the governing board deems necessary.

B. The county school superintendent shall forward the petition together with his recommendation and a copy of the budget of the school district to the board of supervisors.

C. The board of supervisors shall hold a hearing on the petition within twenty days after receipt and shall determine whether the petition shall be allowed, allowed after revision or denied.

D. If the petition is allowed in whole or in part, the governing board shall be authorized to incur liabilities in accordance therewith, and a copy of the order of the board of supervisors authorizing the incurring of such liabilities shall be certified by the clerk of the board and filed by him with the county school superintendent, shall draw his warrants against the additional allowance. Any liability so incurred shall be in addition to the aggregate budget estimate of the school district for the succeeding year.

Sec. 2. Title 15, chapter 10, article 1, Arizona Revised Statutes, is amended by adding section 15-1107, to read:

15-1107. Litigation recovery fund; disposition of proceeds

A. MONIES RECEIVED FOR AND DERIVED FROM SETTLEMENT OF LEGAL CONTROVERSIES OR FROM RECOVERY OF COSTS, ATTORNEY FEES OR DAMAGES IN LITIGATION BY OR AGAINST A SCHOOL DISTRICT SHALL BE DEPOSITED WITH THE COUNTY TREASURER WHO SHALL CREDIT THE DEPOSITS TO THE LITIGATION RECOVERY FUND OF THE SCHOOL DISTRICT. THE LITIGATION RECOVERY FUND IS A CONTINUING FUND WHICH IS NOT SUBJECT TO REVERSION.

B. IF A SCHOOL DISTRICT RECEIVES MONIES AS PROVIDED IN SUBSECTION A OF THIS SECTION FOR THE PURPOSE OF REPLACING OR REPAIRING SCHOOL BUILDINGS OR OTHER SCHOOL PROPERTY, THE GOVERNING BOARD MAY ONLY APPLY THE PROCEEDS TO:

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1. PAY ANY OUTSTANDING BONDED INDEBTEDNESS OF THE SCHOOL DISTRICT WHICH IS PAYABLE FROM THE LEVY OF TAXES ON PROPERTY WITHIN THE SCHOOL DISTRICT.

2. CONSTRUCT, ACQUIRE, IMPROVE, REPAIR OR FURNISH SCHOOL BUILDINGS AFTER NOTICE AND HEARING PURSUANT TO SECTION 15-902, SUBSECTION D.

3. REPLACE OR REPAIR THE SCHOOL PROPERTY OTHER THAN SCHOOL BUILDINGS.

C. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION, THE GOVERNING BOARD MAY APPLY THE PROCEEDS OF LITIGATION RECOVERIES TO PROCURE LEGAL SERVICES OR FOR THE COSTS OF LITIGATION.

Sec. 3. Emergency

To preserve the public peace, health and safety it is necessary that this act become immediately operative. It is therefore declared to be an emergency measure, to take effect as provided by law.

Approved by the Governor, April 11, 1986.

Filed in the Office of the Secretary of State, April 11, 1986.

HIGHWAY TRAFFIC REGULATION—SLOW MOVING MOTOR  
VEHICLES; BICYCLES

## CHAPTER 81

SENATE BILL 1218

## AN ACT

RELATING TO TRANSPORTATION; CHANGING THE DESIGNATION OF TITLE 28, CHAPTER 6, ARTICLE 11, ARIZONA REVISED STATUTES, TO "OPERATION OF BICYCLES"; PRESCRIBING DRIVERS ON CERTAIN HIGHWAYS UNDER CERTAIN CONDITIONS TO YIELD TO OTHER VEHICLES; PRESCRIBING METHOD OF RIVING HAND AND ARM SIGNALS FOR BICYCLISTS; PRESCRIBING CERTAIN TRAFFIC LAWS APPLICABLE TO PERSONS OPERATING BICYCLES ON ROADWAYS OR SHOULDERS OF ROADWAYS, AND AMENDING SECTIONS 28-704, 28-756, 28-812 AND 28-815, ARIZONA REVISED STATUTES.

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

Section 1. Heading change

The article heading of Title 28, chapter 6, article 11, Arizona Revised Statutes, is changed from "OPERATION OF BICYCLES AND PLAY VEHICLES" to "OPERATION OF BICYCLES".

Sec. 2. Section 28-704, Arizona Revised Statutes, is amended to read:

28-704. Minimum speed regulation

A. No person shall drive a motor vehicle at such a slow speed as to impede or block the normal and reasonable movement of traffic except when reduced speed is necessary for safe operation or in compliance with law.

B. Whenever the director or local authorities within their respective jurisdictions determine on the basis of an engineering and traffic investigation that slow speeds on any part of a highway consistently impede the normal and reasonable movement of traffic, the director or such local authority may determine and declare a minimum speed limit below which no person shall drive a vehicle except when necessary for safe operation or in compliance with law.

C. IF A PERSON IS DRIVING A VEHICLE AT A SPEED LESS THAN THE NORMAL FLOW OF TRAFFIC AT THE PARTICULAR TIME AND PLACE ON A TWO-LANE HIGHWAY WHERE PASSING IS UNSAFE, AND IF FIVE OR MORE VEHICLES ARE FORMED IN A LINE

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BEHIND THE VEHICLE, THE PERSON SHALL TURN THE VEHICLE OFF THE ROADWAY AT THE NEAREST PLACE DESIGNATED AS A TURNOUT BY SIGNS ERECTED BY THE DIRECTOR OR A LOCAL AUTHORITY, OR WHEREVER SUFFICIENT AREA FOR A SAFE TURNOUT EXISTS, IN ORDER TO PERMIT THE VEHICLES FOLLOWING TO PROCEED.

Sec. 3. Section 28-756, Arizona Revised Statutes, is amended to read:

**28-756. Method of giving hand and arm signals**

A. EXCEPT AS PROVIDED BY SUBSECTION B, ALL SIGNALS required by this article to be given by hand and arm shall be given from the left side of the vehicle in the following manner and the signals shall indicate as follows:

1. Left turn. Hand and arm extended horizontally.
2. Right turn. Hand and arm extended upward.
3. Stop or decrease speed. Hand and arm extended downward.

B. A PERSON OPERATING A BICYCLE MAY GIVE A RIGHT TURN SIGNAL BY EXTENDING THE RIGHT HAND AND ARM HORIZONTALLY AND TO THE RIGHT SIDE OF THE BICYCLE.

Sec. 4. Section 28-812, Arizona Revised Statutes, is amended to read:

**28-812. Traffic laws apply to persons riding bicycles**

Every person riding a bicycle upon a roadway shall be OR UPON ANY SHOULDER ADJOINING A ROADWAY IS granted all the rights and shall be IS subject to all the duties applicable to the driver of a vehicle by this chapter, except as to special regulations in this article— and except as to those provisions of this chapter which by their nature can have no application.

Sec. 5. Section 28-815, Arizona Revised Statutes, is amended to read:

**28-815. Riding on roadways and bicycle paths; prohibition of motor vehicle traffic on bike paths**

A. Every person operating a bicycle upon a roadway AT LESS THAN THE NORMAL SPEED OF TRAFFIC AT THE TIME AND PLACE AND UNDER THE CONDITIONS THEN EXISTING shall ride as near to the right side of the roadway CLOSE AS PRACTICALLY— ~~operating due care when passing a standing vehicle or one proceeding in the same direction TO THE RIGHT HAND CURB OR EDGE OF THE ROADWAY, EXCEPT UNDER ANY OF THE FOLLOWING SITUATIONS:~~

1. IF OVERTAKING AND PASSING ANOTHER BICYCLE OR VEHICLE PROCEEDING IN THE SAME DIRECTION.

2. IF PREPARING FOR A LEFT TURN AT AN INTERSECTION OR INTO A PRIVATE ROAD OR DRIVEWAY.

3. IF REASONABLY NECESSARY TO AVOID CONDITIONS INCLUDING FIXED OR MOVING OBJECTS, PARKED OR MOVING VEHICLES, BICYCLES, PEDESTRIANS, ANIMALS OR SURFACE HAZARDS.

4. IF THE LANE IN WHICH THE PERSON IS OPERATING THE BICYCLE IS TOO NARROW FOR A BICYCLE AND A VEHICLE TO TRAVEL SAFELY SIDE BY SIDE WITHIN THE LANE.

B. Persons riding bicycles upon a roadway shall not ride more than two abreast except on paths or parts of roadways set aside for the exclusive use of bicycles.

C. Wherever a usable path for bicycles has been provided adjacent to a roadway, bicycle riders shall use the path and shall not use the roadway.

D. A bicycle path or lane when designated as such by state or local authorities shall be deemed to be for the exclusive use of bicycles even though other uses are permitted pursuant to subsection E or otherwise permitted by state or local authorities.

E. No person shall operate, stop, park or leave standing a vehicle in a bicycle path or lane designated by state or local authorities except

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for use in the case of emergency or for use in crossing such path or lane to gain access to any public or private road or driveway. Nothing in this subsection shall prohibit the use in OP such path or lane by the appropriate local authority.

Approved by the Governor, April 11, 1986.

Filed in the Office of the Secretary of State, April 11, 1986.

**SCHOOL DISTRICT BUDGET INCREASES—REPORTS; OVER-RIDE ELECTION BALLOT CONTENTS**

CHAPTER 82

SENATE BILL 1222

AN ACT

RELATING TO EDUCATION; PRESCRIBING INFORMATION THAT REPORT ON PROPOSED INCREASE IN SCHOOL DISTRICT BUDGET MUST CONTAIN; PRESCRIBING THAT BALLOT CONTAIN AMOUNT OF PROPOSED INCREASE OF THE PROPOSED BUDGET OVER THE ALTERNATE BUDGET, AND AMENDING SECTION 15-481, ARIZONA REVISED STATUTES.

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

Section 1. Section 15-481, Arizona Revised Statutes, is amended to read:

**15-481. Override election; budget increases; notice; ballot effect**

A. If the proposed budget of a school district includes an increase of more than the aggregate budget limit for the budget year, the governing board shall call an override election for the purpose of presenting the proposed budget to the qualified electors of the school district who shall by a majority of those voting either affirm or reject the budget. In addition, the governing board shall prepare an alternate budget which does not include an increase in the budget of more than the amount permitted as provided in section 15-905. Any change in chapter 9 of this title which changes the amount of the aggregate budget limit as provided in section 15-905 may be included in the adopted budget of the school district. If the qualified electors approve the proposed budget or if the qualified electors disapprove the proposed budget, the governing board of the school district shall follow the procedures as provided in section 15-905 for adopting the proposed budget or alternative budget following the override election.

B. The county school superintendent shall prepare an informational report on the proposed increase in the budget and a sample ballot and at least two weeks prior to the election shall transmit the report and the ballot to the governing board of the school district. For a school district located in a county with a population of two hundred thousand persons or more, the governing board, immediately upon receipt of the report and the ballot, shall mail or distribute the report and the ballot to the households, in which qualified electors reside, within the school district. For a school district located in a county with a population of less than two hundred thousand persons, the governing board, immediately upon receipt of the report and the ballot, shall mail or distribute the distribution of material concerning the proposed increase in the budget report and the ballot to the households within the school district. Any report shall contain the following information:

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