

REFERENCE TITLE: state capitol restoration; recapture districts

State of Arizona
House of Representatives
Fiftieth Legislature
First Regular Session
2011

HB 2475

Introduced by
Representatives Gowan, Burges, Vogt: Senator Antenori

AN ACT

AMENDING TITLE 41, CHAPTER 8, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1366; AMENDING SECTION 42-5029, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-5030.02; AMENDING TITLE 48, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 40; RELATING TO STATE CAPITOL CENTENNIAL RESTORATION AND ECONOMIC RECAPTURE DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 41, chapter 8, article 4, Arizona Revised Statutes,
3 is amended by adding section 41-1366, to read:

4 41-1366. State capitol centennial restoration trust fund

5 A. THE STATE CAPITOL CENTENNIAL RESTORATION TRUST FUND IS ESTABLISHED
6 CONSISTING OF MONIES DEPOSITED PURSUANT TO SECTION 42-5030.02, LEGISLATIVE
7 APPROPRIATIONS, GIFTS, GRANTS AND OTHER REVENUES AS AUTHORIZED BY LAW.

8 B. THE LEGISLATIVE GOVERNMENTAL MALL COMMISSION SHALL ADMINISTER THE
9 FUND. ON NOTICE FROM THE CHAIRMAN OF THE COMMISSION, THE STATE TREASURER
10 SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND
11 MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND. MONIES IN THE
12 FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF
13 APPROPRIATIONS.

14 C. THE MONIES IN THE FUND ARE SUBJECT TO APPROPRIATION SOLELY FOR THE
15 PURPOSE OF THE RESTORATION, RENOVATION, CONSTRUCTION, RECONSTRUCTION,
16 IMPROVEMENT AND MAINTENANCE OF THE STATE CAPITOL BUILDING, AS DEFINED IN
17 SECTION 41-790, INCLUDING THE COSTS OF INFRASTRUCTURE, IMPROVEMENTS, REAL AND
18 PERSONAL PROPERTY, ENGINEERING AND ARCHITECTURAL SERVICES AND FINANCING, AND
19 OTHER CAPITAL COSTS AND ASSOCIATED APPURTENANCES.

20 Sec. 2. Section 42-5029, Arizona Revised Statutes, is amended to read:

21 42-5029. Remission and distribution of monies; definition

22 A. The department shall deposit, pursuant to sections 35-146 and
23 35-147, all revenues collected under this article and articles 4, 5 and 8 of
24 this chapter pursuant to section 42-1116, separately accounting for:

25 1. Payments of estimated tax under section 42-5014, subsection D.

26 2. Revenues collected pursuant to section 42-5070.

27 3. Revenues collected under this article and article 5 of this chapter
28 from and after June 30, 2000 from sources located on Indian reservations in
29 this state.

30 4. Revenues collected pursuant to section 42-5010, subsection G and
31 section 42-5155, subsection D.

32 B. The department shall credit payments of estimated tax to an
33 estimated tax clearing account and each month shall transfer all monies in
34 the estimated tax clearing account to a fund designated as the transaction
35 privilege and severance tax clearing account. The department shall credit
36 all other payments to the transaction privilege and severance tax clearing
37 account, separately accounting for the monies designated as distribution base
38 under sections 42-5010, 42-5164, 42-5205 and 42-5353. Each month the
39 department shall report to the state treasurer the amount of monies collected
40 pursuant to this article and articles 4, 5 and 8 of this chapter.

41 C. On notification by the department, the state treasurer shall
42 distribute the monies deposited in the transaction privilege and severance
43 tax clearing account in the manner prescribed by this section and by sections
44 42-5164, 42-5205 and 42-5353, after deducting warrants drawn against the
45 account pursuant to sections 42-1118 and 42-1254.

1 D. Of the monies designated as distribution base the department shall:
2 1. Pay twenty-five per cent to the various incorporated municipalities
3 in this state in proportion to their population to be used by the
4 municipalities for any municipal purpose.
5 2. Pay 38.08 per cent to the counties in this state by averaging the
6 following proportions:
7 (a) The proportion that the population of each county bears to the
8 total state population.
9 (b) The proportion that the distribution base monies collected during
10 the calendar month in each county under this article, section 42-5164,
11 subsection B, section 42-5205, subsection B and section 42-5353 bear to the
12 total distribution base monies collected under this article, section 42-5164,
13 subsection B, section 42-5205, subsection B and section 42-5353 throughout
14 the state for the calendar month.
15 3. Pay an additional 2.43 per cent to the counties in this state as
16 follows:
17 (a) Average the following proportions:
18 (i) The proportion that the assessed valuation used to determine
19 secondary property taxes of each county, after deducting that part of the
20 assessed valuation that is exempt from taxation at the beginning of the month
21 for which the amount is to be paid, bears to the total assessed valuations
22 used to determine secondary property taxes of all the counties after
23 deducting that portion of the assessed valuations that is exempt from
24 taxation at the beginning of the month for which the amount is to be paid.
25 Property of a city or town that is not within or contiguous to the municipal
26 corporate boundaries and from which water is or may be withdrawn or diverted
27 and transported for use on other property is considered to be taxable
28 property in the county for purposes of determining assessed valuation in the
29 county under this item.
30 (ii) The proportion that the distribution base monies collected during
31 the calendar month in each county under this article, section 42-5164,
32 subsection B, section 42-5205, subsection B and section 42-5353 bear to the
33 total distribution base monies collected under this article, section 42-5164,
34 subsection B, section 42-5205, subsection B and section 42-5353 throughout
35 the state for the calendar month.
36 (b) If the proportion computed under subdivision (a) of this paragraph
37 for any county is greater than the proportion computed under paragraph 2 of
38 this subsection, the department shall compute the difference between the
39 amount distributed to that county under paragraph 2 of this subsection and
40 the amount that would have been distributed under paragraph 2 of this
41 subsection using the proportion computed under subdivision (a) of this
42 paragraph and shall pay that difference to the county from the amount
43 available for distribution under this paragraph. Any monies remaining after
44 all payments under this subdivision shall be distributed among the counties
45 according to the proportions computed under paragraph 2 of this subsection.

1 4. After any distributions required by sections 42-5030, 42-5030.01,
2 42-5030.02, 42-5031, 42-5032 and 42-5032.01, and after making any transfer to
3 the water quality assurance revolving fund as required by section 49-282,
4 subsection B, credit the remainder of the monies designated as distribution
5 base to the state general fund. From this amount:

6 (a) The legislature shall annually appropriate to:

7 (i) The department of revenue sufficient monies to administer and
8 enforce this article and articles 5 and 8 of this chapter.

9 (ii) The department of economic security monies to be used for the
10 purposes stated in title 46, chapter 1.

11 (iii) The firearms safety and ranges fund established by section
12 17-273, fifty thousand dollars derived from the taxes collected from the
13 retail classification pursuant to section 42-5061 for the current fiscal
14 year.

15 (b) Subject to separate initial legislative authorization, each year
16 the state treasurer shall transfer to the tourism fund an amount equal to the
17 sum of the following:

18 (i) Three and one-half per cent of the gross revenues derived from the
19 transient lodging classification pursuant to section 42-5070 during the
20 preceding fiscal year.

21 (ii) Three per cent of the gross revenues derived from the amusement
22 classification pursuant to section 42-5073 during the preceding fiscal year.

23 (iii) Two per cent of the gross revenues derived from the restaurant
24 classification pursuant to section 42-5074 during the preceding fiscal year.

25 E. If approved by the qualified electors voting at a statewide general
26 election, all monies collected pursuant to section 42-5010, subsection G and
27 section 42-5155, subsection D shall be distributed each fiscal year pursuant
28 to this subsection. The monies distributed pursuant to this subsection are
29 in addition to any other appropriation, transfer or other allocation of
30 public or private monies from any other source and shall not supplant,
31 replace or cause a reduction in other school district, charter school,
32 university or community college funding sources. The monies shall be
33 distributed as follows:

34 1. If there are outstanding state school facilities revenue bonds
35 pursuant to title 15, chapter 16, article 7, each month one-twelfth of the
36 amount that is necessary to pay the fiscal year's debt service on outstanding
37 state school improvement revenue bonds for the current fiscal year shall be
38 transferred each month to the school improvement revenue bond debt service
39 fund established by section 15-2084. The total amount of bonds for which
40 these monies may be allocated for the payment of debt service shall not
41 exceed a principal amount of eight hundred million dollars exclusive of
42 refunding bonds and other refinancing obligations.

43 2. After any transfer of monies pursuant to paragraph 1 of this
44 subsection, twelve per cent of the remaining monies collected during the
45 preceding month shall be transferred to the technology and research

1 initiative fund established by section 15-1648 to be distributed among the
2 universities for the purpose of investment in technology and research-based
3 initiatives.

4 3. After the transfer of monies pursuant to paragraph 1 of this
5 subsection, three per cent of the remaining monies collected during the
6 preceding month shall be transferred to the workforce development account
7 established in each community college district pursuant to section 15-1472
8 for the purpose of investment in workforce development programs.

9 4. After transferring monies pursuant to paragraphs 1, 2 and 3 of this
10 subsection, one-twelfth of the amount a community college that is owned,
11 operated or chartered by a qualifying Indian tribe on its own Indian
12 reservation would receive pursuant to section 15-1472, subsection D,
13 paragraph 2 if it were a community college district shall be distributed each
14 month to the treasurer or other designated depository of a qualifying Indian
15 tribe. Monies distributed pursuant to this paragraph are for the exclusive
16 purpose of providing support to one or more community colleges owned,
17 operated or chartered by a qualifying Indian tribe and shall be used in a
18 manner consistent with section 15-1472, subsection B. For the purposes of
19 this paragraph, "qualifying Indian tribe" has the same meaning as defined in
20 section 42-5031.01, subsection D.

21 5. After transferring monies pursuant to paragraphs 1, 2 and 3 of this
22 subsection, one-twelfth of the following amounts shall be transferred each
23 month to the department of education for the increased cost of basic state
24 aid under section 15-971 due to added school days and associated teacher
25 salary increases enacted in 2000:

26 (a) In fiscal year 2001-2002, \$15,305,900.

27 (b) In fiscal year 2002-2003, \$31,530,100.

28 (c) In fiscal year 2003-2004, \$48,727,700.

29 (d) In fiscal year 2004-2005, \$66,957,200.

30 (e) In fiscal year 2005-2006 and each fiscal year thereafter,
31 \$86,280,500.

32 6. After transferring monies pursuant to paragraphs 1, 2 and 3 of this
33 subsection, seven million eight hundred thousand dollars is appropriated each
34 fiscal year, to be paid in monthly installments, to the department of
35 education to be used for school safety as provided in section 15-154 and two
36 hundred thousand dollars is appropriated each fiscal year, to be paid in
37 monthly installments to the department of education to be used for the
38 character education matching grant program as provided in section 15-154.01.

39 7. After transferring monies pursuant to paragraphs 1, 2 and 3 of this
40 subsection, no more than seven million dollars may be appropriated by the
41 legislature each fiscal year to the department of education to be used for
42 accountability purposes as described in section 15-241 and title 15, chapter
43 9, article 8.

1 8. After transferring monies pursuant to paragraphs 1, 2 and 3 of this
2 subsection, one million five hundred thousand dollars is appropriated each
3 fiscal year, to be paid in monthly installments, to the failing schools
4 tutoring fund established by section 15-241.

5 9. After transferring monies pursuant to paragraphs 1, 2 and 3 of this
6 subsection, twenty-five million dollars shall be transferred each fiscal year
7 to the state general fund to reimburse the general fund for the cost of the
8 income tax credit allowed by section 43-1072.01.

9 10. After the payment of monies pursuant to paragraphs 1 through 9 of
10 this subsection, the remaining monies collected during the preceding month
11 shall be transferred to the classroom site fund established by section
12 15-977. The monies shall be allocated as follows in the manner prescribed by
13 section 15-977:

14 (a) Forty per cent shall be allocated for teacher compensation based
15 on performance.

16 (b) Twenty per cent shall be allocated for increases in teacher base
17 compensation and employee related expenses.

18 (c) Forty per cent shall be allocated for maintenance and operation
19 purposes.

20 F. The department shall credit the remainder of the monies in the
21 transaction privilege and severance tax clearing account to the state general
22 fund, subject to any distribution required by section 42-5030.01.

23 G. Notwithstanding subsection D of this section, if a court of
24 competent jurisdiction finally determines that tax monies distributed under
25 this section were illegally collected under this article or articles 5 and 8
26 of this chapter and orders the monies to be refunded to the taxpayer, the
27 department shall compute the amount of such monies that was distributed to
28 each city, town and county under this section. The department shall notify
29 the state treasurer of that amount plus the proportionate share of additional
30 allocated costs required to be paid to the taxpayer. Each city's, town's and
31 county's proportionate share of the costs shall be based on the amount of the
32 original tax payment each municipality and county received. Each month the
33 state treasurer shall reduce the amount otherwise distributable to the city,
34 town and county under this section by one thirty-sixth of the total amount to
35 be recovered from the city, town or county until the total amount has been
36 recovered, but the monthly reduction for any city, town or county shall not
37 exceed ten per cent of the full monthly distribution to that entity. The
38 reduction shall begin for the first calendar month after the final
39 disposition of the case and shall continue until the total amount, including
40 interest and costs, has been recovered.

41 H. On receiving a certificate of default from the greater Arizona
42 development authority pursuant to section 41-1554.06 or 41-1554.07 and to the
43 extent not otherwise expressly prohibited by law, the state treasurer shall
44 withhold from the next succeeding distribution of monies pursuant to this
45 section due to the defaulting political subdivision the amount specified in

1 the certificate of default and immediately deposit the amount withheld in the
2 greater Arizona development authority revolving fund. The state treasurer
3 shall continue to withhold and deposit the monies until the greater Arizona
4 development authority certifies to the state treasurer that the default has
5 been cured. In no event may the state treasurer withhold any amount that the
6 defaulting political subdivision certifies to the state treasurer and the
7 authority as being necessary to make any required deposits then due for the
8 payment of principal and interest on bonds of the political subdivision that
9 were issued before the date of the loan repayment agreement or bonds and that
10 have been secured by a pledge of distributions made pursuant to this section.

11 I. Except as provided by sections 42-5033 and 42-5033.01, the
12 population of a county, city or town as determined by the most recent United
13 States decennial census plus any revisions to the decennial census certified
14 by the United States bureau of the census shall be used as the basis for
15 apportioning monies pursuant to subsection D of this section.

16 J. Except as otherwise provided by this subsection, on notice from the
17 department of revenue pursuant to section 42-6010, subsection B, the state
18 treasurer shall withhold from the distribution of monies pursuant to this
19 section to the affected city or town the amount of the penalty for business
20 location municipal tax incentives provided by the city or town to a business
21 entity that locates a retail business facility in the city or town. The
22 state treasurer shall continue to withhold monies pursuant to this subsection
23 until the entire amount of the penalty has been withheld. The state
24 treasurer shall credit any monies withheld pursuant to this subsection to the
25 state general fund as provided by subsection D, paragraph 4 of this section.
26 The state treasurer shall not withhold any amount that the city or town
27 certifies to the department of revenue and the state treasurer as being
28 necessary to make any required deposits or payments for debt service on bonds
29 or other long-term obligations of the city or town that were issued or
30 incurred before the location incentives provided by the city or town.

31 K. On notice from the auditor general pursuant to section 9-626,
32 subsection D, the state treasurer shall withhold from the distribution of
33 monies pursuant to this section to the affected city the amount computed
34 pursuant to section 9-626, subsection D. The state treasurer shall continue
35 to withhold monies pursuant to this subsection until the entire amount
36 specified in the notice has been withheld. The state treasurer shall credit
37 any monies withheld pursuant to this subsection to the state general fund as
38 provided by subsection D, paragraph 4 of this section.

39 L. For the purposes of this section, "community college district"
40 means a community college district that is established pursuant to sections
41 15-1402 and 15-1403 and that is a political subdivision of this state.

1 Sec. 3. Title 42, chapter 5, article 1, Arizona Revised Statutes, is
2 amended by adding section 42-5030.02, to read:

3 42-5030.02. Distribution of revenues to state capitol
4 centennial restoration and economic recapture
5 districts

6 A. IF ONE OR MORE ECONOMIC RECAPTURE DISTRICTS EXIST PURSUANT TO TITLE
7 48, CHAPTER 40 AND AFTER THE DELIVERY OF A RESOLUTION OF THE GOVERNING BOARD
8 REQUESTING PAYMENT, THE STATE TREASURER SHALL PAY EACH MONTH, FROM THE AMOUNT
9 DESIGNATED AS DISTRIBUTION BASE PURSUANT TO SECTION 42-5029, SUBSECTION D,
10 THE AMOUNTS DETERMINED UNDER SUBSECTION B OF THIS SECTION TO THE STATE
11 CAPITOL CENTENNIAL RESTORATION TRUST FUND ESTABLISHED BY SECTION 41-1366, AND
12 TO THE RESPECTIVE DISTRICTS BEGINNING ON THE DATE IDENTIFIED IN THE
13 RESOLUTION. THE PAYMENTS SHALL CONTINUE UNTIL THE OBLIGATIONS FOR DEBT
14 SERVICE ON FINANCIAL INSTRUMENTS EXECUTED BY EACH DISTRICT ARE SATISFIED.

15 B. EACH MONTH THE STATE TREASURER SHALL:

16 1. DETERMINE THE AMOUNT OF NET NEW STATE TRANSACTION PRIVILEGE TAX
17 REVENUES RECEIVED IN THE SECOND PRECEDING CALENDAR MONTH FROM ALL PERSONS
18 LOCATED WITHIN THE DISTRICT BOUNDARIES CONDUCTING BUSINESS UNDER ANY BUSINESS
19 CLASSIFICATION UNDER ARTICLE 2 OF THIS CHAPTER AS COMPARED TO THE REVENUES
20 RECEIVED IN THE SAME MONTH DURING THE TWELVE MONTHS BEFORE THE MONTH IN WHICH
21 THE DISTRICT IS ESTABLISHED.

22 2. PAY ONE-HALF OF THAT AMOUNT, DIVIDED IN EQUAL SHARES, TO THE
23 DISTRICT AND TO THE STATE CAPITOL CENTENNIAL RESTORATION TRUST FUND.

24 3. PAY THE REMAINDER OF THAT AMOUNT TO THE STATE GENERAL FUND.

25 Sec. 4. Title 48, Arizona Revised Statutes, is amended by adding
26 chapter 40, to read:

27 CHAPTER 40

28 STATE CAPITOL CENTENNIAL RESTORATION AND ECONOMIC
29 RECAPTURE DISTRICTS

30 ARTICLE 1. GENERAL PROVISIONS

31 48-7001. Definitions

32 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

33 1. "BOND" MEANS ANY OBLIGATION OF A DISTRICT AUTHORIZED AND ISSUED
34 PURSUANT TO THIS CHAPTER, INCLUDING BONDS, LEASE-PURCHASE AND INSTALLMENT
35 PURCHASE AGREEMENTS, COMMERCIAL PAPERS, CERTIFICATES OF PARTICIPATION IN A
36 LEASE-PURCHASE OR INSTALLMENT PURCHASE AGREEMENT AND OBLIGATIONS THAT ARE
37 AUTHORIZED AND ISSUED TO REFUND OR REFINANCE OBLIGATIONS THAT ARE AUTHORIZED
38 AND ISSUED PURSUANT TO THIS CHAPTER.

39 2. "DISTRICT" MEANS AN ECONOMIC RECAPTURE DISTRICT ESTABLISHED
40 PURSUANT TO THIS CHAPTER.

41 3. "JURISDICTION" MEANS A COUNTY OR AN INCORPORATED CITY OR TOWN.

42 4. "QUALIFIED EXPENSES" MEANS COSTS OF PUBLIC INFRASTRUCTURE, PUBLIC
43 IMPROVEMENTS, UTILITY RELOCATION OR FACILITY IMPROVEMENT, REAL PROPERTY OWNED
44 OR LEASED BY A PUBLIC ENTITY, ENGINEERING AND ARCHITECTURAL SERVICES DIRECTLY

1 RELATED TO THE PROJECT, FINANCING, APPURTENANCES DIRECTLY RELATED TO THE
2 PROJECT, EQUIPMENT AND FURNISHINGS.

3 48-7002. State capitol and economic recapture oversight
4 commission; termination

5 A. THE STATE CAPITOL AND ECONOMIC RECAPTURE OVERSIGHT COMMISSION IS
6 ESTABLISHED ON OCTOBER 1, 2011 TO REVIEW CAPITAL INFRASTRUCTURE IMPROVEMENT
7 PLANS FOR THE RESTORATION AND IMPROVEMENT OF THE STATE CAPITOL BUILDING, AS
8 DEFINED IN SECTION 41-790.

9 B. THE COMMISSION CONSISTS OF THE FOLLOWING MEMBERS:

10 1. THREE MEMBERS WHO ARE APPOINTED BY THE SPEAKER OF THE HOUSE OF
11 REPRESENTATIVES, NOT MORE THAN TWO OF WHOM ARE FROM THE SAME POLITICAL PARTY.

12 2. THREE MEMBERS WHO ARE APPOINTED BY THE PRESIDENT OF THE SENATE, NOT
13 MORE THAN TWO OF WHOM ARE FROM THE SAME POLITICAL PARTY.

14 3. THE GOVERNOR OR THE GOVERNOR'S DESIGNEE.

15 4. THE SECRETARY OF STATE OR THE SECRETARY OF STATE'S DESIGNEE.

16 5. THE STATE TREASURER OR THE TREASURER'S DESIGNEE.

17 6. THE DIRECTOR OF THE DEPARTMENT OF REVENUE.

18 7. THE DIRECTOR OF THE DEPARTMENT OF COMMERCE.

19 8. THE CHAIRMAN OF THE LEGISLATIVE GOVERNMENTAL MALL COMMISSION.

20 9. TWO PUBLIC MEMBERS WHO ARE APPOINTED BY THE GOVERNOR, ONE OF WHOM
21 MUST HAVE EXPERIENCE IN THE CONSTRUCTION, ENGINEERING OR DEVELOPMENT
22 INDUSTRIES AND ONE OF WHOM MUST HAVE EXPERIENCE IN CAPITAL FINANCE OR
23 MUNICIPAL FINANCE.

24 C. ON THE SUBMISSION OF PLANS TO THE COMMISSION PURSUANT TO THIS
25 ARTICLE, THE COMMISSION SHALL MEET WITHIN THIRTY CALENDAR DAYS TO REVIEW THE
26 PLANS.

27 D. THE STATE TREASURER SHALL SUBMIT A REPORT TO THE COMMISSION WITHIN
28 FORTY-FIVE DAYS AFTER THE END OF EACH FISCAL YEAR SHOWING:

29 1. THE INCREASES IN STATE TRANSACTION PRIVILEGE TAX COLLECTIONS IN
30 EACH DISTRICT.

31 2. THE DEPOSITS TO AND WITHDRAWALS FROM THE STATE CAPITOL CENTENNIAL
32 RESTORATION TRUST FUND ESTABLISHED BY SECTION 41-1366.

33 E. A COPY OF THE REPORT SHALL BE TRANSMITTED TO THE JOINT LEGISLATIVE
34 BUDGET COMMITTEE AND THE SECRETARY OF STATE.

35 F. THE COMMISSION TERMINATES WHEN THE LAST DISTRICT TERMINATES
36 PURSUANT TO SECTION 48-7007.

37 48-7003. Formation of district

38 A. BEGINNING OCTOBER 1, 2011 THROUGH JUNE 30, 2018, ONE OR MORE
39 MUNICIPALITIES OR A COUNTY MAY ESTABLISH A DISTRICT PURSUANT TO THIS ARTICLE
40 ON A FINDING BY THE GOVERNING BODY OF EACH ORGANIZING JURISDICTION THAT THE
41 PUBLIC CONVENIENCE, NECESSITY OR WELFARE WILL BENEFIT. A COUNTY MAY FORM A
42 DISTRICT THAT INCLUDES AREAS LOCATED IN AN INCORPORATED CITY OR TOWN ONLY
43 WITH THE PARTICIPATION OF THE CITY OR TOWN. THE BOUNDARIES OF THE DISTRICT
44 MUST BE ALIGNED WITH CENSUS BLOCK BOUNDARIES ESTABLISHED BY THE UNITED STATES
45 CENSUS BUREAU AT THE TIME THE DISTRICT IS ESTABLISHED. THE DISTRICT MAY NOT

1 CONTAIN MORE THAN FIFTEEN PER CENT OF THE LAND AREA OF ANY COUNTY, CITY OR
2 TOWN PARTICIPATING IN THE DISTRICT, DETERMINED AS OF THE DATE THE DISTRICT IS
3 ESTABLISHED.

4 B. THE DISTRICT MUST BE FORMED FOR THE PURPOSE OF MAKING QUALIFIED
5 EXPENDITURES FOR FACILITIES DIRECTLY RELATED TO THE PROJECT AND USED FOR
6 TOURISM, SPORTING, CULTURAL, CIVIC MEETING, TRADE SHOW OR CONVENTION EVENTS
7 OR ACTIVITIES OR PUBLIC FACILITIES. ANY PARKING GARAGES AND LOTS,
8 TRANSPORTATION INFRASTRUCTURE, WASTEWATER, UTILITIES, PUBLIC PARKS AND PLAZAS
9 AND COMMUNICATIONS FACILITIES FUNDED BY THE DISTRICT MUST BE DIRECTLY RELATED
10 TO THE PROJECT. ACTUAL CONSTRUCTION OF THE PROJECT MUST BEGIN WITHIN SIXTY
11 MONTHS AFTER THE DATE THE DISTRICT IS ESTABLISHED.

12 C. FOR A DISTRICT FORMED BY AN INDIVIDUAL JURISDICTION, THE GOVERNING
13 BODY:

14 1. SHALL FILE WITH THE CLERK OF THE GOVERNING BODY A PLAN THAT
15 INCLUDES A MAP OF THE PROPOSED DISTRICT, THE LEGAL DESCRIPTION OF THE
16 BOUNDARIES OF THE DISTRICT AND A DESCRIPTION OF THE PROPOSED ELEMENTS TO BE
17 PROVIDED BY THE DISTRICT. THE PLAN SHALL BE FILED WITH THE CLERK OF THE
18 GOVERNING BODY AT LEAST THIRTY CALENDAR DAYS BEFORE A PUBLIC HEARING ON THE
19 PROPOSED DISTRICT.

20 2. SHALL HOLD AT LEAST ONE PUBLIC HEARING, ALLOWING OPPORTUNITY FOR
21 PUBLIC COMMENT, ON THE PROPOSED DISTRICT. THE HEARING MUST BE HELD AT LEAST
22 FOURTEEN DAYS BEFORE ADOPTING AN ORDINANCE OR RESOLUTION ESTABLISHING THE
23 DISTRICT.

24 3. SHALL SUBMIT THE PLAN TO THE STATE CAPITOL AND ECONOMIC RECAPTURE
25 OVERSIGHT COMMISSION PURSUANT TO SECTION 48-7002, SUBSECTION C FOR REVIEW AND
26 COMMENT.

27 4. MAY ADOPT AN ORDINANCE OR RESOLUTION ESTABLISHING THE DISTRICT.
28 THE ORDINANCE OR RESOLUTION SHALL INCLUDE:

29 (a) THE LEGAL DESCRIPTION OF THE BOUNDARIES OF THE DISTRICT.

30 (b) THE INITIAL DATE FOR PAYMENTS.

31 (c) AN APPROXIMATE DATE FOR THE FINANCIAL OBLIGATIONS TO BE SATISFIED.

32 5. SHALL NOTIFY THE STATE TREASURER OF THE DISTRICT'S FORMATION BY
33 CERTIFIED MAIL. THE NOTICE SHALL INCLUDE A COPY OF THE ORDINANCE OR
34 RESOLUTION AND A COPY OF THE PLAN AND MAP REQUIRED BY THIS SUBSECTION.

35 D. FOR A DISTRICT FORMED JOINTLY BY MORE THAN ONE JURISDICTION:

36 1. THE GOVERNING BODY OF EACH JURISDICTION SHALL FILE WITH THE CLERK
37 OF EACH GOVERNING BODY IDENTICAL PLANS THAT INCLUDE A MAP OF THE PROPOSED
38 DISTRICT, THE LEGAL DESCRIPTION OF THE BOUNDARIES OF THE DISTRICT AND A
39 DESCRIPTION OF THE PROPOSED ELEMENTS TO BE PROVIDED BY THE DISTRICT. THE
40 PLAN SHALL BE FILED WITH THE CLERK OF EACH GOVERNING BODY AT LEAST THIRTY
41 CALENDAR DAYS BEFORE THE FIRST PUBLIC HEARING ON THE PROPOSED DISTRICT.

42 2. EACH GOVERNING BODY SHALL HOLD AT LEAST ONE PUBLIC HEARING,
43 ALLOWING OPPORTUNITY FOR PUBLIC COMMENT, ON THE PROPOSED DISTRICT. THE
44 HEARING MUST BE HELD AT LEAST FOURTEEN DAYS BEFORE ADOPTING ANY ORDINANCE OR
45 RESOLUTION ESTABLISHING THE DISTRICT.

1 3. THE GOVERNING BODIES SHALL SUBMIT THE PLAN TO THE STATE CAPITOL AND
2 ECONOMIC RECAPTURE OVERSIGHT COMMISSION PURSUANT TO SECTION 48-7002,
3 SUBSECTION C FOR REVIEW AND COMMENT.

4 4. THE GOVERNING BODIES MAY ADOPT A JOINT ORDINANCE OR RESOLUTION
5 ESTABLISHING THE DISTRICT AND EXECUTE INTERGOVERNMENTAL AGREEMENTS, PURSUANT
6 TO TITLE 11, CHAPTER 7, ARTICLE 3, FOR THE PURPOSE OF ESTABLISHING AND
7 OPERATING THE DISTRICT. THE ORDINANCE OR RESOLUTION SHALL INCLUDE:

8 (a) THE LEGAL DESCRIPTION OF THE BOUNDARIES OF THE DISTRICT.
9 (b) THE INITIAL DATE FOR PAYMENTS.
10 (c) AN APPROXIMATE DATE FOR THE FINANCIAL OBLIGATIONS TO BE SATISFIED.

11 5. THE CHAIRPERSON OF THE DISTRICT SHALL NOTIFY THE STATE TREASURER OF
12 THE DISTRICT'S FORMATION BY CERTIFIED MAIL. THE NOTICE SHALL INCLUDE A COPY
13 OF THE ORDINANCE OR RESOLUTION AND A COPY OF THE PLAN AND MAP REQUIRED BY
14 THIS SUBSECTION.

15 6. THE GOVERNING BODIES OF THE PARTICIPATING JURISDICTIONS SHALL SIT
16 JOINTLY AS THE GOVERNING BOARD OF THE DISTRICT AND SHALL CHOOSE AMONG THEM A
17 MEMBER TO SERVE AS THE CHAIRPERSON AND MAY APPOINT THE FINANCIAL OFFICER OF
18 ONE OF THE JURISDICTIONS TO SERVE AS TREASURER. THE GOVERNING BOARD SHALL
19 MEET AT LEAST ONCE EACH FISCAL YEAR.

20 E. AN ORDINANCE OR RESOLUTION FOR ESTABLISHING A DISTRICT UNDER
21 SUBSECTION C OR D OF THIS SECTION SHALL NOT BE ADOPTED AS AN EMERGENCY
22 MEASURE.

23 F. IN LIEU OF FORMING A DISTRICT PURSUANT TO SUBSECTION C OR D OF THIS
24 SECTION, ONE OR MORE JURISDICTIONS MAY REFER THE ESTABLISHMENT OF THE
25 DISTRICT TO A VOTE OF THE JURISDICTION'S QUALIFIED ELECTORS AS FOLLOWS:

26 1. THE GOVERNING BODY OF EACH JURISDICTION SHALL FILE WITH THE CLERK
27 OF EACH GOVERNING BODY IDENTICAL PLANS INCLUDING A MAP OF THE PROPOSED
28 DISTRICT, THE LEGAL DESCRIPTION OF THE BOUNDARIES OF THE DISTRICT AND A
29 DESCRIPTION OF THE PROPOSED ELEMENTS TO BE PROVIDED BY THE DISTRICT. THE
30 PLAN SHALL BE FILED WITH THE CLERK OF EACH GOVERNING BODY AT LEAST THIRTY
31 CALENDAR DAYS BEFORE THE FIRST PUBLIC HEARING ON THE PROPOSED DISTRICT.

32 2. EACH GOVERNING BODY SHALL HOLD AT LEAST ONE PUBLIC HEARING,
33 ALLOWING OPPORTUNITY FOR PUBLIC COMMENT, ON THE PROPOSED DISTRICT. THE
34 HEARING MUST BE HELD AT LEAST FOURTEEN DAYS BEFORE AN ELECTION PROPOSING THE
35 ESTABLISHMENT OF THE DISTRICT.

36 3. THE GOVERNING BODIES SHALL SUBMIT THE PLAN TO THE STATE CAPITOL AND
37 ECONOMIC RECAPTURE OVERSIGHT COMMISSION PURSUANT TO SECTION 48-7002,
38 SUBSECTION C FOR REVIEW AND COMMENT.

39 4. THE ELECTION SHALL BE HELD IN THE PARTICIPATING JURISDICTIONS ON
40 ONE OF THE CONSOLIDATED ELECTION DATES PRESCRIBED BY SECTION 16-204. A
41 MAJORITY OF QUALIFIED ELECTORS CASTING AFFIRMATIVE VOTES ON THE PROPOSITION
42 IN EACH PARTICIPATING JURISDICTION CONSTITUTES APPROVAL OF THE PROPOSITION.
43 IF A MAJORITY OF ELECTORS IN ANY JURISDICTION DISAPPROVES THE PROPOSITION,
44 THE PROPOSITION IS CONSIDERED TO HAVE FAILED.

1 48-7005. Annual budget

2 A. ON OR BEFORE JUNE 30 OF EACH YEAR, THE GOVERNING BOARD SHALL HOLD A
3 PUBLIC MEETING TO ADOPT A BUDGET FOR THE FOLLOWING FISCAL YEAR THAT INCLUDES:

- 4 1. RECEIPTS DURING THE PAST FISCAL YEAR.
5 2. EXPENDITURES DURING THE PAST FISCAL YEAR.
6 3. ESTIMATES OF AMOUNTS NECESSARY FOR EXPENSES DURING THE FOLLOWING
7 FISCAL YEAR, INCLUDING AMOUNTS PROPOSED FOR SERVICING THE DEBT INCURRED BY
8 THE DISTRICT AND THE COSTS OF MAINTAINING, OPERATING AND MANAGING THE
9 DISTRICT'S FACILITIES.

- 10 4. ANTICIPATED REVENUE TO THE DISTRICT IN THE FOLLOWING FISCAL YEAR.
11 5. A COMPLETE ASSET AND LIABILITY STATEMENT.
12 6. CASH ON HAND AS OF THE DATE THE BUDGET IS ADOPTED AND THE
13 ANTICIPATED BALANCE AT THE END OF THE CURRENT FISCAL YEAR.

- 14 7. AN ITEMIZED STATEMENT OF COMMITMENTS, RESERVES AND ANTICIPATED
15 OBLIGATIONS FOR THE FOLLOWING FISCAL YEAR.
16 8. FOR ANY CURRENT CAPITAL CONSTRUCTION PROJECTS, THE DATE THE
17 CONSTRUCTION BEGAN AND THE ESTIMATED DATE OF COMPLETION.

18 B. THE GOVERNING BOARD SHALL SUBMIT A COPY OF THE BUDGET TO THE CLERK
19 OF THE APPROPRIATE COUNTY BOARD OF SUPERVISORS, THE CLERK OF THE GOVERNING
20 BODIES OF EACH PARTICIPATING JURISDICTION AND THE STATE CAPITOL AND ECONOMIC
21 RECAPTURE OVERSIGHT COMMISSION.

22 C. THE BOARD MAY AMEND THE BUDGET ON A FINDING OF GOOD CAUSE.

23 48-7006. District bonds

24 A. THE DISTRICT, ON THE AFFIRMATIVE VOTE OF THE GOVERNING BOARD, MAY:
25 1. ISSUE NEGOTIABLE BONDS IN A PRINCIPAL AMOUNT AS IN ITS OPINION IS
26 NECESSARY TO PROVIDE SUFFICIENT MONIES FOR QUALIFIED EXPENSES, MAINTAINING
27 SUFFICIENT RESERVES TO SECURE THE BONDS, TO PAY THE NECESSARY COSTS OF
28 ISSUING, SELLING AND REDEEMING THE BONDS AND TO PAY THE OTHER EXPENDITURES OF
29 THE DISTRICT INCIDENTAL TO AND NECESSARY AND CONVENIENT TO CARRY OUT THE
30 PURPOSES OF THIS CHAPTER.

31 2. REFUND ANY BONDS ISSUED, WHETHER OR NOT THE BONDS ARE SUBJECT TO
32 REDEMPTION AT THAT TIME. THE BOARD MAY PROVIDE FOR INVESTING AND HOLDING THE
33 PROCEEDS OF THE REFUNDING BONDS IN TRUST FOR THE BENEFIT OF THE HOLDERS OF
34 THE BONDS BEING REFUNDED.

35 B. THIS STATE AND POLITICAL SUBDIVISIONS OF THIS STATE OTHER THAN THE
36 DISTRICT ARE NOT LIABLE FOR ANY FINANCIAL OR OTHER OBLIGATIONS OF THE
37 DISTRICT, AND THE FINANCIAL AND OTHER OBLIGATIONS DO NOT CONSTITUTE A DEBT OR
38 LIABILITY OF THIS STATE OR ANY POLITICAL SUBDIVISION OF THIS STATE, OTHER
39 THAN THE DISTRICT.

40 C. THE GOVERNING BOARD SHALL AUTHORIZE THE BONDS BY RESOLUTION. THE
41 RESOLUTION SHALL PRESCRIBE:

- 42 1. THE MAXIMUM RATE OR RATES OF INTEREST AND THE MAXIMUM DENOMINATIONS
43 OF THE BONDS.

- 1 2. THE ESTIMATED DATE OR DATES OF THE BONDS AND THEIR MATURITY, WHICH
2 MUST OCCUR BEFORE THE TERMINATION OF THE DISTRICT PURSUANT TO SECTION
3 48-7007.
- 4 3. THE FORM OF THE BONDS.
- 5 4. THE MANNER OF EXECUTING THE BONDS.
- 6 5. THE MEDIUM AND PLACE OF PAYMENT.
- 7 6. THE TERMS OF REDEMPTION, WHICH MAY PROVIDE FOR A PREMIUM FOR EARLY
8 REDEMPTION.
- 9 D. THE BONDS SHALL BE SOLD AT PUBLIC OR PRIVATE SALE OR THROUGH AN
10 ONLINE BIDDING PROCESS AT THE PRICE AND ON THE TERMS DETERMINED BY THE BOARD.
11 IF BONDS ARE SOLD THROUGH AN ONLINE BIDDING PROCESS, BIDS FOR THE BONDS THAT
12 ARE ENTERED INTO THE SYSTEM MAY BE CONCEALED UNTIL A SPECIFIED TIME OR
13 DISCLOSED IN THE ONLINE BIDDING PROCESS, MAY BE SUBJECT TO IMPROVEMENT IN
14 FAVOR OF THE DISTRICT BEFORE A SPECIFIED TIME AND MAY BE FOR AN ENTIRE ISSUE
15 OF BONDS OR SPECIFIED MATURITIES ACCORDING TO THE MANNER, TERMS AND NOTICE
16 PROVISIONS ORDERED BY THE BOARD. FOR THE PURPOSES OF THIS SUBSECTION,
17 "ONLINE BIDDING PROCESS" MEANS A PROCUREMENT PROCESS IN WHICH THE GOVERNING
18 BOARD RECEIVES BIDS ELECTRONICALLY OVER THE INTERNET IN A REAL-TIME,
19 COMPETITIVE BIDDING EVENT.
- 20 E. TO SECURE THE PRINCIPAL AND INTEREST ON THE BONDS, THE GOVERNING
21 BOARD BY RESOLUTION MAY:
 - 22 1. DIVIDE THE FUNDS OF THE DISTRICT INTO ANY NUMBER OF ACCOUNTS OR
23 SUBACCOUNTS CONSIDERED TO BE NECESSARY TO SECURE BONDS OR OTHER OBLIGATIONS
24 OF THE DISTRICT. ANY OF THE ACCOUNTS OR SUBACCOUNTS MAY BE PLEDGED OR
25 ASSIGNED TO THE BONDHOLDERS AS SECURITY FOR THE BONDS OR TO A TRUSTEE WHO MAY
26 BE APPOINTED TO ACT ON BEHALF OF THE BONDHOLDERS.
 - 27 2. PROVIDE THAT BONDS ISSUED UNDER THIS SECTION MAY BE SECURED BY A
28 FIRST LIEN ON ALL OR PART OF THE MONIES PAID TO THE DISTRICT OR INTO ANY
29 ACCOUNT OR SUBACCOUNT OF THE DISTRICT.
 - 30 3. PLEDGE OR ASSIGN TO OR IN TRUST FOR THE BENEFIT OF BONDHOLDERS ANY
31 PART OF THE MONIES IN AN ACCOUNT OR SUBACCOUNT AS IS NECESSARY TO PAY AND
32 SECURE PAYMENT OF THE PRINCIPAL OF, OR INTEREST AND PREMIUM, IF ANY, ON, THE
33 BONDS AS THEY COME DUE.
 - 34 4. ESTABLISH PRIORITIES AMONG BONDHOLDERS BASED ON CRITERIA ADOPTED BY
35 THE GOVERNING BOARD.
 - 36 5. SET ASIDE, REGULATE AND DISPOSE OF RESERVES AND SINKING ACCOUNTS.
 - 37 6. PROVIDE THAT THE PROCEEDS FROM THE SALE OF THE BONDS OR FROM ANY
38 OTHER REVENUES OF THE DISTRICT MAY BE USED TO FULLY OR PARTLY FUND ANY
39 RESERVES OR SINKING FUNDS ESTABLISHED BY THE BOND RESOLUTION.
 - 40 7. PRESCRIBE THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT
41 WITH BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS THE HOLDERS
42 OF WHICH MUST CONSENT TO AND THE MANNER IN WHICH CONSENT MAY BE GIVEN.
 - 43 8. PROVIDE FOR PAYMENT, FROM THE PROCEEDS OF THE SALE OF THE BONDS OR
44 FROM OTHER DISTRICT INCOME OR REVENUES, OF ALL LEGAL AND FINANCIAL EXPENSES
45 INCURRED BY THE BOARD IN ISSUING, SELLING, DELIVERING AND PAYING THE BONDS

1 AND ENGINEERING AND ARCHITECTURAL EXPENSES INCURRED BY THE GOVERNING BOARD IN
2 DESIGNING AND CONSTRUCTING THE DISTRICT'S FACILITIES.

3 9. PROVIDE FOR PAYMENT OF ALL FEES, PREMIUMS, CHARGES OR COSTS
4 PERTAINING TO BOND INSURANCE, CREDIT ENHANCEMENT, LIQUIDITY ENHANCEMENT OR
5 ANY OTHER FACILITY OR SECURITY DEEMED NECESSARY BY THE GOVERNING BOARD TO
6 BETTER SECURE THE BONDS.

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

9 11. PLACE ANY RESTRICTIONS ON REINVESTMENT YIELD ON THE BONDS OR ON ANY
10 MONIES PLEDGED TO PAY THE BONDS IF NECESSARY TO COMPLY WITH FEDERAL INCOME
11 TAX LAWS AND REGULATIONS TO GAIN ANY FEDERAL TAX BENEFITS AVAILABLE WITH
12 RESPECT TO THE BONDS.

13 12. PAY ANY REBATES NECESSARY TO PRESERVE THE BONDS' TAX EXEMPT STATUS
14 UNDER FEDERAL INCOME TAX LAWS.

15 13. DO ANY OTHER MATTERS WHICH IN ANY WAY MAY AFFECT THE SECURITY AND
16 PROTECTION OF THE BONDS.

17 F. ANY PLEDGE MADE UNDER THIS ARTICLE IS VALID AND BINDING FROM THE
18 TIME WHEN THE PLEDGE IS MADE. THE MONIES SO PLEDGED AND RECEIVED BY THE
19 DISTRICT TREASURER TO BE PLACED IN DISTRICT ACCOUNTS ARE IMMEDIATELY SUBJECT
20 TO THE LIEN OF THE PLEDGE WITHOUT ANY FUTURE PHYSICAL DELIVERY OR FURTHER
21 ACT, AND ANY SUCH LIEN OF THE PLEDGE IS VALID OR BINDING AGAINST ALL PARTIES
22 HAVING CLAIMS OF ANY KIND IN TORT, CONTRACT OR OTHERWISE AGAINST THE
23 GOVERNING BOARD REGARDLESS OF WHETHER THE PARTIES HAVE NOTICE OF THE LIEN.
24 THE OFFICIAL RESOLUTION OR TRUST INDENTURE OR ANY INSTRUMENT BY WHICH THIS
25 PLEDGE IS CREATED, WHEN PLACED IN THE GOVERNING BOARD'S OFFICIAL RECORDS, IS
26 NOTICE TO ALL CONCERNED OF THE CREATION OF THE PLEDGE, AND THOSE INSTRUMENTS
27 NEED NOT BE RECORDED IN ANY OTHER PLACE.

28 G. NEITHER THE MEMBERS OF THE GOVERNING BOARD NOR ANY PERSON EXECUTING
29 THE BONDS IS PERSONALLY LIABLE FOR THE PAYMENT OF THE BONDS. THE BONDS ARE
30 VALID AND BINDING OBLIGATIONS NOTWITHSTANDING THAT BEFORE THE DELIVERY OF THE
31 BONDS ANY OF THE PERSONS WHOSE SIGNATURES APPEAR ON THE BONDS CEASE TO BE
32 MEMBERS OF THE GOVERNING BOARD. FROM AND AFTER THE SALE AND DELIVERY OF THE
33 BONDS, THEY ARE INCONTESTABLE BY THE GOVERNING BOARD.

34 H. THE GOVERNING BOARD, OUT OF ANY AVAILABLE MONIES, MAY PURCHASE
35 BONDS, WHICH MAY THEREUPON BE CANCELED.

36 I. THE GOVERNING BOARD MAY SUBMIT ANY BONDS ISSUED UNDER THIS ARTICLE
37 TO THE ATTORNEY GENERAL AFTER ALL PROCEEDINGS FOR THEIR AUTHORIZATION HAVE
38 BEEN COMPLETED. ON SUBMISSION THE ATTORNEY GENERAL SHALL EXAMINE AND PASS ON
39 THE VALIDITY OF THE BONDS AND THE REGULARITY OF THE PROCEEDINGS. IF THE
40 PROCEEDINGS COMPLY WITH THIS ARTICLE, AND IF THE ATTORNEY GENERAL DETERMINES
41 THAT, WHEN DELIVERED AND PAID FOR, THE BONDS WILL CONSTITUTE BINDING AND
42 LEGAL OBLIGATIONS OF THE DISTRICT, THE ATTORNEY GENERAL SHALL CERTIFY ON THE
43 BACK OF EACH BOND, IN SUBSTANCE, THAT IT IS ISSUED ACCORDING TO THE
44 CONSTITUTION AND LAWS OF THIS STATE.

1 J. DISTRICT BONDS ISSUED UNDER THIS ARTICLE ARE SECURITIES IN WHICH
2 PUBLIC OFFICERS AND BODIES OF THIS STATE AND OF MUNICIPALITIES AND POLITICAL
3 SUBDIVISIONS OF THIS STATE, ALL COMPANIES, ASSOCIATIONS AND OTHER PERSONS
4 CARRYING ON AN INSURANCE BUSINESS, ALL FINANCIAL INSTITUTIONS, INVESTMENT
5 COMPANIES AND OTHER PERSONS CARRYING ON A BANKING BUSINESS, ALL FIDUCIARIES
6 AND ALL OTHER PERSONS WHO ARE AUTHORIZED TO INVEST IN OBLIGATIONS OF THE
7 COUNTY MAY PROPERLY AND LAWFULLY INVEST. THE BONDS ARE ALSO SECURITIES WHICH
8 MAY BE DEPOSITED WITH PUBLIC OFFICERS OR BODIES OF THIS STATE AND
9 MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE FOR PURPOSES WHICH
10 REQUIRE THE DEPOSIT OF STATE OR COUNTY BONDS OR OBLIGATIONS.

11 48-7007. Termination of district

12 A. EACH DISTRICT ESTABLISHED PURSUANT TO THIS CHAPTER MUST TERMINATE
13 ON OR BEFORE JUNE 30, 2052.

14 B. A MAJORITY OF THE MEMBERS OF THE BOARD OF DIRECTORS MAY PROPOSE
15 THAT THE DISTRICT BE DISSOLVED. AFTER A HEARING, THE BOARD SHALL ADOPT BY
16 RESOLUTION A PLAN OF TERMINATION TO BE EXECUTED WITHIN A STATED PERIOD OF
17 TIME BEFORE JUNE 30, 2052.

18 C. ON TERMINATION, ALL ASSETS AND UNEXPENDED MONIES OF THE DISTRICT
19 MUST BE TRANSFERRED TO THE PARTICIPATING JURISDICTIONS.