

**Draft Rule Language for Municipality Fee in FY 2012  
(to be adopted through an exempt rulemaking pursuant to S.B. 1624, § 7(C))**

**R12-15-107. Municipality Fee for Fiscal Year 2012**

- A.** Each municipality in this state shall pay a fee to the Department in fiscal year 2012 in the amount calculated by the Director pursuant to subsection (B) of this Section. The fee shall be paid by the dates specified in subsection (E) of this Section.
- B.** The Director shall calculate a municipality's fee for fiscal year 2012 as follows:
1. Determine the ratio, expressed as a percentage, that the municipality's population bears to the total population of all municipalities in the state by dividing the municipality's population by the total population of all municipalities in the state.
  2. Subtract the amount of unobligated monies in the water resources fund at the beginning of fiscal year 2012 from \$7,000,000.
  3. Multiply the percentage calculated in subsection (B)(1) by the result in subsection B(2).
- C.** No later than August 15, 2011, the Director shall notify each municipality in writing of the municipality's fee for fiscal year 2012 as calculated pursuant to subsection (B) of this Section, including the manner in which the fee was calculated. The notice shall be given to the municipality's city or town manager or city or town attorney.
- D.** A municipality may seek review of the calculation of its fee by filing a written request for review with the Director within 15 calendar days after receiving written notice of the fee. Review shall be limited to whether the Director's calculation of the fee contains a mathematical error. The Director shall make a final decision on a request for review and

mail a final written decision to the municipality requesting the review within 15 calendar days after the date the Director receives the written request.

**E.** A municipality shall pay at least one-half of its fee for fiscal year 2012 by October 14, 2011 and any remaining portion of the fee by January 16, 2012.

**F.** As used in this Section, the following terms have the meaning indicated:

1. "Fiscal year 2012" means the year beginning July 1, 2011 and ending June 30, 2012.

2. "Municipality" means an incorporated city or town.

3. "Population" means the population according to the most recent United States decennial census.

4. "Water resources fund" means the water resources fund established by A.R.S. § 45-117.

**G.** This section shall repeal automatically, effective July 1, 2012.