

COMMITTEE ON COMMERCE

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1084

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Title 5, Arizona Revised Statutes, is amended by adding
3 chapter 9, to read:

4 CHAPTER 9

5 SPORTS AUTHORITY DISTRICT

6 ARTICLE 1. ORGANIZATION

7 5-1101. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "ADVISORY BOARD" MEANS THE ADVISORY BOARD OF THE SPORTS AUTHORITY.

10 2. "AUTHORITY" MEANS A SPORTS AUTHORITY ESTABLISHED PURSUANT TO THIS
11 CHAPTER.

12 3. "AUTHORITY BOARD" MEANS THE GOVERNING BOARD OF THE SPORTS
13 AUTHORITY.

14 4. "BOARD OF DIRECTORS" MEANS THE COUNTY BOARD OF SUPERVISORS SERVING
15 AS THE BOARD OF DIRECTORS OF THE DISTRICT.

16 5. "DISTRICT" MEANS A SPORTS AUTHORITY DISTRICT ESTABLISHED PURSUANT
17 TO THIS CHAPTER.

18 6. "MULTIPURPOSE FACILITY" MEANS A STADIUM OR A FACILITY FOR YOUTH
19 SPORTS THAT IS ADAPTED FOR ADDITIONAL ENTERTAINMENT, CULTURAL, CIVIC,
20 MEETING, TRADESHOW OR CONVENTION EVENTS, ON-SITE INFRASTRUCTURE AND RELATED
21 PARKING FACILITIES AND COMMERCIAL ACTIVITY WITHIN THE FACILITY.

22 7. "STADIUM" MEANS A FACILITY INTENDED PRIMARILY FOR USE BY ONE OR
23 MORE MAJOR LEAGUE BASEBALL SPRING TRAINING OPERATIONS, INCLUDING BASEBALL
24 STADIUMS, CLUBHOUSES, PRACTICE FACILITIES, OTHER RELATED FACILITIES, ON-SITE
25 INFRASTRUCTURE AND RELATED PARKING FACILITIES AND COMMERCIAL ACTIVITY WITHIN
26 THE FACILITY.

27 8. "YOUTH SPORTS" MEANS RECREATIONAL AND AMATEUR SPORTING RELATED
28 ACTIVITIES AND COMPETITIONS ORGANIZED IN THE DISTRICT, EXCLUDING ANY
29 ACTIVITIES ORGANIZED BY OR UNDER THE AUSPICES OF A UNIVERSITY OR COMMUNITY
30 COLLEGE OR ANY NATIONAL COLLEGIATE ATHLETIC ASSOCIATION OR NATIONAL JUNIOR
31 COLLEGE ATHLETIC ASSOCIATION SANCTIONED EVENT.

32 5-1102. Formation of district; board of directors; duties

33 A. A SPORTS AUTHORITY DISTRICT IS ESTABLISHED IN EACH COUNTY HAVING A
34 POPULATION OF MORE THAN THREE HUNDRED THOUSAND BUT LESS THAN TWO MILLION
35 PERSONS. THE BOUNDARIES OF THE AUTHORITY ARE THE BOUNDARIES OF THE COUNTY.

36 B. THE COUNTY BOARD OF SUPERVISORS SHALL SERVE AS THE BOARD OF
37 DIRECTORS OF THE DISTRICT. THE DIRECTORS SHALL NOT RECEIVE COMPENSATION OR
38 REIMBURSEMENT OF EXPENSES FOR THEIR SERVICES AS THE BOARD OF DIRECTORS.

39 C. THE BOARD OF DIRECTORS SHALL:

40 1. CALL AN ELECTION FOR THE ESTABLISHMENT OF A SPORTS AUTHORITY IN THE
41 COUNTY AS PROVIDED BY SECTION 5-1103, SUBSECTION A.

1 2. APPOINT CERTAIN MEMBERS OF THE GOVERNING BOARD OF THE SPORTS
2 AUTHORITY AS PROVIDED BY SECTION 5-1103.

3 3. APPROVE A BUDGET OF THE AUTHORITY PURSUANT TO SECTION 5-1131.

4 4. APPROVE THE ISSUANCE OF REVENUE BONDS OF THE AUTHORITY PURSUANT TO
5 ARTICLE 3 OF THIS CHAPTER.

6 D. THE DISTRICT IS A CORPORATE AND POLITICAL BODY, SEPARATE AND
7 INDEPENDENT OF THIS STATE OR THE COUNTY, AND EXCEPT AS OTHERWISE LIMITED,
8 MODIFIED OR PROVIDED BY THIS CHAPTER, HAS ALL OF THE RIGHTS, POWERS AND
9 IMMUNITIES OF MUNICIPAL CORPORATIONS EXCEPT TO ACQUIRE REAL PROPERTY BY
10 EMINENT DOMAIN. THE BOARD OF DIRECTORS AND THE DISTRICT DO NOT HAVE THE
11 POWER TO LEVY OR OTHERWISE IMPOSE ANY TAX OR ASSESSMENT, OTHER THAN CHARGES
12 FOR THE USE OF FACILITIES OWNED OR MANAGED BY THE DISTRICT. THE QUALIFIED
13 ELECTORS RESIDING IN THE DISTRICT MAY LEVY A TAX FOR THE FISCAL NEEDS OF THE
14 DISTRICT AS PROVIDED BY THIS CHAPTER, BUT THE BOARD OF DIRECTORS HAS NO
15 INDEPENDENT AUTHORITY TO IMPOSE A TAX. SUBJECT TO THAT LIMITATION, THE
16 DISTRICT IS CONSIDERED TO BE A TAX LEVYING PUBLIC IMPROVEMENT DISTRICT FOR
17 THE PURPOSES OF ARTICLE XIII, SECTION 7, CONSTITUTION OF ARIZONA.

18 5-1103. Sports authority; establishment; authority board

19 A. THE BOARD OF DIRECTORS SHALL CALL AN ELECTION OF THE QUALIFIED
20 ELECTORS OF THE DISTRICT TO AUTHORIZE THE ESTABLISHMENT OF A SPORTS AUTHORITY
21 WITHIN THE BOUNDARIES OF THE DISTRICT ON THE RECEIPT OF THE PLAN FROM THE
22 AUTHORITY BOARD PURSUANT TO SECTION 5-1104, SUBSECTION A. THE ELECTION SHALL
23 BE HELD ON THE EARLIEST OR SECOND EARLIEST CONSOLIDATED ELECTION DATE
24 PRESCRIBED BY SECTION 16-204, EXCEPT FOR THE FIRST TUESDAY AFTER THE FIRST
25 MONDAY IN NOVEMBER, OCCURRING AT LEAST NINETY DAYS AFTER THE DISTRICT IS
26 ESTABLISHED.

27 B. THE ELECTION BALLOT SHALL INCLUDE THE FOLLOWING TWO QUESTIONS:

28 1. "SHALL THE SPORTS AUTHORITY DISTRICT LEVY AND COLLECT TAXES AS
29 PROVIDED BY SECTIONS 5-1133, 5-1134, 5-1135 AND 5-1136, ARIZONA REVISED
30 STATUTES?".

31 2. "SHALL THE SPORTS AUTHORITY DISTRICT ISSUE REVENUE BONDS TO FINANCE
32 THE CONSTRUCTION, RENOVATION, EXPANSION OR REPAIR OF CACTUS LEAGUE BASEBALL
33 STADIUMS, YOUTH SPORTS FACILITIES AND MULTIPURPOSE FACILITIES, TO BE PAID
34 EXCLUSIVELY FROM AUTHORIZED TAX REVENUES?".

35 C. THE BOARD OF DIRECTORS SHALL ORDER THE ESTABLISHMENT OF THE
36 AUTHORITY ON THE APPROVAL OF BOTH QUESTIONS BY A MAJORITY OF THE QUALIFIED
37 ELECTORS VOTING ON EACH ISSUE IN THE ELECTION. IF EITHER QUESTION IS
38 DISAPPROVED, THE AUTHORITY SHALL NOT BE ESTABLISHED AND FURTHER PROCEEDINGS
39 UNDER THIS CHAPTER SHALL BE TERMINATED.

40 D. MEMBERS OF THE AUTHORITY BOARD, WHO MUST RESIDE IN THE DISTRICT,
41 SHALL BE APPOINTED WITHIN THIRTY DAYS AFTER THE FORMATION OF THE DISTRICT AS
42 FOLLOWS:

43 1. ONE MEMBER WHO IS APPOINTED BY THE BOARD OF DIRECTORS AND WHO IS
44 SELECTED FROM A LIST OF NOMINEES SUBMITTED BY THE LARGEST INDUSTRY
45 ORGANIZATION OR TRADE ASSOCIATION REPRESENTING HOTEL, MOTEL AND LODGING
46 BUSINESSES IN THE DISTRICT.

47 2. ONE MEMBER WHO IS APPOINTED BY THE BOARD OF DIRECTORS AND WHO IS
48 SELECTED FROM A LIST OF NOMINEES SUBMITTED BY THE LARGEST INDUSTRY

1 ORGANIZATION OR TRADE ASSOCIATION REPRESENTING RESTAURANT BUSINESSES IN THE
2 DISTRICT.

3 3. ONE MEMBER WHO IS APPOINTED BY THE GOVERNING BODY OF THE LARGEST
4 CITY IN THE DISTRICT AND WHO IS SELECTED FROM A LIST OF NOMINEES SUBMITTED BY
5 THE LARGEST INDUSTRY ORGANIZATION OR TRADE ASSOCIATION REPRESENTING
6 AUTOMOBILE RENTAL BUSINESSES IN THE DISTRICT.

7 4. ONE MEMBER WHO IS APPOINTED BY THE GOVERNING BODY OF THE LARGEST
8 CITY IN THE DISTRICT AND WHO IS SELECTED FROM A LIST OF NOMINEES SUBMITTED BY
9 THE LARGEST INDUSTRY ORGANIZATION OR TRADE ASSOCIATION REPRESENTING TOURISM
10 BUSINESSES GENERALLY IN THE DISTRICT.

11 5. ONE MEMBER WHO IS APPOINTED PURSUANT TO SUBSECTION G OF THIS
12 SECTION AND WHO IS SELECTED FROM A LIST OF NOMINEES SUBMITTED BY THE LARGEST
13 INDUSTRY ORGANIZATION OR TRADE ASSOCIATION REPRESENTING TOURISM BUSINESSES
14 GENERALLY IN THE DISTRICT.

15 6. ONE MEMBER WITH SUBSTANTIAL KNOWLEDGE AND EXPERIENCE REGARDING
16 MAJOR LEAGUE BASEBALL WHO IS APPOINTED BY THE BOARD OF DIRECTORS.

17 7. TWO ADDITIONAL MEMBERS WHO ARE APPOINTED BY THE COUNTY BOARD OF
18 SUPERVISORS, OR BY ANY CITY OR TOWN, THAT CONTRIBUTES AT LEAST TWENTY PER
19 CENT OF THE COST OF A PROJECT PURSUANT TO SECTION 5-1106, SUBSECTION C IF THE
20 CONTRIBUTION HAS A VALUE OF AT LEAST FIFTEEN MILLION DOLLARS. MEMBERS SHALL
21 BE APPOINTED PURSUANT TO THIS PARAGRAPH WITHIN THIRTY DAYS AFTER THE
22 EXECUTION OF A BINDING AGREEMENT TO MAKE A QUALIFYING CONTRIBUTION.

23 E. THE APPOINTING ENTITIES PRESCRIBED IN SUBSECTION D OF THIS SECTION
24 SHALL RECEIVE NOMINATIONS FOR APPOINTMENT TO THE AUTHORITY BOARD FROM
25 SPECIFIED COMMERCIAL INTERESTS, AND SHALL APPOINT THE MEMBERS FROM THE
26 NOMINEES. THE APPOINTING ENTITIES SHALL MAKE APPOINTMENTS TO THE AUTHORITY
27 BOARD TO PROVIDE BROAD GEOGRAPHIC REPRESENTATION AMONG THE MEMBERS. NO MORE
28 THAN THREE MEMBERS MAY RESIDE IN THE SAME CITY OR TOWN OR IN THE
29 UNINCORPORATED AREAS OF THE COUNTY. THE INITIAL MEMBERS SHALL BE APPOINTED
30 TO TERMS OF TWO, THREE AND FOUR YEARS, CHOSEN BY LOT. THEREAFTER, ALL
31 SUBSEQUENT MEMBERS SHALL BE APPOINTED TO TERMS OF FOUR YEARS, EXCEPT FOR
32 INTERIM APPOINTMENTS TO FILL UNEXPIRED TERMS. A MEMBER OF THE BOARD MAY BE
33 REMOVED ON A TWO-THIRDS VOTE OF ALL MEMBERS. THE REMOVAL IS EFFECTIVE
34 IMMEDIATELY.

35 F. A MEMBER OF THE AUTHORITY BOARD SHALL NOT HOLD ANY ELECTED OFFICE
36 WHILE SERVING ON THE BOARD. AN AUTHORITY BOARD MEMBER WHO TAKES ELECTIVE
37 OFFICE OR FILES NOMINATING PETITIONS FOR ELECTIVE OFFICE IS CONSIDERED TO
38 HAVE RESIGNED FROM THE AUTHORITY BOARD EFFECTIVE IMMEDIATELY.

39 G. THE APPOINTMENT OF THE AUTHORITY BOARD MEMBER PURSUANT TO
40 SUBSECTION D, PARAGRAPH 5 OF THIS SECTION SHALL BE DETERMINED AS FOLLOWS:

41 1. THE FIRST APPOINTMENT SHALL BE MADE BY THE GOVERNING BODY OF THE
42 SECOND LARGEST CITY IN THE DISTRICT.

43 2. THE SECOND APPOINTMENT SHALL BE MADE BY THE GOVERNING BODY OF THIRD
44 LARGEST CITY IN THE DISTRICT.

45 3. EACH SUBSEQUENT APPOINTMENT SHALL BE MADE BY THE GOVERNING BODIES
46 OF THE NEXT LARGEST CITIES IN THE DISTRICT IN ORDER OF POPULATION, UNTIL
47 GOVERNING BODIES OF ALL CITIES IN THE DISTRICT HAVE MADE AN APPOINTMENT.

1 4. SUBSEQUENT APPOINTMENTS SHALL REPEAT THE SEQUENCE OF APPOINTMENTS
2 PROVIDED IN PARAGRAPHS 1, 2 AND 3 OF THIS SUBSECTION.

3 5. FOR THE PURPOSES OF THIS SUBSECTION, THE POPULATION OF CITIES AND
4 TOWNS IN THE DISTRICT SHALL BE BASED ON THE POPULATION AT THE TIME OF EACH
5 APPOINTMENT MADE BY THE SECOND LARGEST CITY IN THE DISTRICT.

6 H. IN THE EVENT OF A VACANCY OF A MEMBER OF THE AUTHORITY BOARD
7 APPOINTED PURSUANT TO SUBSECTION D, PARAGRAPH 5 OF THIS SECTION, THE
8 GOVERNING BODY THAT APPOINTED THE VACATING MEMBER SHALL APPOINT A REPLACEMENT
9 FOR THE REMAINDER OF THE UNEXPIRED TERM.

10 5-1104. Sports authority plan; authority board powers and
11 duties; advisory board

12 A. THE AUTHORITY BOARD SHALL SUBMIT A PLAN FOR THE OPERATION OF THE
13 SPORTS AUTHORITY INCLUDING PROPOSALS FOR THE CONSTRUCTION, RENOVATION,
14 EXPANSION, OR REPAIR OF STADIUMS, MULTIPURPOSE FACILITIES AND YOUTH SPORTS
15 FACILITIES AS PROVIDED IN THIS CHAPTER. THE PLAN SHALL:

16 1. BE DEVELOPED AND SUBMITTED TO THE BOARD OF DIRECTORS WITHIN NINETY
17 DAYS AFTER THE APPOINTMENT OF THE SPORTS AUTHORITY BOARD.

18 2. BE FINALIZED FOLLOWING PUBLIC HEARINGS AND MEETINGS HELD THROUGHOUT
19 THE DISTRICT.

20 3. SPECIFY THE GENERAL PURPOSES FOR WHICH THE MONIES OF THE AUTHORITY,
21 INCLUDING TAX REVENUES PURSUANT TO SECTIONS 5-1133, 5-1134, 5-1135 AND
22 5-1136, WILL BE SPENT DURING THE FIRST TWENTY YEARS OF THE AUTHORITY'S
23 OPERATIONS.

24 B. IN ADDITION, THE AUTHORITY BOARD, ON BEHALF OF THE SPORTS
25 AUTHORITY, SHALL:

26 1. PROMOTE MAJOR LEAGUE BASEBALL SPRING TRAINING WITHIN THE DISTRICT.

27 2. ACQUIRE, CONSTRUCT, LEASE, FINANCE, LEASE-PURCHASE OR OTHERWISE
28 OBTAIN USE OF FACILITIES FOR MAJOR LEAGUE BASEBALL SPRING TRAINING AND
29 RELATED ACTIVITIES.

30 3. PROVIDE GRANTS AND ASSISTANCE TO POLITICAL SUBDIVISIONS OF THIS
31 STATE AND TO NONPROFIT CORPORATIONS FOR THE DEVELOPMENT AND OPERATIONS OF
32 SPORTING ACTIVITIES. SPORTING ACTIVITIES SHALL NOT INCLUDE ACTIVITIES
33 ORGANIZED BY A PUBLIC UNIVERSITY OR COMMUNITY COLLEGE.

34 4. ADOPT AN ANNUAL BUDGET AS PROVIDED BY SECTION 5-1131 AND SUBMIT THE
35 BUDGET TO THE BOARD OF DIRECTORS FOR APPROVAL.

36 5. APPROVE CAPITAL PROJECTS THAT ARE PROVIDED BY THE BUDGET.

37 6. APPROVE THE ISSUANCE OF REVENUE BONDS PURSUANT TO ARTICLE 3 OF THIS
38 CHAPTER AND SUBMIT THE BOND ISSUE TO THE BOARD OF DIRECTORS FOR APPROVAL.

39 7. APPOINT FROM AMONG ITS MEMBERS A CHAIRPERSON, A SECRETARY AND SUCH
40 OTHER OFFICERS AS MAY BE NECESSARY TO CONDUCT ITS BUSINESS.

41 8. EMPLOY AN EXECUTIVE DIRECTOR AND PRESCRIBE THE TERMS AND CONDITIONS
42 OF EMPLOYMENT.

43 9. KEEP AND MAINTAIN A COMPLETE AND ACCURATE RECORD OF ALL OF ITS
44 PROCEEDINGS. THE BOARD IS A PUBLIC BODY FOR PURPOSES OF TITLE 38, CHAPTER 3,
45 ARTICLE 3.1 AND TITLE 39, CHAPTER 1.

46 10. PROVIDE FOR THE USE, MAINTENANCE AND OPERATION OF THE PROPERTIES
47 AND INTERESTS OWNED OR MANAGED BY THE AUTHORITY.

48 C. THE AUTHORITY BOARD MAY:

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

4 2. ADOPT ADMINISTRATIVE RULES AS NECESSARY TO ADMINISTER AND OPERATE
5 THE AUTHORITY AND ANY PROPERTY UNDER ITS JURISDICTION.

6 3. ACQUIRE BY ANY LAWFUL MEANS, OTHER THAN EMINENT DOMAIN, AND
7 OPERATE, MAINTAIN, ENCUMBER AND DISPOSE OF REAL AND PERSONAL PROPERTY AND
8 INTERESTS IN PROPERTY.

9 4. RETAIN LEGAL COUNSEL AND OTHER CONSULTANTS AS NECESSARY TO CARRY
10 OUT THE PURPOSES OF THE AUTHORITY.

11 5. ENTER INTO CONTRACTS FOR THE LEASE OR RENTAL OF ANY DISTRICT
12 FACILITY OR FACILITIES WITH A NONPROFIT COMMUNITY BASED ORGANIZATION THAT
13 SPONSORS A PROFESSIONAL OR YOUTH SPORTING EVENT THAT PROVIDE FOR THE PAYMENT
14 TO THE ORGANIZATION OF A TICKET SURCHARGE OR FACILITY USER FEE ASSOCIATED
15 WITH PARKING IF THE AUTHORITY HAS FULLY PAID THE CURRENT YEAR'S REQUIRED
16 PRINCIPAL AND INTEREST PAYMENTS ON ANY OUTSTANDING AUTHORITY BONDS FOR WHICH
17 THESE REVENUES WERE PLEDGED PURSUANT TO ARTICLE 3 OF THIS CHAPTER.

18 D. THE AUTHORITY BOARD SHALL APPOINT AN ADVISORY BOARD CONSISTING OF
19 MEMBERS REPRESENTING A BROAD SPECTRUM OF INTERESTED PARTIES FOR THE PURPOSE
20 OF ADVISING THE AUTHORITY IN ITS ACTIVITIES TO FULLY PERFORM AND ACCOMPLISH
21 ITS PURPOSES.

22 E. BEFORE THE ELECTION CALLED PURSUANT TO SECTION 5-1103, THE
23 AUTHORITY BOARD MAY ONLY EXERCISE THE POWERS AND DUTIES PRESCRIBED IN
24 SUBSECTIONS A AND C OF THIS SECTION AND SHALL NOT EXERCISE ANY OTHER POWERS
25 OR DUTIES.

26 5-1105. Executive director; duties

27 A. THE EXECUTIVE DIRECTOR OF THE AUTHORITY IS RESPONSIBLE TO THE
28 AUTHORITY BOARD FOR MANAGING, ADMINISTERING AND SUPERVISING THE ACTIVITIES OF
29 THE AUTHORITY.

30 B. THE EXECUTIVE DIRECTOR SHALL NEGOTIATE, MAKE, EXECUTE, ACKNOWLEDGE
31 AND PERFORM CONTRACTS AND OTHER AGREEMENTS IN THE INTEREST OF THE AUTHORITY
32 OR TO CARRY OUT OR ACCOMPLISH THE PURPOSES OF THIS CHAPTER, INCLUDING
33 CONSTRUCTION CONTRACTS AND AGREEMENTS WITH USERS OF A MULTIPURPOSE FACILITY,
34 ALL OF WHICH ARE SUBJECT TO APPROVAL BY THE BOARD.

35 C. THE EXECUTIVE DIRECTOR SHALL:

36 1. EMPLOY A FISCAL AGENT TO DEPOSIT, HOLD, INVEST AND DISBURSE THE
37 AUTHORITY'S MONIES.

38 2. EMPLOY ADMINISTRATIVE AND CLERICAL EMPLOYEES AND PRESCRIBE THE
39 TERMS AND CONDITIONS OF THEIR EMPLOYMENT AS NECESSARY TO CARRY OUT THE
40 PURPOSES OF THE AUTHORITY. EMPLOYEES OF THE AUTHORITY ARE CONSIDERED TO BE
41 PUBLIC EMPLOYEES FOR PURPOSES OF TITLE 38.

42 3. RECOMMEND THE EMPLOYMENT OF CONSULTANTS BY THE BOARD, INCLUDING
43 OUTSIDE COUNSEL AND A PROFESSIONAL FACILITY MANAGEMENT COMPANY.

44 4. DIRECT THE ACTIVITIES OF OUTSIDE CONSULTANTS.

45 5-1106. Major league baseball spring training facilities; local
46 financial participation

47 A. THE AUTHORITY MAY:

1 1. ACQUIRE LAND OR CONSTRUCT, FINANCE, FURNISH, IMPROVE, MARKET OR
2 PROMOTE THE USE OF EXISTING OR PROPOSED MAJOR LEAGUE BASEBALL SPRING TRAINING
3 FACILITIES THAT ARE LOCATED IN THE AUTHORITY AND OTHER STRUCTURES, UTILITIES,
4 ROADS, PARKING AREAS OR BUILDINGS NECESSARY FOR FULL USE OF THE TRAINING
5 FACILITIES FOR SPORTS AND OTHER PURPOSES.

6 2. DO ALL THINGS NECESSARY OR CONVENIENT TO ACCOMPLISH THE PURPOSES
7 PRESCRIBED IN THIS SUBSECTION.

8 B. MONIES OF THE AUTHORITY:

9 1. MAY BE USED FOR THE PURPOSES OF:

10 (a) ATTRACTING MAJOR LEAGUE BASEBALL SPRING TRAINING OPERATIONS TO
11 LOCATIONS IN THE AUTHORITY.

12 (b) RETAINING MAJOR LEAGUE BASEBALL SPRING TRAINING OPERATIONS IN
13 THEIR CURRENT LOCATIONS IN THE AUTHORITY.

14 2. SHALL NOT BE USED TO FACILITATE THE RELOCATION OF A MAJOR LEAGUE
15 BASEBALL SPRING TRAINING OPERATION FROM ONE LOCATION IN THIS STATE TO ANOTHER
16 LOCATION IN THIS STATE UNLESS ANOTHER MAJOR LEAGUE BASEBALL TEAM HAS MADE
17 CONTRACTUAL COMMITMENTS TO ENSURE THE RELOCATION OF ITS SPRING TRAINING
18 OPERATIONS FROM A LOCATION OUTSIDE THIS STATE TO OCCUPY ALL OR PART OF THE
19 VACATED FACILITY.

20 C. THE AUTHORITY BOARD MAY REQUIRE THAT ANY PROJECT UNDERTAKEN
21 PURSUANT TO THIS SECTION INCLUDE FINANCIAL PARTICIPATION FROM THE COUNTY OR
22 MUNICIPALITY IN WHICH THE PROJECT IS LOCATED, FROM A PRIVATE PARTY OR FROM
23 ANY COMBINATION OF THESE ENTITIES. CAPITAL IMPROVEMENT MONIES SPENT BY A
24 COUNTY, MUNICIPALITY OR PRIVATE PARTY FOR A PURPOSE AUTHORIZED BY THIS
25 SECTION MAY BE CONSIDERED TO BE FINANCIAL PARTICIPATION WITH RESPECT TO ANY
26 PROJECT THE AUTHORITY MAY UNDERTAKE IF THE EXPENDITURES OCCUR AFTER THE
27 DISTRICT IS ESTABLISHED.

28 D. FOR PURPOSES OF FINANCING, DESIGNING OR CONSTRUCTING FACILITIES OR
29 STRUCTURES, THE AUTHORITY IS NOT THE AGENT OF ANY OTHER PARTY PARTICIPATING
30 IN THE FUNDING OF THE FACILITY OR STRUCTURE.

31 E. BEFORE UNDERTAKING THE PLANNING OR CONSTRUCTION OF THE FIRST NEW
32 FACILITY UNDER THIS SECTION, THE AUTHORITY BOARD MAY CONSIDER THE COSTS OF
33 ANTICIPATED REQUIRED RENOVATIONS OF EXISTING FACILITIES AND SHALL CONSIDER
34 SUCH COSTS FOR SUBSEQUENT NEW FACILITIES.

35 5-1107. Youth sports and recreation: local financial
36 participation

37 A. THE AUTHORITY SHALL SPEND AT LEAST TEN PER CENT OF ITS GENERAL
38 REVENUES FOR THE PURPOSE OF PROMOTING YOUTH SPORTS AND RECREATION AND MAY:

39 1. ACQUIRE LAND OR CONSTRUCT, FINANCE, FURNISH, MAINTAIN, IMPROVE,
40 OPERATE, MARKET OR PROMOTE THE USE OF YOUTH SPORTS FACILITIES, RECREATIONAL
41 FACILITIES AND OTHER COMMUNITY FACILITIES OR PROGRAMS THAT ARE LOCATED IN THE
42 AUTHORITY.

43 2. DO ALL THINGS NECESSARY OR CONVENIENT TO ACCOMPLISH THE PURPOSES
44 PRESCRIBED IN THIS SUBSECTION.

45 B. THE AUTHORITY BOARD MAY REQUIRE THAT ANY PROJECT UNDERTAKEN
46 PURSUANT TO THIS SECTION INCLUDE FINANCIAL PARTICIPATION FROM THE COUNTY,
47 MUNICIPALITY OR SCHOOL DISTRICT IN WHICH THE PROJECT IS LOCATED, FROM ANY
48 OTHER PARTY OR FROM ANY COMBINATION OF THESE ENTITIES. CAPITAL IMPROVEMENT

1 MONIES SPENT BY A COUNTY, MUNICIPALITY, SCHOOL DISTRICT OR OTHER PARTY FOR A
2 PURPOSE AUTHORIZED BY THIS SECTION MAY BE CONSIDERED TO BE FINANCIAL
3 PARTICIPATION WITH RESPECT TO ANY PROJECT THE AUTHORITY MAY UNDERTAKE.

4 C. FOR THE PURPOSES OF FINANCING, DESIGNING, CONSTRUCTING OR OPERATING
5 FACILITIES OR STRUCTURES, THE AUTHORITY IS NOT THE AGENT OF ANY OTHER PARTY
6 PARTICIPATING IN THE FUNDING OF THE FACILITY OR STRUCTURE.

7 D. IN EVALUATING PROJECTS UNDER THIS SECTION, THE AUTHORITY BOARD
8 SHALL GIVE PRIORITY TO YOUTH SPORTS FACILITIES THAT ARE ADJACENT, IN
9 PROXIMITY OR OF BENEFIT TO PUBLIC SCHOOLS.

10 E. FOR THE PURPOSES OF SUBSECTION A, THE AMOUNT SPENT SHALL BE
11 MEASURED AT THE END OF EVERY TENTH FISCAL YEAR FOLLOWING THE ESTABLISHMENT OF
12 THE DISTRICT FOR THE ENTIRE PERIOD SINCE THE FORMATION OF THE DISTRICT,
13 EXCEPT THAT THE REQUIREMENT SHALL NOT INTERFERE WITH, DELAY OR IMPEDE THE
14 PAYMENT OF ANY AMOUNTS DUE AND PAYABLE ON ANY OUTSTANDING OBLIGATION OF THE
15 DISTRICT.

16 5-1108. Gift ban: exemptions

17 A. A PRINCIPAL OR LOBBYIST OR ANY OTHER PERSON ACTING ON BEHALF OF A
18 PRINCIPAL OR LOBBYIST SHALL NOT GIVE A GIFT TO ANY MEMBER OR EMPLOYEE OF THE
19 AUTHORITY BOARD, AND AN AUTHORITY BOARD MEMBER OR EMPLOYEE SHALL NOT ACCEPT A
20 GIFT FROM A PRINCIPAL OR LOBBYIST. THIS SECTION DOES NOT APPLY TO MEMBERS OF
21 THE DISTRICT BOARD OF DIRECTORS.

22 B. FOR THE PURPOSE OF THIS SECTION, A GIFT DOES NOT INCLUDE ANY OF THE
23 FOLLOWING:

24 1. SALARY, COMPENSATION OR EMPLOYER REIMBURSED EXPENSES LAWFULLY PAID
25 TO A BOARD MEMBER OR EMPLOYEE.

26 2. A FAMILY GIFT.

27 3. AN AWARD OR PRIZE THAT IS GIVEN TO COMPETITORS IN A CONTEST OR
28 EVENT THAT IS OPEN TO THE PUBLIC, INCLUDING A RANDOM DRAWING.

29 4. ANY DISCOUNT OR OTHER BENEFIT THAT IS OFFERED TO A BOARD MEMBER OR
30 EMPLOYEE ON THE SAME CONDITIONS AS TO THE PUBLIC, TO A CLASS CONSISTING OF
31 ALL BOARD MEMBERS AND EMPLOYEES OR TO A GROUP OR CLASS IN WHICH MEMBERSHIP IS
32 UNRELATED TO BEING A BOARD MEMBER OR EMPLOYEE.

33 5. AN EDUCATIONAL EVENT OR SPEAKING ENGAGEMENT.

34 6. EXPENSES RELATING TO A SPECIAL EVENT OR FUNCTION TO WHICH ALL
35 MEMBERS OF THE BOARD ARE INVITED AND THAT ARE PROPERLY REPORTED.

36 7. FLOWERS.

37 8. FOOD AND BEVERAGE.

38 9. INFORMATIONAL MATERIAL, INCLUDING A BOOK, CALENDAR, PAMPHLET,
39 PERIODICAL, REPORT OR VIDEO.

40 10. AN ITEM THAT IS NOT USED AND THAT IS RETURNED TO THE DONOR WITHIN
41 FIFTEEN DAYS AFTER RECEIPT OR THAT IS DELIVERED TO A CHARITABLE ORGANIZATION
42 WITHIN FIFTEEN DAYS AFTER RECEIPT AND THAT IS NOT CLAIMED AS A CHARITABLE
43 CONTRIBUTION FOR STATE OR FEDERAL INCOME TAX PURPOSES.

44 11. AN ITEM THAT IS GIVEN TO A BOARD MEMBER OR EMPLOYEE IF THE BOARD
45 MEMBER OR EMPLOYEE GIVES AN ITEM OF APPROXIMATELY THE SAME VALUE TO THE GIVER
46 OF THE ITEM AT THE SAME TIME THAT THE ITEM IS GIVEN OR ON A SIMILAR OCCASION
47 AS THE ONE THAT PROMPTED THE ORIGINAL ITEM TO BE GIVEN.

1 INCLUDE A PROGRESS REPORT OF THE ACTIVITIES OF THE AUTHORITY DURING THE
2 PREVIOUS QUARTER.

3 B. AT THE REQUEST OF THE CHAIRPERSON OF THE JOINT LEGISLATIVE BUDGET
4 COMMITTEE, THE EXECUTIVE DIRECTOR SHALL APPEAR BEFORE THE JOINT LEGISLATIVE
5 BUDGET COMMITTEE TO REPORT ON THE ACTIVITIES AND FINANCIAL PERFORMANCE OF THE
6 AUTHORITY DURING THE PREVIOUS YEAR.

7 ARTICLE 2. FINANCIAL PROVISIONS

8 5-1131. Annual budget

9 A. ON OR BEFORE MAY 31 OF EACH YEAR, THE AUTHORITY BOARD SHALL HOLD A
10 PUBLIC HEARING TO ADOPT A BUDGET FOR THE FOLLOWING FISCAL YEAR THAT INCLUDES:

- 11 1. RECEIPTS DURING THE PRECEDING FISCAL YEAR.
12 2. EXPENDITURES DURING THE PRECEDING FISCAL YEAR.
13 3. ESTIMATES OF AMOUNTS NECESSARY FOR EXPENSES DURING THE FOLLOWING
14 FISCAL YEAR, INCLUDING AMOUNTS PROPOSED FOR:

15 (a) COSTS OF PLANNING, CONSTRUCTING, FINANCING AND MAINTAINING THE
16 AUTHORITY'S FACILITIES.

17 (b) ADMINISTRATIVE COSTS OF THE AUTHORITY.

18 4. ANTICIPATED REVENUE TO THE AUTHORITY FROM EACH SOURCE IN THE
19 FOLLOWING FISCAL YEAR.

20 5. A COMPLETE ASSET AND LIABILITY STATEMENT.

21 6. A STATEMENT OF PROFIT OR LOSS.

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

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

26 B. THE AUTHORITY BOARD:

27 1. SHALL TRANSMIT A COPY OF THE BUDGET TO THE DISTRICT BOARD OF
28 DIRECTORS.

29 2. MAY AMEND THE BUDGET ON A FINDING OF GOOD CAUSE.

30 5-1132. General fund; investments

31 A. THE AUTHORITY SHALL MAINTAIN A GENERAL FUND AND MAY ESTABLISH
32 ACCOUNTS AND SUBACCOUNTS WITHIN THE GENERAL FUND AS NECESSARY AND CONVENIENT.
33 ALL REVENUES AND MONIES RECEIVED BY THE AUTHORITY SHALL INITIALLY BE
34 DEPOSITED IN THE GENERAL FUND.

35 B. THE AUTHORITY MAY INVEST ANY UNEXPENDED MONIES IN THE FUND AS
36 PROVIDED IN TITLE 35, CHAPTER 2. INTEREST AND OTHER INCOME FROM INVESTMENTS
37 OF MONIES IN ANY ACCOUNT SHALL BE CREDITED TO THAT ACCOUNT EXCEPT AS
38 OTHERWISE PROVIDED BY LAW.

39 C. THE AUTHORITY'S INVESTMENTS MUST MATURE WHEN THE FUND ASSETS WILL
40 BE REQUIRED FOR THE PURPOSES OF THIS CHAPTER. IF THE LIQUID ASSETS IN THE
41 FUND OR ANY ACCOUNT OR SUBACCOUNT BECOME INSUFFICIENT TO MEET THE STATUTORY
42 OBLIGATIONS, THE AUTHORITY BOARD SHALL DIRECT THE AUTHORITY'S FISCAL AGENT TO
43 LIQUIDATE SUFFICIENT SECURITIES TO MEET ALL OF THE CURRENT OBLIGATIONS AND
44 IMMEDIATELY NOTIFY THE DISTRICT BOARD OF DIRECTORS AND THE AUDITOR GENERAL OF
45 THE INSUFFICIENCY. THE AUDITOR GENERAL SHALL INVESTIGATE AND AUDIT THE
46 CIRCUMSTANCES SURROUNDING THE DEPLETION OF THE FUND, ACCOUNT OR SUBACCOUNT
47 AND REPORT THE FINDINGS TO THE AUTHORITY BOARD AND THE BOARD OF DIRECTORS.

1 LEASING OR RENTING MOTOR VEHICLES IN THE DISTRICT; IN THE DISTRICT; AN EXCISE;
2 DISTRICT

3 5-1133. Excise tax

4 A. THE QUALIFIED ELECTORS, BY MAJORITY VOTE AT AN ELECTION HELD
5 PURSUANT TO SECTION 5-1103, MAY LEVY AND, IF LEVIED, THE DEPARTMENT OF
6 REVENUE SHALL COLLECT A TAX ON THE GROSS PROCEEDS OF SALES OR GROSS INCOME
7 FROM THE BUSINESS TAXED UNDER TITLE 42, CHAPTER 5, ARTICLE 2. A TAX UNDER
8 THIS SECTION IS IN ADDITION TO THE TAX IMPOSED BY THE DISTRICT.

9 B. IF LEVIED, THE TAX SHALL BE LEVIED UNDER THIS SECTION BEGINNING ON
10 THE FIRST DAY OF THE FIRST MONTH BEGINNING NINETY DAYS AFTER THE ELECTION,
11 AND SHALL CONTINUE IN THIS MANNER FOR THREE HUNDRED SIXTY MONTHS EXCEPT AS
12 PROVIDED BY SECTION 5-1137.

13 C. THE RATE OF THE TAX IS .75 PER CENT OF THE TAX BASE PRESCRIBED BY
14 TITLE 42, CHAPTER 5, ARTICLE 2.

15 D. UNLESS THE CONTEXT OTHERWISE REQUIRES, SECTION 42-6102 GOVERNS THE
16 ADMINISTRATION OF THE TAX IMPOSED UNDER THIS SECTION.

17 E. EACH MONTH THE STATE TREASURER SHALL TRANSMIT THE NET REVENUES
18 COLLECTED PURSUANT TO THIS SECTION TO THE AUTHORITY FOR DEPOSIT IN THE
19 GENERAL FUND.

20 AN EXCISE; DISTRICT; AN EXCISE; DISTRICT

21 5-1134. Conditional termination of district taxes

22 THE TAXES IMPOSED PURSUANT TO SECTIONS 5-1133, 5-1134 AND 5-1135 ARE
23 SUSPENDED AND PERMANENTLY TERMINATED IF, AS OF THE END OF THE SIXTIETH MONTH
24 AFTER THE DISTRICT IS ESTABLISHED, AT LEAST THREE MAJOR LEAGUE BASEBALL
25 FRANCHISES HAVE NOT EXECUTED BINDING CONTRACTUAL AGREEMENTS FOR USE OF
26 STADIUMS AND OTHER FACILITIES IN THE DISTRICT AS THEIR EXCLUSIVE SITES FOR
27 SPRING TRAINING OPERATIONS THROUGH A DATE AT LEAST THREE HUNDRED MONTHS AFTER
28 THE DISTRICT IS ESTABLISHED.

29 5-1135. Annual audit

30 A. THE BOARD OF DIRECTORS OF THE DISTRICT SHALL CAUSE AN ANNUAL AUDIT
31 TO BE CONDUCTED OF EACH OF THE AUTHORITY'S FUNDS, ACCOUNTS AND SUBACCOUNTS BY
32 AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT WITHIN ONE HUNDRED TWENTY DAYS
33 AFTER THE END OF THE FISCAL YEAR.

34 B. THE BOARD SHALL IMMEDIATELY FILE A CERTIFIED COPY OF THE AUDIT WITH
35 THE AUDITOR GENERAL. THE AUDITOR GENERAL MAY MAKE SUCH FURTHER AUDITS AND
36 EXAMINATIONS AS NECESSARY AND MAY TAKE APPROPRIATE ACTION RELATING TO THE
37 AUDIT OR EXAMINATION PURSUANT TO TITLE 41, CHAPTER 7, ARTICLE 10.1. IF THE
38 AUDITOR GENERAL TAKES NO FURTHER ACTION WITHIN THIRTY DAYS AFTER THE AUDIT IS
39 FILED, THE AUDIT IS CONSIDERED TO BE SUFFICIENT.

40 C. THE AUTHORITY BOARD SHALL PAY NEGOTIATED AND APPROVED FEES AND
41 COSTS OF THE CERTIFIED PUBLIC ACCOUNTANT AND AUDITOR GENERAL UNDER THIS
42 SECTION FROM THE AUTHORITY'S GENERAL FUND.

43 ARTICLE 3. REVENUE BONDS

44 5-1161. Definitions

45 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

46 1. "BOND" MEANS ANY OBLIGATION AUTHORIZED AND ISSUED PURSUANT TO THIS
47 ARTICLE, INCLUDING:

48 (a) BONDS.

1 (b) CERTIFICATES OF PARTICIPATION IN A LEASE-PURCHASE OR INSTALLMENT
2 PURCHASE AGREEMENT.

3 (c) OBLIGATIONS THAT ARE AUTHORIZED AND ISSUED TO REFUND OR REFINANCE
4 OBLIGATIONS THAT ARE AUTHORIZED AND ISSUED PURSUANT TO THIS ARTICLE.

5 2. "BOND RELATED EXPENSES" MEANS ANY EXPENSES INCURRED BY THE
6 AUTHORITY FOR ISSUING AND ADMINISTERING ITS BONDS, INCLUDING UNDERWRITING
7 FEES AND COSTS, TRUSTEE FEES, FINANCIAL CONSULTANT FEES, PRINTING AND
8 ADVERTISING COSTS, PAYING AGENT FEES, TRANSFER AGENT FEES, LEGAL, ACCOUNTING,
9 FEASIBILITY CONSULTANT AND OTHER PROFESSIONAL FEES AND EXPENSES, CREDIT
10 ENHANCEMENT FEES, ATTORNEY AND ACCOUNTING FEES AND EXPENSES RELATED TO CREDIT
11 ENHANCEMENT, BOND INSURANCE OR LIQUIDITY ENHANCEMENT, REMARKETING FEES,
12 RATING AGENCY FEES AND COSTS, TRAVEL AND TELEPHONE EXPENSES AND ALL OTHER
13 FEES CONSIDERED NECESSARY BY THE AUTHORITY BOARD IN ORDER TO MARKET AND
14 ADMINISTER THE BONDS.

15 3. "SPORTS AUTHORITY PURPOSE" INCLUDES:

16 (a) THE CAPITAL COSTS OF ACQUIRING, DESIGNING, DEVELOPING,
17 CONSTRUCTING, RECONSTRUCTING, EQUIPPING, FURNISHING, REPAIRING, MAINTAINING
18 AND IMPROVING STADIUMS AND MULTIPURPOSE FACILITIES, DIRECTLY RELATED
19 IMPROVEMENTS AND INFRASTRUCTURE, EXCEPT AS OTHERWISE LIMITED BY THIS
20 ARTICLE. FOR THE PURPOSES OF THIS SUBDIVISION, "INFRASTRUCTURE" MEANS
21 CAPITAL IMPROVEMENTS THAT WILL DIRECTLY AND PRINCIPALLY BENEFIT THE STADIUM
22 OR MULTIPURPOSE FACILITY AND INCLUDES:

- 23 (i) SANITARY SEWAGE SYSTEMS.
- 24 (ii) DRAINAGE AND FLOOD CONTROL SYSTEMS.
- 25 (iii) WATER SYSTEMS.
- 26 (iv) ROADWAYS FOR ACCESS, ENTRY AND EXIT AND PARKING FACILITIES.
- 27 (v) PEDESTRIAN AND OTHER NONMOTORIZED FACILITIES FOR ACCESS, ENTRY AND
28 EXIT AND PARKING.
- 29 (vi) LANDSCAPING.
- 30 (vii) LIGHTING SYSTEMS.
- 31 (viii) TRAFFIC CONTROL SYSTEMS, SIGNALS, CONTROLS, MARKINGS AND
32 SIGNAGE.

33 (b) THE PAYMENT OF BONDS.

34 (c) BOND RELATED EXPENSES.

35 5-1162. Obligation for the bonds

36 BONDS ISSUED UNDER THIS ARTICLE:

- 37 1. ARE PAYABLE ONLY ACCORDING TO THEIR TERMS.
- 38 2. ARE OBLIGATIONS OF THE AUTHORITY.
- 39 3. ARE NOT GENERAL, SPECIAL OR OTHER OBLIGATIONS OF THIS STATE, OR OF
40 THE COUNTY OR ANY CITY OR TOWN LOCATED IN THE AUTHORITY. THE MEMBERS OF THE
41 BOARD OF DIRECTORS, THE AUTHORITY BOARD AND PERSONS WHO EXECUTE THE BONDS ARE
42 NOT PERSONALLY LIABLE FOR PAYMENT OF THE BONDS.
- 43 4. DO NOT CONSTITUTE A DEBT OF THIS STATE OR OF THE COUNTY OR ANY CITY
44 OR TOWN LOCATED IN THE AUTHORITY.
- 45 5. ARE NOT ENFORCEABLE AGAINST THIS STATE. PAYMENT OF THE BONDS IS
46 ENFORCEABLE ONLY OUT OF ANY MONIES OR ASSETS OF THE AUTHORITY SPECIFICALLY
47 PLEDGED AND ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS
48 OF THE BONDS.

1 5-1163. Authorization of bonds

2 A. THE AUTHORITY MAY ISSUE BONDS PURSUANT TO THIS ARTICLE IN A
3 PRINCIPAL AMOUNT THAT IS NECESSARY TO:

4 1. PROVIDE SUFFICIENT MONIES FOR ANY SPORTS AUTHORITY PURPOSES.

5 2. ESTABLISH AND FULLY OR PARTIALLY FUND ANY REQUIRED RESERVES OR
6 SINKING ACCOUNTS.

7 3. ISSUE REFUNDING BONDS TO REFUND BONDS ISSUED BY THE AUTHORITY IF
8 THE AUTHORITY BOARD CONSIDERS REFUNDING TO BE EXPEDIENT. THE BOARD MAY
9 PROVIDE FOR INVESTING AND HOLDING THE PROCEEDS OF THE REFUNDING BONDS IN
10 TRUST FOR THE BENEFIT OF THE HOLDERS OF THE BONDS BEING REFUNDED.

11 B. THE AUTHORITY BOARD SHALL AUTHORIZE THE BONDS BY RESOLUTION. THE
12 RESOLUTION SHALL PRESCRIBE:

13 1. THE REVENUE SOURCES THAT ARE PLEDGED AND DEDICATED TO SECURE THE
14 BONDS.

15 2. THE RATE OR RATES OF INTEREST, WHICH MAY BE FIXED OR VARIABLE, THE
16 DATE OR DATES ON WHICH INTEREST IS PAYABLE AND THE DENOMINATIONS OF THE
17 BONDS.

18 3. THE DATE OR DATES OF THE BONDS AND MATURITY, WHICH SHALL BE WITHIN
19 THIRTY YEARS AFTER THE DATE OF ISSUANCE.

20 4. THE MANNER OF EXECUTING THE BONDS.

21 5. THE MEDIUM AND PLACE OF PAYMENT.

22 6. THE TERMS OF REDEMPTION, WHICH MAY PROVIDE FOR A PREMIUM FOR EARLY
23 REDEMPTION.

24 5-1164. Issuance and sale of bonds

25 A. THE AUTHORITY BOARD SHALL ISSUE THE BONDS IN THE NUMBER AND AMOUNT
26 PROVIDED IN THE RESOLUTION. THE AUTHORITY BOARD SHALL PROVIDE NOTICE OF ITS
27 INTENTION TO ISSUE BONDS TO THE DISTRICT BOARD OF DIRECTORS, AND TO THE
28 PUBLIC IN A MANNER CONSISTENT WITH MARKET PRACTICE.

29 B. THE BONDS MAY BE SOLD BY COMPETITIVE PUBLIC SALE, THROUGH AN ONLINE
30 BIDDING PROCESS OR AT NEGOTIATED SALE FOR PUBLIC OR PRIVATE OFFERING AT THE
31 PRICE AND ON THE TERMS PRESCRIBED IN THE RESOLUTION. FOR THE PURPOSES OF
32 THIS SUBSECTION, "ONLINE BIDDING PROCESS" MEANS A PROCUREMENT PROCESS IN
33 WHICH THE BOARD RECEIVES BIDS ELECTRONICALLY OVER THE INTERNET IN A
34 REAL-TIME, COMPETITIVE BIDDING EVENT.

35 C. THE PROCEEDS FROM THE SALE OF THE BONDS SHALL BE DEPOSITED IN THE
36 BOND PROCEEDS ACCOUNT ESTABLISHED PURSUANT TO SECTION 5-1165.

37 D. TITLE 35, CHAPTER 3, ARTICLE 7 APPLIES TO THE AUTHORITY BOARD AND
38 TO BONDS ISSUED UNDER THIS ARTICLE.

39 5-1165. Bond proceeds account

40 A. IF THE AUTHORITY ISSUES BONDS UNDER THIS ARTICLE, THE AUTHORITY
41 BOARD SHALL ESTABLISH A BOND PROCEEDS ACCOUNT WITHIN THE GENERAL FUND
42 CONSISTING OF MONIES RECEIVED FROM THE SALE OF THE BONDS.

43 B. THE AUTHORITY BOARD MAY USE MONIES IN THE BOND PROCEEDS ACCOUNT
44 ONLY FOR SPORTS AUTHORITY PURPOSES IN THE MANNER PRESCRIBED BY THIS CHAPTER.

45 C. THE AUTHORITY'S FISCAL AGENT SHALL ADMINISTER AND ACCOUNT FOR THE
46 BOND PROCEEDS ACCOUNT.

47 5-1166. Debt service account

1 A. IF THE AUTHORITY ISSUES BONDS UNDER THIS ARTICLE, THE AUTHORITY
2 BOARD SHALL ESTABLISH A DEBT SERVICE ACCOUNT WITHIN THE GENERAL FUND
3 CONSISTING OF MONIES DESIGNATED AND DEDICATED BY THE BOARD FOR REPAYMENT OF
4 THE BONDS AND PAYMENT OF COSTS AND RELATED EXPENSES ASSOCIATED WITH REDEEMING
5 THE BONDS.

6 B. MONIES IN THE DEBT SERVICE ACCOUNT MAY BE USED ONLY FOR THE
7 PURPOSES AUTHORIZED BY THIS ARTICLE.

8 C. THE AUTHORITY'S FISCAL AGENT SHALL ADMINISTER AND ACCOUNT FOR THE
9 DEBT SERVICE ACCOUNT.

10 5-1167. Securing principal and interest

11 IN CONNECTION WITH ISSUING BONDS AUTHORIZED BY THIS ARTICLE AND TO
12 SECURE THE PRINCIPAL AND INTEREST ON THE BONDS, THE AUTHORITY BOARD BY
13 RESOLUTION MAY:

14 1. PLEDGE FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS ALL
15 OR PART OF THE REVENUES AND OTHER MONIES RECEIVED BY THE AUTHORITY AND
16 DEPOSITED IN THE GENERAL FUND OR ANY ACCOUNT OR SUBACCOUNT OF THE GENERAL
17 FUND.

18 2. PLEDGE AND ASSIGN TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR
19 HOLDERS OF THE BONDS ALL OR PART OF THE MONIES IN THE DEBT SERVICE ACCOUNT OR
20 ANY OTHER ACCOUNT OR SUBACCOUNT AS NECESSARY TO SECURE AND PAY THE PRINCIPAL,
21 THE INTEREST AND ANY PREMIUM ON THE BONDS AS THEY COME DUE.

22 3. SEGREGATE THE DEBT SERVICE ACCOUNT INTO ONE OR MORE SUBACCOUNTS AND
23 PROVIDE THAT BONDS ISSUED UNDER THIS ARTICLE MAY BE SECURED BY A LIEN ON ALL
24 OR PART OF THE MONIES PAID INTO THE DEBT SERVICE ACCOUNT OR INTO ANY
25 SUBACCOUNT IN THE DEBT SERVICE ACCOUNT.

26 4. ESTABLISH PRIORITIES AMONG BONDHOLDERS BASED ON CRITERIA ADOPTED BY
27 THE BOARD.

28 5. SET ASIDE, REGULATE AND DISPOSE OF RESERVES AND SINKING ACCOUNTS.

29 6. PRESCRIBE THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT
30 WITH BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS THE HOLDERS
31 OF WHICH MUST CONSENT TO AND THE MANNER IN WHICH THE CONSENT MAY BE GIVEN.

32 7. PROVIDE FOR PAYMENT OF BOND RELATED EXPENSES FROM THE PROCEEDS OF
33 THE SALE OF THE BONDS OR OTHER REVENUES AVAILABLE TO THE BOARD.

34 8. PROVIDE FOR THE SERVICES OF TRUSTEES, COTRUSTEES, AGENTS AND
35 CONSULTANTS AND OTHER SPECIALIZED SERVICES WITH RESPECT TO THE BONDS.

36 9. TAKE ANY OTHER ACTION THAT IN ANY WAY MAY ENHANCE THE SECURITY AND
37 PROTECTION OF THE BONDS OR INTEREST ON THE BONDS.

38 5-1168. Lien of pledge

39 A. ANY PLEDGE MADE UNDER THIS ARTICLE IS VALID AND BINDING FROM THE
40 TIME WHEN THE PLEDGE IS MADE.

41 B. THE MONIES PLEDGED TO THE HOLDERS OF THE BONDS AND RECEIVED BY THE
42 AUTHORITY FOR PLACEMENT IN THE DEBT SERVICE ACCOUNT ARE IMMEDIATELY SUBJECT
43 TO THE LIEN OF THE PLEDGE WITHOUT ANY FURTHER ACT. ANY LIEN OF ANY PLEDGE IS
44 VALID AND BINDING AGAINST ALL PARTIES WHO HAVE CLAIMS OF ANY KIND AGAINST THE
45 AUTHORITY, REGARDLESS OF WHETHER THE PARTIES HAVE NOTICE OF THE LIEN. THE
46 OFFICIAL RESOLUTION OR ANY INSTRUMENT BY WHICH THIS PLEDGE IS CREATED, WHEN
47 ADOPTED BY THE AUTHORITY BOARD, IS NOTICE TO ALL CONCERNED OF THE CREATION OF

1 THE PLEDGE, AND THOSE INSTRUMENTS NEED NOT BE RECORDED IN ANY OTHER PLACE TO
2 PERFECT THE PLEDGE.

3 5-1169. Bond purchase for cancellation

4 THE AUTHORITY BOARD MAY PURCHASE BONDS FOR CANCELLATION, USING ANY
5 AVAILABLE MONIES, AT A PRICE NOT EXCEEDING THE FOLLOWING:

6 1. IF THE BONDS ARE REDEEMABLE AT THE TIME OF PURCHASE, THE APPLICABLE
7 REDEMPTION PRICE PLUS ACCRUED INTEREST TO THE NEXT INTEREST PAYMENT DATE.

8 2. IF THE BONDS ARE NOT REDEEMABLE AT THE TIME OF PURCHASE, THE
9 APPLICABLE REDEMPTION PRICE ON THE FIRST DATE AFTER PURCHASE ON WHICH THE
10 BONDS BECOME SUBJECT TO REDEMPTION PLUS ACCRUED INTEREST TO THAT DATE.

11 5-1170. Payment of bonds

12 A. THE BONDS SHALL BE PAID SOLELY FROM MONIES IN THE DEBT SERVICE
13 ACCOUNT.

14 B. THE MEMBERS OF THE AUTHORITY BOARD AND ANY PERSONS WHO EXECUTE THE
15 BONDS ARE NOT PERSONALLY LIABLE FOR THE PAYMENT OF THE BONDS.

16 C. THE AUTHORITY'S FISCAL AGENT SHALL CANCEL ALL BONDS WHEN PAID.

17 5-1171. Use of surplus monies

18 A. IF A BALANCE REMAINS IN THE BOND PROCEEDS ACCOUNT AFTER ALL
19 ACQUISITION, CONSTRUCTION AND RELATED COSTS HAVE BEEN PAID:

20 1. THE AUTHORITY BOARD SHALL CREDIT THE BALANCE TO REPAY ANY OTHER
21 OUTSTANDING INDEBTEDNESS OF THE AUTHORITY.

22 2. IF THE AUTHORITY HAS NO OUTSTANDING INDEBTEDNESS, THE BOARD SHALL
23 CREDIT THE REMAINING BALANCE TO THE AUTHORITY'S GENERAL FUND.

24 B. IF A BALANCE REMAINS IN THE DEBT SERVICE ACCOUNT AFTER PAYMENT OF
25 ALL BONDS, INTEREST AND OTHER CHARGES RELATED TO BONDS ISSUED UNDER THIS
26 ARTICLE, THE BOARD SHALL CREDIT THE BALANCE TO THE GENERAL FUND.

27 5-1172. Investment of monies in the bond proceeds account

28 A. THE AUTHORITY BOARD MAY AUTHORIZE THE AUTHORITY'S FISCAL AGENT TO
29 INVEST MONIES IN THE BOND PROCEEDS ACCOUNT IN THE MANNER PRESCRIBED BY
30 SECTION 5-1174.

31 B. THE ORDER DIRECTING AN INVESTMENT SHALL STATE A DATE ON WHICH THE
32 PROCEEDS FROM THE SALE OF THE BONDS WILL BE NEEDED FOR USE, AND THE FISCAL
33 AGENT SHALL MAKE THE INVESTMENT IN SUCH A WAY AS TO MATURE ON OR BEFORE THE
34 SPECIFIED DATE.

35 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE
36 INVESTMENT OF THE MONIES IN THE BOND PROCEEDS ACCOUNT SHALL BE CREDITED TO
37 THE BOND PROCEEDS ACCOUNT.

38 5-1173. Investment of monies in the debt service account

39 A. THE AUTHORITY BOARD MAY AUTHORIZE THE AUTHORITY'S FISCAL AGENT TO
40 INVEST AND REINVEST ANY MONIES IN THE DEBT SERVICE ACCOUNT AS PROVIDED BY
41 SECTION 5-1174.

42 B. THE ORDER DIRECTING AN INVESTMENT SHALL STATE A DATE ON WHICH THE
43 MONIES AND OTHER RESOURCES IN THE DEBT SERVICE ACCOUNT WILL BE NEEDED FOR
44 USE, AND THE FISCAL AGENT SHALL MAKE THE INVESTMENT IN SUCH A WAY AS TO
45 MATURE ON OR BEFORE THE SPECIFIED DATE.

46 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE
47 INVESTMENT OF THE MONIES IN THE DEBT SERVICE ACCOUNT SHALL BE CREDITED TO THE
48 DISTRICT'S GENERAL FUND.

1 5-1174. Authorized investment of monies

2 A. THE MONIES IN EITHER THE BOND PROCEEDS ACCOUNT OR THE DEBT SERVICE
3 ACCOUNT MAY BE INVESTED AND REINVESTED AT THE DIRECTION OF THE AUTHORITY
4 BOARD IN ANY OF THE FOLLOWING:

5 1. UNITED STATES TREASURY OBLIGATIONS.

6 2. CONSOLIDATED FARM LOAN BONDS.

7 3. OBLIGATIONS ISSUED BY THE FEDERAL INTERMEDIATE CREDIT BANKS OR
8 BONDS FOR COOPERATIVES ON AUTHORITY OF THE FARM CREDIT ACT OF 1933.

9 4. ANY OTHER OBLIGATIONS GUARANTEED BY THE UNITED STATES GOVERNMENT.

10 5. ANY INVESTMENTS THAT ARE AUTHORIZED BY ANY OTHER AGENCIES OF THE
11 UNITED STATES GOVERNMENT AND THAT ARE AUTHORIZED TO SECURE PUBLIC DEPOSITS.

12 6. STATE AND LOCAL GOVERNMENT SERIES UNITED STATES TREASURY
13 SECURITIES.

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

16 8. INVESTMENT AGREEMENTS AND REPURCHASE AGREEMENTS COLLATERALIZED BY
17 INVESTMENTS DESCRIBED IN PARAGRAPHS 1 THROUGH 5.

18 B. THE PURCHASE OF THE SECURITIES SHALL BE MADE BY THE AUTHORITY'S
19 FISCAL AGENT ON AUTHORITY OF A RESOLUTION OF THE AUTHORITY BOARD. THE FISCAL
20 AGENT SHALL ACT AS CUSTODIAN OF ALL SECURITIES PURCHASED.

21 C. THE AUTHORITY BOARD MAY PLACE ANY RESTRICTIONS ON REINVESTMENT
22 YIELD ON BOND PROCEEDS OR ON ANY MONIES PLEDGED TO PAY THE BONDS IF NECESSARY
23 TO COMPLY WITH FEDERAL INCOME TAX LAWS AND REGULATIONS TO GAIN ANY FEDERAL
24 TAX BENEFITS AVAILABLE WITH RESPECT TO THE BONDS.

25 5-1175. Deposit and disbursement of monies

26 A. MONIES DERIVED FROM SELLING BONDS UNDER THIS ARTICLE OR PLEDGED OR
27 ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS OF THE BONDS
28 SHALL BE DEPOSITED BY THE AUTHORITY'S FISCAL AGENT IN FINANCIAL INSTITUTIONS
29 THAT THE AUTHORITY BOARD DESIGNATES AND THAT ARE INSURED BY AN AGENCY OR
30 INSTRUMENTALITY OF THE UNITED STATES. THE MONIES SHALL BE DISBURSED AS THE
31 AUTHORITY BOARD DIRECTS AND ACCORDING TO THE TERMS OF ANY AGREEMENTS WITH THE
32 HOLDER OR HOLDERS OF THE BONDS.

33 B. THIS SECTION SHALL NOT BE CONSTRUED AS LIMITING THE POWER OF THE
34 AUTHORITY BOARD TO AGREE IN CONNECTION WITH THE ISSUANCE OF ANY OF ITS BONDS
35 AS TO THE CUSTODY AND DISPOSITION OF THE MONIES RECEIVED FROM SELLING BONDS
36 OR FROM THE INCOME AND REVENUES PLEDGED OR ASSIGNED TO OR IN TRUST FOR THE
37 BENEFIT OF THE HOLDER OR HOLDERS OF THE BONDS.

38 5-1176. Characteristics of bonds: negotiability: legal
39 investments: exemption from taxation

40 A. BONDS ISSUED UNDER THIS ARTICLE ARE FULLY NEGOTIABLE WITHIN THE
41 MEANING AND FOR ALL PURPOSES OF THE UNIFORM COMMERCIAL CODE, SUBJECT ONLY TO
42 ANY PROVISIONS FOR REGISTRATION, REGARDLESS OF WHETHER THE BONDS ACTUALLY
43 CONSTITUTE NEGOTIABLE INSTRUMENTS UNDER THE UNIFORM COMMERCIAL CODE.

44 B. THE BONDS, THEIR TRANSFER AND THE INCOME FROM THE BONDS ARE AT ALL
45 TIMES FREE FROM TAXATION IN THIS STATE.

46 C. BONDS ISSUED UNDER THIS ARTICLE:

47 1. ARE SECURITIES IN WHICH PUBLIC OFFICERS AND BODIES OF THIS STATE
48 AND OF MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE, ALL

1 COMPANIES, ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS,
2 ALL FINANCIAL INSTITUTIONS, INVESTMENT COMPANIES AND OTHER PERSONS CARRYING
3 ON A BANKING BUSINESS, ALL FIDUCIARIES AND ALL OTHER PERSONS WHO ARE
4 AUTHORIZED TO INVEST IN GOVERNMENT OBLIGATIONS MAY PROPERLY AND LEGALLY
5 INVEST.

6 2. ARE SECURITIES THAT MAY BE DEPOSITED WITH PUBLIC OFFICERS OR BODIES
7 OF THIS STATE AND MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE FOR
8 PURPOSES THAT REQUIRE THE DEPOSIT OF GOVERNMENT BONDS OR OBLIGATIONS.

9 5-1177. Effect of changing circumstances on bonds; agreement of
10 state

11 A. BONDS ISSUED UNDER THIS ARTICLE REMAIN VALID AND BINDING
12 OBLIGATIONS OF THE AUTHORITY NOTWITHSTANDING THAT BEFORE THE DELIVERY OF THE
13 BONDS ANY PERSON WHOSE SIGNATURE APPEARS ON THE BONDS CEASES TO BE AN OFFICER
14 OF THE AUTHORITY.

15 B. AN AMENDMENT OF ANY PROVISION IN THIS CHAPTER DOES NOT DIMINISH OR
16 IMPAIR THE VALIDITY OF BONDS ISSUED UNDER THIS ARTICLE OR THE REMEDIES AND
17 RIGHTS OF BONDHOLDERS.

18 C. THIS STATE PLEDGES TO AND AGREES WITH THE HOLDERS OF THE BONDS
19 AUTHORIZED BY THIS ARTICLE THAT THIS STATE WILL NOT LIMIT, ALTER OR IMPAIR
20 THE RIGHTS VESTED IN THE AUTHORITY TO RECEIVE THE MONIES NECESSARY TO FULFILL
21 THE TERMS OF ANY AGREEMENTS MADE WITH THE HOLDERS OF THE BONDS, OR IN ANY WAY
22 IMPAIR THE RIGHTS AND REMEDIES OF THE BONDHOLDERS, UNTIL ALL BONDS ISSUED
23 UNDER THIS ARTICLE, TOGETHER WITH INTEREST ON THE BONDS, INTEREST ON ANY
24 UNPAID INSTALLMENTS OF PRINCIPAL OR INTEREST AND ALL COSTS AND EXPENSES IN
25 CONNECTION WITH ANY ACTION OR PROCEEDINGS BY OR ON BEHALF OF THE BONDHOLDERS,
26 ARE FULLY MET AND DISCHARGED. THE AUTHORITY BOARD, AS AGENT FOR THIS STATE,
27 MAY INCLUDE THIS PLEDGE AND UNDERTAKING IN ITS RESOLUTIONS AND INDENTURES
28 AUTHORIZING AND SECURING ITS BONDS.

29 5-1178. Validity of bonds; legal opinion

30 A. THIS ARTICLE CONSTITUTES FULL AUTHORITY FOR AUTHORIZING AND ISSUING
31 BONDS WITHOUT REFERENCE TO ANY OTHER LAW OF THIS STATE. NO OTHER LAW WITH
32 REGARD TO AUTHORIZING OR ISSUING OBLIGATIONS OR THAT IN ANY WAY IMPEDES OR
33 RESTRICTS PERFORMING THE ACTS AUTHORIZED BY THIS ARTICLE MAY BE CONSTRUED TO
34 APPLY TO ANY PROCEEDINGS TAKEN OR ACTS DONE PURSUANT TO THIS ARTICLE.

35 B. THE VALIDITY OF BONDS ISSUED UNDER THIS ARTICLE DOES NOT DEPEND ON
36 AND IS NOT AFFECTED BY THE LEGALITY OF ANY PROCEEDING RELATING TO THE
37 ACQUISITION, CONSTRUCTION, IMPROVEMENT, OPERATION OR MAINTENANCE OF A STADIUM
38 OR MULTIPURPOSE FACILITY FOR WHICH THE BONDS ARE ISSUED.

39 C. THE AUTHORITY BOARD MAY SUBMIT ANY BONDS TO BE ISSUED UNDER THIS
40 ARTICLE TO LEGAL COUNSEL AFTER ALL PROCEEDINGS FOR AUTHORIZING THE BONDS HAVE
41 BEEN COMPLETED. ON SUBMISSION THE COUNSEL SHALL EXAMINE AND PASS ON THE
42 VALIDITY OF THE BONDS AND THE REGULARITY OF THE PROCEEDINGS. IF THE
43 PROCEEDINGS COMPLY WITH THIS ARTICLE, AND IF THE BONDS WHEN DELIVERED AND
44 PAID FOR WILL CONSTITUTE BINDING AND LEGAL OBLIGATIONS OF THE AUTHORITY, THE
45 COUNSEL SHALL CERTIFY ON THE BACK OF EACH BOND, IN SUBSTANCE, THAT IT IS
46 ISSUED ACCORDING TO THE CONSTITUTION AND LAWS OF THIS STATE AND THAT THE
47 INTEREST ON THE BONDS WILL BE EXEMPT FROM STATE TAXES AS PROVIDED BY LAW.

1 D. THE BONDS SHALL RECITE THAT THEY ARE REGULARLY ISSUED PURSUANT TO
2 THIS ARTICLE. THAT RECITAL, TOGETHER WITH THE LEGAL OPINION UNDER SUBSECTION
3 C, CONSTITUTES PRIMA FACIE EVIDENCE OF THE LEGALITY AND VALIDITY OF THE
4 BONDS. FROM AND AFTER THE SALE AND DELIVERY OF THE BONDS, THEY ARE
5 INCONTESTABLE BY THIS STATE OR THE AUTHORITY.

6 Sec. 2. Conditional repeal

7 A. If a majority of the qualified electors voting on the issue in the
8 first election held pursuant to section 5-1103, Arizona Revised Statutes, as
9 added by this act, rejects the levy of taxes and issuance of bonds for the
10 purposes of establishing a sports authority district, title 5, chapter 9,
11 Arizona Revised Statutes, as added by this act, is repealed.

12 B. The clerk of the board of supervisors that conducts the election
13 shall notify the director of legislative council of the results of the
14 election and whether the condition described in subsection A of this section
15 occurred."

16 Amend title to conform

and, as so amended, it do pass

MICHELE REAGAN
Chairman

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6/26/08
H:jjb

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