State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

CHAPTER 364

SENATE BILL 1710

AN ACT

AMENDING TITLE 5, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 12; APPROPRIATING MONIES; RELATING TO AMUSEMENTS AND SPORTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 5, Arizona Revised Statutes, is amended by adding chapter 12, to read:

CHAPTER 12
SOUTHERN ARIZONA SPORTS, TOURISM AND FILM AUTHORITY

ARTICLE 1. ORGANIZATION

5-1401. Definitions
IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:
1. "ADVISORY BOARD" MEANS THE ADVISORY BOARD OF THE AUTHORITY.
2. "AUTHORITY" MEANS THE SOUTHERN ARIZONA SPORTS, TOURISM AND FILM AUTHORITY.
3. "BOARD" MEANS THE BOARD OF DIRECTORS OF THE AUTHORITY.
4. "INDIAN TRIBE" MEANS ANY ORGANIZED INDIAN NATION, TRIBE, BAND OR COMMUNITY THAT IS RECOGNIZED AS AN INDIAN TRIBE BY THE UNITED STATES DEPARTMENT OF THE INTERIOR.

5-1402. Formation of authority
A. THE SOUTHERN ARIZONA SPORTS, TOURISM AND FILM AUTHORITY IS ESTABLISHED. THE AUTHORITY CONSISTS OF THE COUNTIES OF GREENLEE, GRAHAM, COCHISE, SANTA CRUZ, PIMA AND PINAL.
B. THE AUTHORITY IS A CORPORATE AND POLITICAL BODY, SEPARATE AND INDEPENDENT OF THIS STATE OR THE COUNTIES. EXCEPT AS OTHERWISE LIMITED, MODIFIED OR PROVIDED BY THIS CHAPTER, THE AUTHORITY HAS ALL OF THE RIGHTS, POWERS AND IMMUNITIES OF MUNICIPAL CORPORATIONS EXCEPT TO ACQUIRE REAL PROPERTY BY EMINENT DOMAIN.
C. THE BOARD AND THE AUTHORITY DO NOT HAVE THE AUTHORITY TO LEVY OR OTHERWISE IMPOSE ANY TAX OR ASSESSMENT. THE QUALIFIED ELECTORS RESIDING IN THE BOUNDARIES OF THE AUTHORITY MAY LEVY A TAX FOR THE FISCAL NEEDS OF THE AUTHORITY AS PROVIDED BY THIS CHAPTER, BUT THE BOARD HAS NO INDEPENDENT AUTHORITY TO IMPOSE A TAX. SUBJECT TO THAT LIMITATION, THE AUTHORITY IS CONSIDERED TO BE A TAX LEVYING PUBLIC IMPROVEMENT AUTHORITY FOR THE PURPOSES OF ARTICLE XIII, SECTION 7, CONSTITUTION OF ARIZONA.

5-1403. Board of directors
A. THE AUTHORITY IS GOVERNED BY A BOARD CONSISTING OF THE FOLLOWING MEMBERS WHO MUST RESIDE WITHIN THE BOUNDARIES OF THE AUTHORITY:
   (a) ONE MEMBER SHALL HAVE EXPERIENCE IN YOUTH AND PROFESSIONAL SPORTS.
   (b) ONE MEMBER SHALL HAVE EXPERIENCE IN THE TOURISM AND HOSPITALITY INDUSTRY.
   (c) ONE MEMBER SHALL HAVE EXPERIENCE IN THE FILM AND DIGITAL MEDIA INDUSTRY.
   (d) ONE MEMBER SHALL HAVE EXPERIENCE IN WORKFORCE DEVELOPMENT.


C. MEMBERS OF THE BOARD ARE ELIGIBLE FOR COMPENSATION AS PROVIDED BY SECTION 38-611.


5-1404. **Administrative powers and duties**

A. THE BOARD OF DIRECTORS, ON BEHALF OF THE AUTHORITY, MAY:
   1. ADOPT AND USE A CORPORATE SEAL.
   2. SUE AND BE SUED.
   3. ENTER INTO CONTRACTS, INCLUDING INTERGOVERNMENTAL AGREEMENTS UNDER PURSUANT TO TITLE 11, CHAPTER 7, ARTICLE 3, AS NECESSARY TO CARRY OUT THE PURPOSES AND REQUIREMENTS OF THIS CHAPTER.
   4. ADOPT ADMINISTRATIVE RULES AS NECESSARY TO ADMINISTER AND OPERATE THE AUTHORITY AND ANY PROPERTY UNDER ITS JURISDICTION.
5. Acquire by any lawful means, other than eminent domain, and operate, maintain, encumber and dispose of real and personal property and interests in property.

6. Retain legal counsel and other consultants as necessary to carry out the purposes of the Authority.

7. Acquire land or construct, finance, furnish, maintain, improve, operate, market or promote the use of amateur or professional sports facilities, recreational facilities and other community facilities or programs that are located in the Authority and do all things necessary or convenient to accomplish those purposes.

8. Construct, finance, furnish, maintain, improve, operate, market and promote the use of a multipurpose facility that is located in the Authority and do all things necessary or convenient to accomplish those purposes. The Authority may own or lease the land on which the multipurpose facility is located.

9. Issue revenue bonds pursuant to Article 3 of this chapter.

B. The Board of Directors shall:

1. Appoint from among its members a chairperson, a secretary and such other officers as may be necessary to conduct its business.

2. Employ an executive director and prescribe the terms and conditions of employment.

3. Keep and maintain a complete and accurate record of all of its proceedings. The Board is a public body for purposes of Title 38, Chapter 3, Article 3.1 and Title 39, Chapter 1.

4. Provide for the use, maintenance and operation of the properties and interests owned or controlled by the Authority.

5. Promote tourism, the development of youth and professional sports, including the attraction of amateur and professional events, and promote filming opportunities.

C. The Board shall appoint four advisory boards consisting of members representing youth and professional sports, tourism and hospitality, film and digital media and workforce development. The Board members appointed pursuant to Section 5-1403, Subsection A, Paragraph 2 shall serve as chairpersons of the advisory committees that corresponds to their areas of appointment.

5-1405. Executive director; duties

A. The executive director is responsible for managing, administering and supervising the activities of the Authority.

B. The executive director shall negotiate, make, execute, acknowledge and perform contracts and other agreements in the interest of the Authority or to carry out or accomplish the purposes of this chapter, including construction contracts and agreements with users of any facility, all of which are subject to approval by the Board.
C. THE EXECUTIVE DIRECTOR SHALL:

1. EMPLOY A TREASURER TO SERVE AS FISCAL AGENT TO DEPOSIT, HOLD, INVEST AND DISBURSE THE AUTHORITY'S MONIES.

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

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

4. DIRECT THE ACTIVITIES OF OUTSIDE CONSULTANTS.

5-1406. Conflicts of interest

A. THE MEMBERS OF THE BOARD ARE SUBJECT TO TITLE 38, CHAPTER 3, ARTICLE 8, RELATING TO CONFLICTS OF INTEREST, INCLUDING THE PENALTIES PRESCRIBED IN SECTION 38-510.

B. A MEMBER OF THE BOARD OF DIRECTORS MAY NOT HAVE ANY DIRECT OR INDIRECT FINANCIAL INTEREST IN ANY OF THE FOLLOWING:

1. PROPERTY OWNED, PURCHASED OR CONSTRUCTED BY THE AUTHORITY.

2. A CONTRACT ENTERED INTO BY THE AUTHORITY.

3. A PRIVATE CORPORATION OR OTHER ENTITY WITH WHICH THE AUTHORITY CONTRACTS.

5-1407. Gift ban; exemption

A. A PRINCIPAL OR LOBBYIST OR ANY OTHER PERSON ACTING ON BEHALF OF A PRINCIPAL OR LOBBYIST MAY NOT GIVE A GIFT TO ANY MEMBER OR EMPLOYEE OF THE BOARD, AND A BOARD MEMBER OR EMPLOYEE MAY NOT ACCEPT A GIFT FROM A PRINCIPAL OR LOBBYIST.

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

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

2. A FAMILY GIFT.

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

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

5. AN EDUCATIONAL EVENT OR SPEAKING ENGAGEMENT.

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

7. FLOWERS.

8. FOOD AND BEVERAGE.

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

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

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

12. AN ITEM OF A PERSONAL NATURE THAT WAS CUSTOMARILY RECEIVED BY AN INDIVIDUAL FROM THE DONOR BEFORE THE INDIVIDUAL BECAME A BOARD MEMBER OR EMPLOYEE.

13. AN ITEM THAT IS GIVEN TO THE GENERAL PUBLIC AT AN EVENT.

14. AN ITEM OF NOMINAL VALUE SUCH AS A GREETING CARD, BASEBALL CAP, T-SHIRT, MUG OR PEN.

15. NONRECREATIONAL TRAVEL OR LODGING, OR BOTH.

16. PERSONAL HOSPITALITY.

17. A PLAQUE, AWARD OR OTHER FORM OF RECOGNITION TO A BOARD MEMBER OR EMPLOYEE TO SIGNIFY THE HONORARY RECOGNITION OF A SERVICE OR OTHER NOTABLE ACCOMPLISHMENT.

18. PROFESSIONAL OR CONSULTING SERVICES THAT ARE RENDERED ON MATTERS DIRECTLY RELATED TO HOLDING A POSITION ON THE BOARD OR BEING AN EMPLOYEE OF THE BOARD AND THAT ARE NOT RENDERED TO OBTAIN A BENEFIT FOR ANY REGISTERED PRINCIPAL, PUBLIC BODY, LOBBYIST, DESIGNATED PUBLIC LOBBYIST OR AUTHORIZED PUBLIC LOBBYIST OR THE CLIENTS OF A PRINCIPAL OR LOBBYIST.

5-1408. Regulating sale, use and consumption of alcoholic beverages

SUBJECT TO THE REQUIREMENTS OF TITLE 4, THE BOARD MAY ALLOW AND REGULATE THE SALE, USE AND CONSUMPTION OF ALCOHOLIC BEVERAGES AT EVENTS HELD ON PROPERTY ACQUIRED, LEASED OR SUBLEASED UNDER THIS CHAPTER.

5-1409. Annual report; appearance before joint legislative budget committee


ARTICLE 2. FINANCIAL PROVISIONS

5-1431. Annual budget

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

1. RECEIPTS DURING THE PRECEDING FISCAL YEAR.

2. EXPENDITURES DURING THE PRECEDING FISCAL YEAR.
3. Estimates of amounts necessary for expenses during the following fiscal year, including amounts proposed for administrative costs of the authority.

4. Anticipated revenue to the authority from each source in the following fiscal year.

5. A complete asset and liability statement.

6. A statement of profit or loss.

7. Cash on hand as of the date the budget is adopted and the anticipated balance at the end of the current fiscal year.

8. An itemized statement of commitments, reserves and anticipated obligations for the following fiscal year.

B. The board may amend the budget on a finding of good cause.

5-1432. General fund; investments

A. The authority shall maintain a general fund and may establish accounts and subaccounts within the general fund as necessary and convenient. All revenues and monies received by the authority shall initially be deposited in the general fund.

B. The authority may invest any unexpended monies in the general fund as provided in title 35, chapter 2. Interest and other income from investments of monies in any account shall be credited to that account except as otherwise provided by law.

C. The authority's investments must mature when the fund assets will be required for the purposes of this chapter. If the liquid assets in the fund or any account or subaccount become insufficient to meet the statutory obligations, the board shall direct the authority's fiscal agent to liquidate sufficient securities to meet all of the current obligations and immediately notify the board and the auditor general of the insufficiency. The auditor general shall review the circumstances surrounding the depletion of the fund, account or subaccount and report the results of the review to the joint legislative audit committee.

5-1433. Performance audit

A. Beginning not later than 2027 and at least every fifth year thereafter, the auditor general shall conduct a performance audit of the authority, as defined in section 41-1278.

B. On or before November 30 of the respective year, the auditor general shall issue a public report of the performance audit, including findings and specific recommendations for statutory and administrative changes to improve the operation of the authority. The auditor general shall submit copies of the report to the governor, the president of the senate, the speaker of the house of representatives and the secretary of state.

5-1434. Annual audit

A. The board shall cause an annual audit to be conducted of each of the authority's funds, accounts and subaccounts by an independent
CERTIFIED PUBLIC ACCOUNTANT WITHIN ONE HUNDRED TWENTY DAYS AFTER THE END
OF THE FISCAL YEAR.

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

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

ARTICLE 3. REVENUE BONDS

5-1461. Definitions
IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1. "AUTHORITY PURPOSE" INCLUDES:
   (a) THE CAPITAL COSTS OF ACQUIRING, DESIGNING, DEVELOPING,
   CONSTRUCTING, RECONSTRUCTING, EQUIPPING, FURNISHING, REPAIRING,
   MAINTAINING AND IMPROVING STADIUMS AND MULTIPURPOSE FACILITIES, DIRECTLY
   RELATED IMPROVEMENTS AND INFRASTRUCTURE, EXCEPT AS OTHERWISE LIMITED BY
   THIS ARTICLE. FOR THE PURPOSES OF THIS SUBDIVISION, "INFRASTRUCTURE" MEANS
   IMPROVEMENTS THAT WILL DIRECTLY AND PRINCIPALLY BENEFIT THE MULTIPURPOSE
   FACILITY AND INCLUDES:
   (i) SANITARY SEWAGE SYSTEMS.
   (ii) DRAINAGE AND FLOOD CONTROL SYSTEMS.
   (iii) WATER SYSTEMS.
   (iv) ROADWAYS FOR ACCESS, ENTRY AND EXIT AND PARKING FACILITIES.
   (v) PEDESTRIAN AND OTHER NONMOTORIZED FACILITIES FOR ACCESS, ENTRY
   AND EXIT AND PARKING.
   (vi) LANDSCAPING.
   (vii) LIGHTING SYSTEMS.
   (viii) TRAFFIC CONTROL SYSTEMS, SIGNALS, CONTROLS, MARKINGS AND
   SIGNAGE.
   (b) THE PAYMENT OF BONDS.
   (c) BOND-RELATED EXPENSES.

2. "BOND" MEANS ANY OBLIGATION AUTHORIZED AND ISSUED PURSUANT TO THIS
   ARTICLE, INCLUDING:
   (a) BONDS AND NOTES.
   (b) CERTIFICATES OF PARTICIPATION IN A LEASE-PURCHASE OR
   CERTIFICATES OF PURCHASE IN A LEASE OR INSTALLMENT PURCHASE AGREEMENT.
   (c) OBLIGATIONS THAT ARE AUTHORIZED AND ISSUED TO REFUND OR
   REFINANCE OBLIGATIONS THAT ARE AUTHORIZED AND ISSUED PURSUANT TO THIS
   ARTICLE.

3. "BOND-RELATED EXPENSES" MEANS ANY EXPENSES INCURRED BY THE
   AUTHORITY FOR ISSUING AND ADMINISTERING ITS BONDS, INCLUDING UNDERWRITING
FEES AND COSTS, TRUSTEE FEES, FINANCIAL CONSULTANT FEES, PRINTING AND
ADVERTISING COSTS, PAYING AGENT FEES, TRANSFER AGENT FEES, LEGAL FEES,
ACCOUNTING FEES, FEASIBILITY CONSULTANT AND OTHER PROFESSIONAL FEES AND
EXPENSES, CREDIT ENHANCEMENT FEES AND EXPENSES RELATED TO CREDIT
ENHANCEMENT, BOND INSURANCE OR LIQUIDITY ENHANCEMENT, REMARKETING FEES,
RATING AGENCY FEES AND COSTS, TRAVEL AND TELEPHONE EXPENSES AND ALL OTHER
FEES CONSIDERED NECESSARY BY THE BOARD IN ORDER TO MARKET AND ADMINISTER
THE BONDS.

5-1462. Obligations for the bonds
BONDS ISSUED UNDER THIS ARTICLE:
1. ARE PAYABLE ONLY ACCORDING TO THEIR TERMS.
2. ARE OBLIGATIONS OF THE AUTHORITY.
3. ARE NOT GENERAL, SPECIAL OR OTHER OBLIGATIONS OF THIS STATE, OR
OF THE COUNTY OR ANY CITY OR TOWN LOCATED IN THE AUTHORITY. THE MEMBERS
OF THE BOARD AND PERSONS WHO EXECUTE THE BONDS ARE NOT PERSONALLY LIABLE
FOR THE PAYMENT OF THE BONDS.
4. DO NOT CONSTITUTE A DEBT OF THIS STATE OR OF THE COUNTY OR ANY
CITY OR TOWN LOCATED IN THE AUTHORITY.
5. ARE NOT ENFORCEABLE AGAINST THIS STATE. PAYMENT OF THE BONDS IS
ENFORCEABLE ONLY OUT OF ANY MONIES OR ASSETS OF THE AUTHORITY SPECIFICALLY
PLEDGED AND ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR
HOLDERS OF THE BONDS.

5-1463. Authorization of bonds
A. THE BOARD MAY ISSUE BONDS PURSUANT TO THIS ARTICLE IN A
PRINCIPAL AMOUNT THAT IS NECESSARY TO:
1. PROVIDE SUFFICIENT MONIES FOR ANY AUTHORITY PURPOSES.
2. ESTABLISH AND FULLY OR PARTIALLY FUND ANY REQUIRED RESERVES OR
SINKING ACCOUNTS.
3. ISSUE REFUNDING BONDS TO REFUND BONDS ISSUED BY THE AUTHORITY IF
THE BOARD CONSIDERS REFUNDING TO BE EXPEDIENT. THE BOARD MAY PROVIDE FOR
INVESTING AND HOLDING THE PROCEEDS OF THE REFUNDING BONDS IN TRUST FOR THE
BENEFIT OF THE HOLDERS OF THE BONDS BEING REFUNDED.
B. THE BOARD SHALL AUTHORIZE THE BONDS BY RESOLUTION. THE
RESOLUTION SHALL PRESCRIBE:
1. THE REVENUE SOURCES THAT ARE PLEDGED AND DEDICATED TO SECURE THE
BONDS.
2. THE RATE OR RATES OF INTEREST, WHICH MAY BE FIXED OR VARIABLE,
THE DATE OR DATES ON WHICH INTEREST IS PAYABLE AND THE DENOMINATIONS OF
THE BONDS.
3. THE DATE OR DATES OF THE BONDS AND MATURITY, WHICH SHALL BE
WITHIN THIRTY YEARS AFTER THE DATE OF ISSUANCE.
4. THE MANNER OF EXECUTING THE BONDS.
5. THE MEDIUM AND PLACE OF PAYMENT.
6. THE TERMS OF REDEMPTION, WHICH MAY PROVIDE FOR A PREMIUM FOR
EARLY REDEMPTION.
5-1464. Issuance and sale of bonds
A. The board shall issue the bonds in the number and amount provided in the resolution. The board shall provide published notice within fifteen days to the public of its intention to issue bonds.
B. The bonds may be sold by competitive public sale, through an online bidding process or at negotiated sale for public or private offering at the price and on the terms prescribed in the resolution. For the purposes of this subsection, "online bidding process" means a procurement process in which the board receives bids electronically over the internet in a real-time, competitive bidding event.
C. The proceeds from the sale of the bonds shall be deposited in the bond proceeds account established pursuant to section 5-1465.
D. Title 35, chapter 3, article 7 applies to the board and to bonds issued under this article.

5-1465. Bond proceeds account
A. If the authority issues bonds under this article, the board shall establish a bond proceeds account within the general fund consisting of monies received from the sale of the bonds.
B. The board may use monies in the bond proceeds account only for authority purposes in the manner prescribed by this chapter.
C. The authority's fiscal agent shall administer and account for the bond proceeds account.

5-1466. Debt service account
A. If the authority issues bonds under this article, the board shall establish a debt service account within the general fund consisting of monies designated and dedicated by the board for repayment of the bonds and payment of costs and related expenses associated with redeeming the bonds.
B. Monies in the debt service account may be used only for the purposes authorized by this article.
C. The authority's fiscal agent shall administer and account for the debt service account.

5-1467. Securing principal and interest
In connection with issuing bonds authorized by this article and to secure the principal and interest on the bonds, the board by resolution may:
1. Pledge for the payment of principal and interest on the bonds all or part of the revenues and other monies received by the authority and deposited in the general fund or any account or subaccount of the general fund.
2. Pledge and assign to or in trust for the benefit of the holder or holders of the bonds all or part of the monies in the debt service account or any other account or subaccount as necessary to secure and pay the principal, the interest and any premium on the bonds as they come due.
3. SEGREGATE THE DEBT SERVICE ACCOUNT INTO ONE OR MORE SUBACCOUNTS AND PROVIDE THAT BONDS ISSUED UNDER THIS ARTICLE MAY BE SECURED BY A LIEN ON ALL OR PART OF THE MONIES PAID INTO THE DEBT SERVICE ACCOUNT OR INTO ANY SUBACCOUNT IN THE DEBT SERVICE ACCOUNT.

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

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

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

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

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

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

5-1468. Lien of pledge

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

B. THE MONIES PLEDGED TO THE HOLDERS OF THE BONDS AND RECEIVED BY THE AUTHORITY FOR PLACEMENT IN THE DEBT SERVICE ACCOUNT ARE IMMEDIATELY SUBJECT TO THE LIEN OF THE PLEDGE WITHOUT ANY FURTHER ACT. ANY LIEN OF ANY PLEDGE IS VALID AND BINDING AGAINST ALL PARTIES WHO HAVE CLAIMS OF ANY KIND AGAINST THE AUTHORITY, REGARDLESS OF WHETHER THE PARTIES HAVE NOTICE OF THE LIEN. THE OFFICIAL RESOLUTION OR ANY INSTRUMENT BY WHICH THIS PLEDGE IS CREATED, WHEN ADOPTED BY THE BOARD, IS NOTICE TO ALL CONCERNED OF THE CREATION OF THE PLEDGE, AND THOSE INSTRUMENTS NEED NOT BE RECORDED IN ANY OTHER PLACE TO PERFECT THE PLEDGE.

5-1469. Bond purchase for cancellation

THE BOARD MAY PURCHASE BONDS FOR CANCELLATION, USING ANY AVAILABLE MONIES, AT A PRICE OF NOT MORE THAN THE FOLLOWING:

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

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

5-1470. Payment of bonds

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

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

C. THE AUTHORITY'S FISCAL AGENT SHALL CANCEL ALL BONDS WHEN PAID.
5-1471. Investment of monies in the bond proceeds account
A. The board may authorize the authority's fiscal agent to invest monies in the bond proceeds account in the manner prescribed by section 5-1473.
B. The order directing an investment shall state a date on which the proceeds from the sale of the bonds will be needed for use, and the fiscal agent shall make the investment in such a way as to mature on or before the specified date.
C. All monies earned as interest or otherwise derived from the investment of the monies in the bond proceeds account shall be credited as described in the authorizing resolution.

5-1472. Investment of monies in the debt service account
A. The board may authorize the authority's fiscal agent to invest and reinvest any monies in the debt service account as provided by section 5-1473.
B. The order directing an investment shall state a date on which the monies and other resources in the debt service account will be needed for use, and the fiscal agent shall make the investment in such a way as to mature on or before the specified date.
C. All monies earned as interest or otherwise derived from the investment of the monies in the debt service account shall be credited as described in the authorizing resolution.

5-1473. Authorized investment of monies
A. The monies in either the bond proceeds account or the debt service account may be invested and reinvested at the direction of the board in any of the following:
1. United States Treasury obligations.
2. Consolidated farm loan bonds.
3. Obligations issued by the federal intermediate credit banks or bonds for cooperatives on authority of the Farm Credit Act of 1933 (48 Stat. 257).
4. Any other obligations guaranteed by the United States government.
5. Any investments that are authorized by any other agencies of the United States government and that are authorized to secure public deposits.
7. State, county or municipal bonds issued in this state and on which the payments of interest have not been deferred.
8. Investment agreements and repurchase agreements collateralized by investments described in paragraphs 1, 2, 3, 4 and 5 of this subsection.
9. Investment agreements from providers rated in one of the two highest rating categories by a nationally recognized rating agency.
B. THE PURCHASE OF THE SECURITIES SHALL BE MADE BY THE AUTHORITY'S FISCAL AGENT ON AUTHORITY OF A RESOLUTION OF THE BOARD. THE FISCAL AGENT SHALL ACT AS CUSTODIAN OF ALL SECURITIES PURCHASED.

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

5-1474. Deposit and disbursement of monies
A. MONIES DERIVED FROM SELLING BONDS UNDER THIS ARTICLE OR PLEDGED OR ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS OF THE BONDS SHALL BE DEPOSITED BY THE AUTHORITY'S FISCAL AGENT IN FINANCIAL INSTITUTIONS THAT THE BOARD DESIGNATES AND THAT ARE INSURED BY AN AGENCY OR INSTRUMENTALITY OF THE UNITED STATES. THE MONIES SHALL BE DISBURSED AS THE BOARD DIRECTS AND ACCORDING TO THE TERMS OF ANY AGREEMENTS WITH THE HOLDER OR HOLDERS OF THE BONDS.

B. THIS SECTION DOES NOT LIMIT THE POWER OF THE BOARD TO AGREE IN CONNECTION WITH ISSUING ANY OF ITS BONDS AS TO THE CUSTODY AND DISPOSITION OF THE MONIES RECEIVED FROM SELLING BONDS OR FROM THE INCOME AND REVENUES PLEDGED OR ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS OF THE BONDS.

5-1475. Characteristics of bonds; negotiability; legal investments; exemption from taxation
A. BONDS ISSUED UNDER THIS ARTICLE ARE FULLY NEGOTIABLE WITHIN THE MEANING AND FOR ALL PURPOSES OF THE UNIFORM COMMERCIAL CODE, SUBJECT ONLY TO ANY PROVISIONS FOR REGISTRATION, REGARDLESS OF WHETHER THE BONDS ACTUALLY CONSTITUTE NEGOTIABLE INSTRUMENTS UNDER THE UNIFORM COMMERCIAL CODE.

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

C. BONDS ISSUED UNDER THIS ARTICLE:
1. ARE SECURITIES IN WHICH PUBLIC OFFICERS AND BODIES OF THIS STATE AND OF MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE, ALL COMPANIES, ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS, ALL FINANCIAL INSTITUTIONS, INVESTMENT COMPANIES AND OTHER PERSONS CARRYING ON A BANKING BUSINESS, ALL FIDUCIARIES AND ALL OTHER PERSONS WHO ARE AUTHORIZED TO INVEST IN GOVERNMENT OBLIGATIONS MAY PROPERLY AND LEGALLY INVEST.

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

5-1476. Effect of changing circumstances on bonds; agreement of state
A. BONDS ISSUED UNDER THIS ARTICLE REMAIN VALID AND BINDING OBLIGATIONS OF THE AUTHORITY, NOTWITHSTANDING THAT BEFORE THE DELIVERY OF
THE BONDS ANY PERSON WHOSE SIGNATURE APPEARS ON THE BONDS CEASES TO BE AN
OFFICER OF THE AUTHORITY.

B. AN AMENDMENT OF THIS CHAPTER DOES NOT DIMINISH OR IMPAIR THE
VALIDITY OF BONDS ISSUED UNDER THIS ARTICLE OR THE REMEDIES AND RIGHTS OF
BONDHOLDERS.

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

5-1477. Validity of bonds; legal opinion

A. THIS ARTICLE CONSTITUTES FULL AUTHORITY FOR AUTHORIZING AND
ISSUING BONDS WITHOUT REFERENCE TO ANY OTHER LAW OF THIS STATE. NO OTHER
LAW WITH REGARD TO AUTHORIZING OR ISSUING OBLIGATIONS OR THAT IN ANY WAY
IMPEDES OR Restricts PERFORMING THE ACTS AUTHORIZED BY THIS ARTICLE
APPLIES TO ANY PROCEEDINGS TAKEN OR ACTS DONE PURSUANT TO THIS ARTICLE.

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

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

D. THE BONDS SHALL RECITE THAT THEY ARE REGULARLY ISSUED PURSUANT
TO THIS ARTICLE. THAT RECITAL, TOGETHER WITH THE LEGAL OPINION UNDER
SUBSECTION C OF THIS SECTION, CONSTITUTES PRIMA FACIE EVIDENCE OF THE
LEGALITY AND VALIDITY OF THE BONDS. FROM AND AFTER THE SALE AND DELIVERY
OF THE BONDS, THEY ARE INCONTESTABLE BY THIS STATE OR THE AUTHORITY.
Sec. 2. Appropriation; office of tourism; southern Arizona sports, tourism and film authority; exemption

A. The sum of $750,000 is appropriated from the state general fund in fiscal year 2022-2023 to the office of tourism for funding the southern Arizona sports, tourism and film authority.

B. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

APPROVED BY THE GOVERNOR JULY 6, 2022.