

REFERENCE TITLE: international trade; authority; transportation.

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
First Regular Session  
2023

## **HB 2605**

Introduced by  
Representatives Hernandez L: Aguilar, Austin, Bravo, Cano, Hernandez A,  
Hernandez C, Longdon, Ortiz, Sandoval, Sun, Travers, Senator Miranda

### AN ACT

AMENDING SECTION 28-7701, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3028.04; AMENDING TITLE 41, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 29; APPROPRIATING MONIES; RELATING TO INTERNATIONAL COMMERCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 28-7701, Arizona Revised Statutes, is amended to  
3 read:

4 28-7701. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Concession" means any lease, ground lease, franchise, easement,  
7 permit or other binding agreement transferring rights for the use or  
8 control, in whole or in part, of an eligible facility by the department or  
9 other unit of government to a private partner in accordance with this  
10 chapter.

11 2. "DEPARTMENT" INCLUDES THE INTERNATIONAL TRANSPORTATION AND TRADE  
12 CORRIDOR AUTHORITY ESTABLISHED BY TITLE 41, CHAPTER 29.

13 ~~2.~~ 3. "Eligible facility" means any facility, whether real or  
14 personal property, developed or operated after September 30, 2009 in  
15 accordance with this chapter, including any existing, enhanced, upgraded  
16 or new facility that is any of the following:

17 (a) Used or useful for the safe transport of people, information or  
18 goods via one or more modes of transport, whether involving highways,  
19 bridges, tunnels, conduits, railways, monorails, transit, bus systems,  
20 guided rapid transit, fixed guideways, ferries, boats, vessels, airports,  
21 intermodal or multimodal systems or any other mode of transport.

22 (b) Used by or useful to the department, including vehicle  
23 registration and driver licensing facilities, operating systems and  
24 information systems.

25 (c) Related or ancillary to, or used or useful to provide, operate,  
26 maintain or generate revenue for, a facility under subdivision (a) or (b)  
27 OF THIS PARAGRAPH, including administrative buildings and other buildings,  
28 structures, parking, rest areas, maintenance yards, rail yards, ports of  
29 entry or storage facilities, vehicles, rolling stock, energy systems or  
30 other related equipment, items or property.

31 ~~3.~~ 4. "Private partner" means a person, entity or organization  
32 that is not the federal government, this state, a political subdivision of  
33 this state or a unit of government.

34 ~~4.~~ 5. "Unit of government" means any agency, office or department  
35 of this state, city, county, district, commission, authority, entity, port  
36 or other public corporation organized and existing under statutory law or  
37 under a ~~voter approved~~ VOTER-APPROVED charter or initiative, and any  
38 intergovernmental entity.

39 Sec. 2. Title 41, chapter 27, article 2, Arizona Revised Statutes,  
40 is amended by adding section 41-3028.04, to read:

41 41-3028.04. International transportation and trade corridor  
42 authority; termination July 1, 2028

43 A. THE INTERNATIONAL TRANSPORTATION AND TRADE CORRIDOR AUTHORITY  
44 TERMINATES ON JULY 1, 2028.

1 B. TITLE 41, CHAPTER 29 AND THIS SECTION ARE REPEALED ON JANUARY 1,  
2 2029.

3 Sec. 3. Title 41, Arizona Revised Statutes, is amended by adding  
4 chapter 29, to read:

5 CHAPTER 29

6 INTERNATIONAL TRANSPORTATION AND TRADE CORRIDOR AUTHORITY

7 ARTICLE 1. GENERAL PROVISIONS

8 41-3301. Definitions

9 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

10 1. "AUTHORITY" MEANS THE INTERNATIONAL TRANSPORTATION AND TRADE  
11 CORRIDOR AUTHORITY.

12 2. "BOARD" MEANS THE BOARD OF DIRECTORS OF THE AUTHORITY.

13 3. "INDIAN TRIBE" MEANS ANY ORGANIZED INDIAN NATION, TRIBE, BAND OR  
14 COMMUNITY THAT IS RECOGNIZED AS AN INDIAN TRIBE BY THE UNITED STATES  
15 DEPARTMENT OF THE INTERIOR.

16 4. "JURISDICTIONAL SPONSOR" MEANS ANY OF THE FOLLOWING ENTITIES  
17 THAT OWN ALL OR PART OF A TRANSPORTATION AND TRADE FACILITY SITE AT THE  
18 TIME THE SITE IS PROVIDED TO THE AUTHORITY PURSUANT TO SECTION 41-3307:

19 (a) THIS STATE OR ANY AGENCY OF THIS STATE.

20 (b) A COUNTY IN WHICH THE AUTHORITY HAS JURISDICTION.

21 (c) ANY CITY OR TOWN LOCATED IN A COUNTY IN WHICH THE AUTHORITY HAS  
22 JURISDICTION.

23 (d) ANY INDIAN TRIBE IF ALL OR PART OF THE TRIBE'S RESERVATION IS  
24 LOCATED IN A COUNTY IN WHICH THE AUTHORITY HAS JURISDICTION.

25 5. "TRANSPORTATION AND TRADE FACILITY" MEANS ANY FACILITY THAT IS  
26 SUITABLE TO BE USED TO ACCOMMODATE TRANSPORTATION AND TRADE OF RAIL  
27 VEHICLES AND THEIR CONTENTS, ROADWAY VEHICLES AND THEIR CONTENTS, FUEL,  
28 ENERGY, WATER, WASTEWATER, ELECTROMAGNETIC SIGNALS OR OTHER PRODUCTS OR  
29 SERVICES, AND THE MEANS TO TRANSPORT PRODUCTS OR SERVICES.

30 41-3302. Formation of authority

31 A. THE INTERNATIONAL TRANSPORTATION AND TRADE CORRIDOR AUTHORITY IS  
32 ESTABLISHED. THE BOUNDARIES OF THE AUTHORITY ARE THE BOUNDARIES OF THIS  
33 STATE.

34 B. THE AUTHORITY IS A CORPORATE AND POLITICAL BODY AND, EXCEPT AS  
35 OTHERWISE LIMITED, MODIFIED OR PROVIDED BY THIS CHAPTER, HAS ALL THE  
36 RIGHTS, POWERS AND IMMUNITIES OF MUNICIPAL CORPORATIONS.

37 C. THE BOARD AND THE AUTHORITY DO NOT HAVE THE POWER TO LEVY OR  
38 OTHERWISE IMPOSE ANY TAX OR ASSESSMENT, OTHER THAN CHARGES FOR THE USE OF  
39 FACILITIES OWNED OR CREATED BY THE AUTHORITY. THE QUALIFIED ELECTORS  
40 RESIDING IN THE AUTHORITY MAY LEVY A TAX OR SURCHARGE FOR THE FISCAL NEEDS  
41 OF THE AUTHORITY AS PROVIDED BY THIS CHAPTER, BUT THE BOARD HAS NO  
42 INDEPENDENT AUTHORITY TO IMPOSE OR COLLECT A TAX OR ASSESSMENT. SUBJECT TO  
43 THAT LIMITATION, THE AUTHORITY IS CONSIDERED A TAX LEVYING PUBLIC  
44 IMPROVEMENT DISTRICT FOR THE PURPOSES OF ARTICLE XIII, SECTION 7,  
45 CONSTITUTION OF ARIZONA.

1 D. THE AUTHORITY IS REGARDED AS PERFORMING A GOVERNMENTAL FUNCTION  
2 IN CARRYING OUT THE PURPOSES OF THIS CHAPTER. THE PROPERTY ACQUIRED,  
3 CONSTRUCTED OR ALLOWED TO BE CONSTRUCTED BY THE AUTHORITY, THE ACTIVITIES  
4 OF THE AUTHORITY IN MAINTAINING AND CARING FOR THE PROPERTY AND THE MONIES  
5 DERIVED BY THE AUTHORITY FROM OPERATING THE PROPERTY ARE EXEMPT FROM STATE  
6 AND LOCAL INCOME AND PROPERTY TAXATION.

7 41-3303. Board of directors

8 A. THE AUTHORITY IS GOVERNED BY A BOARD OF DIRECTORS CONSISTING OF  
9 THE FOLLOWING MEMBERS WHO MUST RESIDE IN A COUNTY IN WHICH THE AUTHORITY  
10 HAS JURISDICTION:

11 1. FIVE MEMBERS APPOINTED BY THE GOVERNOR PURSUANT TO SECTION  
12 38-211.

13 2. TWO MEMBERS WHO ARE APPOINTED BY THE PRESIDENT OF THE SENATE.

14 3. TWO MEMBERS WHO ARE APPOINTED BY THE SPEAKER OF THE HOUSE OF  
15 REPRESENTATIVES.

16 B. THE GOVERNOR, PRESIDENT OF THE SENATE AND SPEAKER OF THE HOUSE  
17 OF REPRESENTATIVES SHALL MAKE APPOINTMENTS TO PRODUCE A GENERAL  
18 GEOGRAPHICALLY DIVERSE REPRESENTATION OF AREAS IN THE AUTHORITY. MEMBERS  
19 OF THE BOARD SHALL BE APPOINTED FOR TERMS OF FIVE YEARS. A MEMBER MAY BE  
20 REAPPOINTED FOR ONE FULL SUBSEQUENT TERM.

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

23 41-3304. Administrative powers and duties; hearings; lobbying

24 A. THE BOARD, ON BEHALF OF THE AUTHORITY, MAY:

25 1. ADOPT AND USE A CORPORATE SEAL.

26 2. SUE AND BE SUED.

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

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

32 5. ACQUIRE BY ANY LAWFUL MEANS AND OPERATE, MAINTAIN, ENCUMBER AND  
33 DISPOSE OF REAL AND PERSONAL PROPERTY AND INTERESTS IN PROPERTY.

34 6. RETAIN LEGAL COUNSEL AND OTHER CONSULTANTS AS NECESSARY TO CARRY  
35 OUT THE PURPOSES OF THE AUTHORITY.

36 7. ENTER INTO CONTRACTS WITH ONE OR MORE PRIVATE SECTOR PARTNERS  
37 FOR THE CONSTRUCTION AND OPERATION OF ANY TRANSPORTATION AND TRADE  
38 FACILITY PURSUANT TO TITLE 28, CHAPTER 22.

39 8. ACCESS EXISTING EASEMENTS ON HIGHWAYS.

40 B. THE BOARD SHALL:

41 1. APPOINT FROM AMONG ITS MEMBERS A CHAIRPERSON, A SECRETARY AND  
42 OTHER OFFICERS AS MAY BE NECESSARY TO CONDUCT ITS BUSINESS.

43 2. EMPLOY AN EXECUTIVE DIRECTOR AND PRESCRIBE THE TERMS AND  
44 CONDITIONS OF EMPLOYMENT.

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

4           4. PROVIDE FOR THE USE, MAINTENANCE AND OPERATION OF THE PROPERTIES  
5 AND INTERESTS OWNED OR CONTROLLED BY THE AUTHORITY.

6           5. ON OR BEFORE DECEMBER 31, 2032, APPROVE SITES FOR THE  
7 CONSTRUCTION OF A TRANSPORTATION AND TRADE FACILITY PROPOSED AT ANY TIME  
8 BEFORE THAT DATE BY THE BOARD IN CONSULTATION WITH JURISDICTIONAL  
9 SPONSORS.

10          C. AT THE DISCRETION OF THE CHAIRPERSONS OF THE SENATE COMMERCE  
11 COMMITTEE AND THE HOUSE OF REPRESENTATIVES COMMERCE COMMITTEE, OR THEIR  
12 SUCCESSOR COMMITTEES, THE COMMITTEES MAY HOLD HEARINGS TO REVIEW THE  
13 ACTIVITIES OF THE AUTHORITY.

14          D. THE BOARD MAY NOT USE ANY PUBLIC MONIES TO PAY OR CONTRACT WITH  
15 AN INDIVIDUAL FOR LOBBYING SERVICES.

16          41-3305. Executive director; duties

17          A. THE EXECUTIVE DIRECTOR IS RESPONSIBLE FOR MANAGING,  
18 ADMINISTERING AND SUPERVISING THE ACTIVITIES OF THE AUTHORITY.

19          B. THE EXECUTIVE DIRECTOR SHALL NEGOTIATE, MAKE, EXECUTE,  
20 ACKNOWLEDGE AND PERFORM CONTRACTS AND OTHER AGREEMENTS IN THE INTEREST OF  
21 THE AUTHORITY OR TO CARRY OUT OR ACCOMPLISH THE PURPOSES OF THIS CHAPTER,  
22 INCLUDING CONSTRUCTION CONTRACTS AND AGREEMENTS WITH USERS OF A  
23 TRANSPORTATION AND TRADE FACILITY, ALL OF WHICH ARE SUBJECT TO APPROVAL BY  
24 THE BOARD.

25          C. THE EXECUTIVE DIRECTOR SHALL:

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

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

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

34           4. DIRECT THE ACTIVITIES OF OUTSIDE CONSULTANTS.

35          41-3306. Gift ban; principals and lobbyists; exemptions

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

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

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

44           2. A FAMILY GIFT.

- 1           3. AN AWARD OR PRIZE THAT IS GIVEN TO COMPETITORS IN A CONTEST OR
- 2           EVENT THAT IS OPEN TO THE PUBLIC, INCLUDING A RANDOM DRAWING.
- 3           4. ANY DISCOUNT OR OTHER BENEFIT THAT IS OFFERED TO A BOARD MEMBER
- 4           OR EMPLOYEE OF THE BOARD ON THE SAME CONDITIONS AS TO THE PUBLIC, TO A
- 5           CLASS CONSISTING OF ALL BOARD MEMBERS AND EMPLOYEES OF THE BOARD OR TO A
- 6           GROUP OR CLASS IN WHICH MEMBERSHIP IS UNRELATED TO BEING A BOARD MEMBER OR
- 7           EMPLOYEE OF THE BOARD.
- 8           5. AN EDUCATIONAL EVENT OR SPEAKING ENGAGEMENT.
- 9           6. EXPENSES THAT RELATE TO A SPECIAL EVENT OR FUNCTION TO WHICH ALL
- 10          MEMBERS OF THE BOARD ARE INVITED AND THAT ARE PROPERLY REPORTED.
- 11          7. FLOWERS.
- 12          8. FOOD AND BEVERAGE.
- 13          9. INFORMATIONAL MATERIAL, INCLUDING A BOOK, CALENDAR, PAMPHLET,
- 14          PERIODICAL, REPORT OR VIDEO.
- 15          10. AN ITEM THAT IS NOT USED AND THAT IS RETURNED WITHIN FIFTEEN
- 16          DAYS AFTER RECEIPT TO THE DONOR OR THAT IS DELIVERED WITHIN FIFTEEN DAYS
- 17          AFTER RECEIPT TO A CHARITABLE ORGANIZATION AND THAT IS NOT CLAIMED AS A
- 18          CHARITABLE CONTRIBUTION FOR STATE OR FEDERAL INCOME TAX PURPOSES.
- 19          11. AN ITEM THAT IS GIVEN TO A BOARD MEMBER OR EMPLOYEE OF THE
- 20          BOARD IF THE BOARD MEMBER OR EMPLOYEE GIVES AN ITEM OF APPROXIMATELY THE
- 21          SAME VALUE TO THE GIVER OF THE ITEM AT THE SAME TIME THE ITEM IS GIVEN OR
- 22          ON A SIMILAR OCCASION AS THE ONE THAT PROMPTED THE ORIGINAL ITEM TO BE
- 23          GIVEN.
- 24          12. AN ITEM OF A PERSONAL NATURE THAT WAS CUSTOMARILY RECEIVED BY
- 25          AN INDIVIDUAL FROM THE DONOR BEFORE THE INDIVIDUAL BECAME A BOARD MEMBER
- 26          OR EMPLOYEE OF THE BOARD.
- 27          13. AN ITEM THAT IS GIVEN TO THE GENERAL PUBLIC AT AN EVENT.
- 28          14. AN ITEM OF NOMINAL VALUE SUCH AS A GREETING CARD, BASEBALL CAP,
- 29          T-SHIRT, MUG OR PEN.
- 30          15. NONRECREATIONAL TRAVEL OR LODGING, OR BOTH.
- 31          16. PERSONAL HOSPITALITY.
- 32          17. A PLAQUE OR OTHER FORM OF RECOGNITION SIMILAR TO A PLAQUE THAT
- 33          IS GIVEN TO A BOARD MEMBER OR EMPLOYEE OF THE BOARD TO SIGNIFY THE
- 34          HONORARY RECOGNITION OF A SERVICE OR OTHER NOTABLE ACCOMPLISHMENT.
- 35          18. PROFESSIONAL OR CONSULTING SERVICES THAT ARE RENDERED ON
- 36          MATTERS DIRECTLY RELATED TO HOLDING A POSITION ON THE BOARD OR BEING AN
- 37          EMPLOYEE OF THE BOARD AND THAT ARE NOT RENDERED TO OBTAIN A BENEFIT FOR
- 38          ANY REGISTERED PRINCIPAL, PUBLIC BODY, LOBBYIST, DESIGNATED PUBLIC
- 39          LOBBYIST OR AUTHORIZED PUBLIC LOBBYIST OR THE CLIENTS OF A PRINCIPAL OR
- 40          LOBBYIST.
- 41          41-3307. Constructing and operating transportation and trade
- 42                  facility
- 43          A. THE AUTHORITY SHALL CONSTRUCT, FINANCE, FURNISH, MAINTAIN,
- 44          IMPROVE, OPERATE, MARKET AND PROMOTE THE USE OF TRANSPORTATION AND TRADE
- 45          FACILITIES AND DO ALL THINGS NECESSARY OR CONVENIENT TO ACCOMPLISH THOSE

1 PURPOSES. ONE OR MORE JURISDICTIONAL SPONSORS MAY PROVIDE THE LAND  
2 ASSOCIATED WITH A TRANSPORTATION AND TRADE FACILITY ON APPROPRIATE TERMS  
3 AND CONDITIONS. THE AUTHORITY SHALL OWN TRANSPORTATION AND TRADE  
4 FACILITIES, SUBJECT ONLY TO LEASES, CONTRACTS, ARRANGEMENTS, LIENS AND  
5 OTHER SECURITY INTERESTS OF RECORD. THE AUTHORITY MAY OWN OR LEASE THE  
6 LAND ON WHICH A TRANSPORTATION AND TRADE FACILITY IS LOCATED AND MAY LEASE  
7 A TRANSPORTATION AND TRADE FACILITY FOR THE OPERATION AND MAINTENANCE OF  
8 THE TRANSPORTATION AND TRADE FACILITY.

9 B. THE EXECUTIVE DIRECTOR SHALL:

10 1. RECOMMEND TO THE BOARD FOR ITS APPROVAL A CONTRACTOR AND  
11 ARCHITECT, UNLESS SUCH A CONTRACTOR OR ARCHITECT WILL BE EMPLOYED BY A  
12 LESSEE OF A TRANSPORTATION AND TRADE FACILITY.

13 2. WORK WITH THE LESSEE, CONTRACTOR AND ARCHITECT TO PREPARE  
14 DESIGNS FOR EACH TRANSPORTATION AND TRADE FACILITY AND SUBMIT THE DESIGN  
15 TO THE BOARD FOR ITS APPROVAL.

16 3. PREPARE A SCHEDULE FOR THE CONSTRUCTION OF A TRANSPORTATION AND  
17 TRADE FACILITY AND SUBMIT THE SCHEDULE TO THE BOARD FOR ITS APPROVAL.

18 4. PREPARE THE ANNUAL OPERATING BUDGET FOR THE AUTHORITY AND SUBMIT  
19 THE BUDGET TO THE BOARD FOR ITS APPROVAL.

20 5. NEGOTIATE USE AGREEMENTS WITH PARTIES THAT WILL USE A  
21 TRANSPORTATION AND TRADE FACILITY ON A REGULAR BASIS, INCLUDING PARTIES  
22 THAT WILL MAKE A CONTRIBUTION TOWARD THE CONSTRUCTION OF A TRANSPORTATION  
23 AND TRADE FACILITY, AND SUBMIT THE AGREEMENTS TO THE BOARD FOR ITS FINAL  
24 ACTION. ANY SUCH AGREEMENT THAT GRANTS NAMING OR OTHER ADVERTISING RIGHTS  
25 MUST INCLUDE A PROVISION REQUIRING THAT THE NAMING AND OTHER ADVERTISING  
26 COMPLY WITH COMMUNITY DECENCY STANDARDS.

27 6. NEGOTIATE AGREEMENTS WITH A CONTRACTOR, AN ARCHITECT AND OTHER  
28 PROFESSIONALS, UNLESS THE CONTRACTOR, ARCHITECT OR OTHER PROFESSIONAL IS  
29 EMPLOYED DIRECTLY BY A LESSEE, AND SUBMIT THE AGREEMENTS TO THE BOARD FOR  
30 ITS FINAL ACTION.

31 7. REVIEW CONSTRUCTION CHANGE ORDER REQUESTS THAT ARE OBLIGATIONS  
32 OF THE AUTHORITY AND SUBMIT THE REQUESTS TO THE BOARD WITH A  
33 RECOMMENDATION FOR FINAL ACTION.

34 8. ARRANGE FOR CAPITAL AND OPERATING FINANCING, AS NEEDED, AND  
35 SUBMIT THE TRANSACTIONS TO THE BOARD FOR ITS FINAL ACTION.

36 9. ANALYZE AND RECOMMEND TO THE BOARD POTENTIAL SITES FOR ANY  
37 TRANSPORTATION AND TRADE FACILITY PROPOSED BY A JURISDICTIONAL SPONSOR AT  
38 ANY TIME BEFORE DECEMBER 31, 2032.

39 10. NEGOTIATE AGREEMENTS WITH JURISDICTIONAL SPONSORS, INCLUDING  
40 INTERGOVERNMENTAL AGREEMENTS PURSUANT TO TITLE 11, CHAPTER 7, ARTICLE 3 IF  
41 A JURISDICTIONAL SPONSOR IS A PUBLIC AGENCY AS DEFINED IN SECTION 11-951,  
42 CONCERNING THE LAND AND ANY INFRASTRUCTURE TO BE PROVIDED BY THE  
43 JURISDICTIONAL SPONSOR AND SUBMIT THE AGREEMENTS TO THE BOARD FOR ITS  
44 FINAL ACTION. ALL AGREEMENTS MUST:

1 (a) PROVIDE THAT THE JURISDICTIONAL SPONSOR INDEMNIFY AND HOLD  
2 HARMLESS THE AUTHORITY AND THIS STATE FROM ANY LIABILITY RESULTING FROM  
3 ANY ACCESS WAYS THAT ARE PROVIDED BY THE JURISDICTIONAL SPONSOR AND THAT  
4 ARE REASONABLY USED BY THE PUBLIC FOR INGRESS AND EGRESS TO ANY  
5 TRANSPORTATION AND TRADE FACILITY PROVIDED BY THE JURISDICTIONAL SPONSOR  
6 FOR USE IN CONNECTION WITH THE TRANSPORTATION AND TRADE FACILITY TO THE  
7 EXTENT THAT LIABILITY RESULTS FROM THE NEGLIGENT OR INTENTIONAL ACTS OR  
8 OMISSIONS OF THE JURISDICTIONAL SPONSOR OR ITS REPRESENTATIVES, AGENTS OR  
9 EMPLOYEES.

10 (b) REQUIRE ANY JURISDICTIONAL SPONSOR TO MAINTAIN INSURANCE OR AN  
11 ADEQUATE SELF-INSURANCE PLAN FOR ANY LIABILITY OF THE JURISDICTIONAL  
12 SPONSOR, WITH A WAIVER OF SOVEREIGN IMMUNITY IF NECESSARY.

13 11. IN CONSULTATION WITH THE LESSEES OR OTHER USERS OF ANY  
14 TRANSPORTATION AND TRADE FACILITY, NEGOTIATE CONTRACTS TO PROVIDE FOR THE  
15 OPERATION, MAINTENANCE, PROMOTION AND MARKETING OF ANY TRANSPORTATION AND  
16 TRADE FACILITY AND SUBMIT THE CONTRACTS TO THE BOARD FOR ITS FINAL ACTION.

17 12. IN CONSULTATION WITH THE LESSEES OR OTHER USERS OF ANY  
18 TRANSPORTATION AND TRADE FACILITY, NEGOTIATE CONTRACTS WITH  
19 CONCESSIONAIRES AND OTHER PROVIDERS FOR FOOD, BEVERAGE AND OTHER SERVICES  
20 ALONG ANY TRANSPORTATION AND TRADE FACILITY AND SUBMIT THE CONTRACTS TO  
21 THE BOARD FOR ITS FINAL ACTION.

22 13. TAKE OTHER ACTIONS THAT ARE NECESSARY TO ENSURE THAT EACH  
23 TRANSPORTATION AND TRADE FACILITY IS CONSTRUCTED ACCORDING TO THE SCHEDULE  
24 AND BUDGET APPROVED BY THE BOARD.

25 C. TITLE 34 APPLIES TO THE AUTHORITY, EXCEPT THAT REGARDLESS OF THE  
26 FUNDING SOURCE FOR THE DESIGN AND CONSTRUCTION OF FACILITIES AND  
27 STRUCTURES AND NOTWITHSTANDING CHAPTER 23 OF THIS TITLE, THE AUTHORITY MAY  
28 ESTABLISH ALTERNATIVE SYSTEMS AND PROCEDURES, INCLUDING THE USE OF THE  
29 DESIGN-BUILD METHOD OF CONSTRUCTION AND THE USE OF QUALIFICATIONS-BASED  
30 SELECTION OF CONTRACTORS WITH EXPERIENCE IN TRANSPORTATION AND TRADE  
31 FACILITY DESIGN OR CONSTRUCTION, BY EITHER DIRECT SELECTION OR BY PUBLIC  
32 COMPETITION, TO EXPEDITE THE DESIGN AND CONSTRUCTION OF ANY OF ITS  
33 FACILITIES OR STRUCTURES OR ANY FACILITIES OR STRUCTURES LEASED TO THE  
34 AUTHORITY OR USED BY THE AUTHORITY PURSUANT TO AN INTERGOVERNMENTAL  
35 AGREEMENT. FOR THE PURPOSES OF THIS SUBSECTION:

36 1. "DESIGN-BUILD" MEANS A PROCESS OF ENTERING INTO AND MANAGING A  
37 CONTRACT BETWEEN THE AUTHORITY AND ANOTHER PARTY IN WHICH THE OTHER PARTY  
38 AGREES TO BOTH DESIGN AND BUILD ANY STRUCTURE, FACILITY OR OTHER ITEMS  
39 SPECIFIED IN THE CONTRACT.

40 2. "QUALIFICATIONS-BASED SELECTION" MEANS A PROCESS OF ENTERING  
41 INTO AND MANAGING A CONTRACT BETWEEN THE AUTHORITY AND ANOTHER PARTY IN  
42 WHICH THE OTHER PARTY IS SELECTED BY THE AUTHORITY ON THE BASIS OF THE  
43 PARTY'S QUALIFICATIONS AND EXPERIENCE IN DESIGNING OR CONSTRUCTING  
44 FACILITIES, STRUCTURES OR OTHER ITEMS SIMILAR TO THOSE THE AUTHORITY IS  
45 AUTHORIZED TO CONSTRUCT OR LEASE.



1 D. THE PLANS AND SPECIFICATIONS FOR ANY TRANSPORTATION AND TRADE  
2 FACILITY ARE SUBJECT TO REVIEW AND APPROVAL BY THE BOARD. THE BOARD SHALL  
3 INSPECT THE CONSTRUCTION OF A TRANSPORTATION AND TRADE FACILITY AND  
4 APPROVE THE CONSTRUCTION IF THE CONSTRUCTION CONFORMS TO THE PLANS AND  
5 SPECIFICATIONS AND APPLICABLE ENGINEERING STANDARDS. THROUGHOUT THE LIFE  
6 OF A TRANSPORTATION AND TRADE FACILITY, THE BOARD IS RESPONSIBLE FOR  
7 ENSURING AND SHALL MONITOR AND TAKE ACTION AS NECESSARY TO ENSURE THE  
8 APPROPRIATE MAINTENANCE AND OPERATION OF EACH TRANSPORTATION AND TRADE  
9 FACILITY.

10 E. TO ENSURE THAT ANY LESSEE, USER OR JURISDICTIONAL SPONSOR HAS  
11 THE FINANCIAL CAPABILITY TO PERFORM ITS OBLIGATIONS UNDER ANY AGREEMENTS  
12 WITH THE AUTHORITY, BEFORE ENTERING INTO AN AGREEMENT WITH ANY  
13 JURISDICTIONAL SPONSOR, THE AUTHORITY SHALL EITHER:

14 1. CAUSE A REVIEW OF THE FINANCIAL BOOKS AND RECORDS OF THE LESSEE,  
15 USER OR JURISDICTIONAL SPONSOR BY AN INDEPENDENT CERTIFIED PUBLIC  
16 ACCOUNTANT SELECTED BY THE AUTHORITY. THE INDEPENDENT CERTIFIED PUBLIC  
17 ACCOUNTANT SHALL PREPARE FOR THE AUTHORITY, AND ATTEST TO, A REPORT  
18 SETTING FORTH THE RESULTS OF THAT REVIEW.

19 2. PROVIDE IN THE AGREEMENT WITH ANY LESSEE, USER OR JURISDICTIONAL  
20 SPONSOR ANOTHER METHOD FOR ASSURING THE PAYMENT OF THE OBLIGATIONS OF THE  
21 LESSEE, USER OR JURISDICTIONAL SPONSOR. THE ALTERNATIVE METHODS FOR  
22 ASSURING PAYMENT MAY INCLUDE:

23 (a) DEPOSITS IN A CONSTRUCTION TRUST ACCOUNT IN AN AMOUNT EQUAL TO  
24 THE LESSEE'S, USER'S OR JURISDICTIONAL SPONSOR'S ESTIMATED OBLIGATIONS TO  
25 THE AUTHORITY.

26 (b) POSTING A BOND IN AN AMOUNT EQUAL TO THE LESSEE'S, USER'S OR  
27 JURISDICTIONAL SPONSOR'S ESTIMATED OBLIGATIONS TO THE AUTHORITY.

28 (c) PROVIDING THE AUTHORITY WITH A LETTER OF CREDIT IN AN AMOUNT  
29 EQUAL TO THE LESSEE'S, USER'S OR JURISDICTIONAL SPONSOR'S ESTIMATED  
30 OBLIGATIONS TO THE AUTHORITY.

31 (d) OTHER SIMILAR FINANCIAL ASSURANCE.

32 F. THE AUTHORITY SHALL PROVIDE IN ANY AGREEMENTS BETWEEN THE  
33 AUTHORITY AND A JURISDICTIONAL SPONSOR THAT IS AN INDIAN TRIBE:

34 1. A WAIVER OF SOVEREIGN IMMUNITY TO ALLOW THE ENFORCEMENT BY THE  
35 AUTHORITY OF THE AGREEMENTS ENTERED INTO BETWEEN THE AUTHORITY AND THE  
36 INDIAN TRIBE.

37 2. A CONSENT TO THE JURISDICTION OF STATE AND FEDERAL COURTS BY THE  
38 INDIAN TRIBE.

39 3. A WAIVER OF THE RIGHT TO REQUIRE THE AUTHORITY TO EXHAUST TRIBAL  
40 REMEDIES BEFORE BRINGING AN ACTION IN STATE OR FEDERAL COURTS.

41 4. THAT STATE AND FEDERAL LAW WILL GOVERN THE INTERPRETATION OF ANY  
42 AGREEMENTS ENTERED INTO BETWEEN THE AUTHORITY AND THE INDIAN TRIBE.



1 C. THE EXECUTIVE DIRECTOR, THE PROJECT COORDINATOR AND ALL PERSONS  
2 WHO ENTER INTO CONTRACTS, AGREEMENTS OR UNDERSTANDINGS RELATED TO THE  
3 CONSTRUCTION AND OPERATION OF A TRANSPORTATION AND TRADE FACILITY SHALL  
4 COMPLY WITH THE PROCEDURES ESTABLISHED PURSUANT TO THIS SECTION.

5 41-3311. Monthly report; appearance before joint legislative  
6 budget committee; standing committees

7 A. WITHIN THREE WEEKS AFTER THE END OF EACH CALENDAR MONTH, THE  
8 AUTHORITY SHALL PREPARE A REPORT SIGNED BY THE EXECUTIVE DIRECTOR OF THE  
9 AUTHORITY AND TRANSMIT THE REPORT TO THE GOVERNOR, THE LEGISLATURE, AS  
10 PROVIDED BY SECTION 41-1178, AND THE JOINT LEGISLATIVE BUDGET COMMITTEE.  
11 THE REPORT SHALL INCLUDE A PROGRESS REPORT OF THE ACTIVITIES OF THE  
12 AUTHORITY DURING THE PREVIOUS MONTH.

13 B. AT THE REQUEST OF THE CHAIRPERSON OF THE JOINT LEGISLATIVE  
14 BUDGET COMMITTEE, THE EXECUTIVE DIRECTOR SHALL APPEAR BEFORE THE JOINT  
15 LEGISLATIVE BUDGET COMMITTEE ANNUALLY TO REPORT ON THE ACTIVITIES AND  
16 FINANCIAL PERFORMANCE OF THE AUTHORITY DURING THE PREVIOUS YEAR.

17 C. AT THE REQUEST OF THE CHAIRPERSON OF THE HOUSE OF  
18 REPRESENTATIVES COMMERCE COMMITTEE OR THE CHAIRPERSON OF THE SENATE  
19 COMMERCE COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, THE EXECUTIVE DIRECTOR  
20 SHALL APPEAR BEFORE THE COMMITTEE WITHIN THIRTY DAYS AFTER RECEIVING THE  
21 REQUEST TO REPORT ON THE ACTIVITIES AND FINANCIAL PERFORMANCE OF THE  
22 AUTHORITY DURING THE PREVIOUS YEAR.

23 41-3312. Annual budget

24 A. BEGINNING IN 2024, ON OR BEFORE JUNE 30 OF EACH YEAR THE BOARD  
25 SHALL HOLD A PUBLIC HEARING TO ADOPT A BUDGET FOR THE FOLLOWING FISCAL  
26 YEAR THAT INCLUDES:

- 27 1. RECEIPTS DURING THE PAST FISCAL YEAR.
- 28 2. EXPENDITURES DURING THE PAST FISCAL YEAR.
- 29 3. ESTIMATES OF AMOUNTS NECESSARY FOR EXPENSES DURING THE FOLLOWING  
30 FISCAL YEAR, INCLUDING AMOUNTS PROPOSED FOR:
  - 31 (a) COSTS OF PLANNING, CONSTRUCTING, FINANCING, MAINTAINING,  
32 OPERATING AND MANAGING EACH TRANSPORTATION AND TRADE FACILITY.
  - 33 (b) PROMOTIONAL AND MARKETING EXPENSES OF THE AUTHORITY.
  - 34 (c) ADMINISTRATIVE COSTS OF THE AUTHORITY.
- 35 4. ANTICIPATED REVENUE TO THE AUTHORITY FROM EACH SOURCE IN THE  
36 FOLLOWING FISCAL YEAR.
- 37 5. A COMPLETE ASSET AND LIABILITY STATEMENT.
- 38 6. A STATEMENT OF PROFIT OR LOSS FROM OPERATIONS.
- 39 7. CASH ON HAND AS OF THE DATE THE BUDGET IS ADOPTED AND THE  
40 ANTICIPATED BALANCE AT THE END OF THE CURRENT FISCAL YEAR.
- 41 8. AN ITEMIZED STATEMENT OF COMMITMENTS, RESERVES AND ANTICIPATED  
42 OBLIGATIONS FOR THE FOLLOWING FISCAL YEAR.

43 B. THE BOARD MAY AMEND THE BUDGET ON A FINDING OF GOOD CAUSE.

ARTICLE 2. FINANCIAL PROVISIONS

41-3321. General fund; investments

A. THE AUTHORITY SHALL MAINTAIN A GENERAL FUND, DIVIDED INTO A CONSTRUCTION ACCOUNT, A FACILITY REVENUE CLEARING ACCOUNT AND AN OPERATING ACCOUNT. THE AUTHORITY MAY ESTABLISH ADDITIONAL ACCOUNTS AND SUBACCOUNTS AS NECESSARY AND CONVENIENT. ALL REVENUES AND MONIES RECEIVED BY THE AUTHORITY SHALL INITIALLY BE DEPOSITED IN ACCOUNTS AND SUBACCOUNTS IN THE GENERAL FUND AS PROVIDED BY LAW.

B. THE AUTHORITY MAY INVEST ANY UNEXPENDED MONIES IN THE 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 TREASURER TO LIQUIDATE SUFFICIENT SECURITIES TO MEET ALL THE CURRENT OBLIGATIONS AND IMMEDIATELY NOTIFY THE AUDITOR GENERAL OF THE INSUFFICIENCY. THE AUDITOR GENERAL SHALL INVESTIGATE AND AUDIT THE CIRCUMSTANCES SURROUNDING THE DEPLETION OF THE FUND, ACCOUNT OR SUBACCOUNT AND REPORT THE FINDINGS TO THE BOARD.

41-3322. Construction account

A. THE AUTHORITY SHALL MAINTAIN A CONSTRUCTION ACCOUNT IN THE GENERAL FUND CONSISTING OF:

1. MONIES RECEIVED BY THE AUTHORITY FROM ANY SOURCE FOR THE PURPOSE OF ACQUIRING LAND FOR AND FUNDING THE COST OF CONSTRUCTING A TRANSPORTATION AND TRADE FACILITY, INCLUDING FINANCIAL PARTICIPATION FOR CAPITAL COSTS OF THE TRANSPORTATION AND TRADE FACILITY FROM ANY PRIVATE OR PUBLIC SOURCE.

2. PROCEEDS OF BONDS ISSUED BY THE AUTHORITY PURSUANT TO SECTION 41-3343, WHICH SHALL BE HELD IN A SEGREGATED BOND PROCEEDS SUBACCOUNT IN THE CONSTRUCTION ACCOUNT.

B. THE AUTHORITY MAY SPEND MONIES IN THE CONSTRUCTION ACCOUNT FOR THE COSTS OF ANY TRANSPORTATION AND TRADE FACILITY PURPOSE AS DEFINED IN SECTION 41-3341.

41-3323. Facility revenue clearing account

A. THE AUTHORITY SHALL MAINTAIN A FACILITY REVENUE CLEARING ACCOUNT IN THE GENERAL FUND CONSISTING OF:

1. REVENUES RECEIVED FROM DEDICATED PUBLIC FUNDING SOURCES AS PROVIDED BY LAW.

2. PAYMENTS RECEIVED FROM LEASING, SUBLEASING OR RENTING PROPERTY OWNED, LEASED OR CONTROLLED BY THE AUTHORITY.

3. REVENUES RECEIVED BY THE AUTHORITY FROM CONCESSIONS AND OTHER PROCEEDS FROM CONCESSION FACILITIES THAT ARE LOCATED WITHIN A TRANSPORTATION AND TRADE FACILITY THAT IS OWNED OR LEASED BY THE AUTHORITY.

1 4. GIFTS, GRANTS AND DONATIONS RECEIVED FOR OPERATING PURPOSES FROM  
2 ANY PUBLIC OR PRIVATE SOURCE.

3 5. PROCEEDS FROM THE SALE OF ANY OF THE AUTHORITY'S PROPERTY.

4 6. FINANCIAL PARTICIPATION FOR OPERATING COSTS RECEIVED FROM THE  
5 COUNTY OR MUNICIPALITY IN WHICH A TRANSPORTATION AND TRADE FACILITY THAT  
6 IS OWNED OR LEASED BY THE AUTHORITY IS LOCATED.

7 B. ON THE SECOND TUESDAY OF EACH MONTH, THE TREASURER OF THE  
8 AUTHORITY SHALL DISTRIBUTE ALL MONIES IN THE ACCOUNT IN THE FOLLOWING  
9 ORDER OF PRIORITY:

10 1. TO THE DEBT SERVICE ACCOUNT ESTABLISHED BY SECTION 41-3345, AN  
11 AMOUNT EQUAL TO ONE-TWELFTH OF THE ANNUAL DEBT SERVICE ON BONDS AND OTHER  
12 DEBT OBLIGATIONS OF THE AUTHORITY THAT ARE SECURED IN WHOLE OR IN PART BY  
13 AND PAYABLE FROM REVENUES OR MONIES DEPOSITED TO THE FACILITY REVENUE  
14 CLEARING ACCOUNT, NET OF DEPOSITS TO THE DEBT SERVICE ACCOUNT PURSUANT TO  
15 SECTION 41-3324, SUBSECTION B, PARAGRAPH 1.

16 2. TO THE OPERATING ACCOUNT OF THE AUTHORITY ESTABLISHED BY SECTION  
17 41-3324, ALL REMAINING MONIES IN THE FACILITY REVENUE CLEARING ACCOUNT.

18 41-3324. Operating account

19 A. THE AUTHORITY SHALL MAINTAIN AN OPERATING ACCOUNT CONSISTING OF  
20 MONIES TRANSMITTED TO THE ACCOUNT PURSUANT TO SECTIONS 41-3322 AND  
21 41-3323.

22 B. THE AUTHORITY MAY SPEND MONIES IN THE OPERATING ACCOUNT FOR  
23 COSTS INCURRED FOR ANY OF THE FOLLOWING PURPOSES:

24 1. OPERATING, MARKETING, PROMOTING, FURNISHING AND EQUIPPING A  
25 TRANSPORTATION AND TRADE FACILITY.

26 2. PAYING ALL COSTS ASSOCIATED WITH THE AUTHORITY'S ADMINISTRATIVE  
27 DUTIES AS PROVIDED IN SECTIONS 41-3304 AND 41-3305.

28 3. PAYMENT TO THE DEBT SERVICE ACCOUNT ESTABLISHED BY SECTION  
29 41-3345 TO BE USED FOR PAYMENT OR EARLY REDEMPTION OF BONDED INDEBTEDNESS.

30 C. THE AUTHORITY SHALL ESTABLISH IN THE OPERATING ACCOUNT:

31 1. A RESERVE TO MEET FUTURE OPERATING COSTS OF THE AUTHORITY,  
32 INCLUDING AMOUNTS THAT ARE SUFFICIENT TO PAY ALL COSTS ASSOCIATED WITH  
33 EVENTS HELD AT A TRANSPORTATION AND TRADE FACILITY.

34 2. A RESERVE FOR REPAIR, REPLACEMENT AND REMOVAL COSTS ASSOCIATED  
35 WITH A TRANSPORTATION AND TRADE FACILITY IN AN AMOUNT AT LEAST EQUAL TO  
36 \$25,000,000, ADJUSTED FOR INFLATION EACH YEAR AFTER 2024.

37 D. THIS STATE IS NOT LIABLE OR RESPONSIBLE FOR THE OPERATING COSTS  
38 OF THE AUTHORITY, INCLUDING THE OPERATING, MARKETING, PROMOTION,  
39 FURNISHING, EQUIPPING, REPAIR OR REPLACEMENT COSTS OF ANY FACILITY OR  
40 PROJECT FUNDED BY THE AUTHORITY.

41 41-3325. Audit

42 A. THE BOARD SHALL CAUSE AN ANNUAL AUDIT TO BE CONDUCTED OF EACH OF  
43 THE AUTHORITY'S FUNDS, ACCOUNTS AND SUBACCOUNTS BY AN INDEPENDENT  
44 CERTIFIED PUBLIC ACCOUNTANT WITHIN ONE HUNDRED TWENTY DAYS AFTER THE END  
45 OF THE FISCAL YEAR.

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

8 C. THE BOARD SHALL PAY NEGOTIATED AND APPROVED FEES AND COSTS OF  
9 THE CERTIFIED PUBLIC ACCOUNTANT AND AUDITOR GENERAL UNDER THIS SECTION  
10 FROM THE OPERATING ACCOUNT OF THE AUTHORITY.

11 ARTICLE 3. BONDING

12 41-3341. Definitions

13 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

14 1. "BOND-RELATED EXPENSES" MEANS ANY EXPENSES INCURRED BY THE  
15 AUTHORITY TO ISSUE AND ADMINISTER ITS BONDS, INCLUDING UNDERWRITING FEES  
16 AND COSTS, TRUSTEE FEES, FINANCIAL CONSULTANT FEES, PRINTING AND  
17 ADVERTISING COSTS, PAYING AGENT FEES, TRANSFER AGENT FEES, LEGAL,  
18 ACCOUNTING, FEASIBILITY CONSULTANT AND OTHER PROFESSIONAL FEES AND  
19 EXPENSES, CREDIT ENHANCEMENT FEES, ATTORNEY AND ACCOUNTING FEES AND  
20 EXPENSES RELATED TO CREDIT ENHANCEMENT, BOND INSURANCE OR LIQUIDITY  
21 ENHANCEMENT, REMARKETING FEES, RATING AGENCY FEES AND COSTS, TRAVEL AND  
22 TELEPHONE EXPENSES AND ALL OTHER FEES CONSIDERED NECESSARY BY THE  
23 AUTHORITY TO MARKET AND ADMINISTER THE BONDS.

24 2. "BONDS" MEANS THE BONDS OF THE AUTHORITY ISSUED PURSUANT TO THIS  
25 ARTICLE.

26 3. "TRANSPORTATION AND TRADE FACILITY PURPOSE" INCLUDES THE  
27 FOLLOWING PURPOSES:

28 (a) ACQUIRING, DESIGNING, DEVELOPING, CONSTRUCTING, RECONSTRUCTING,  
29 EQUIPPING, REPAIRING, MAINTAINING, OPERATING AND IMPROVING A  
30 TRANSPORTATION AND TRADE FACILITY AND IMPROVEMENTS.

31 (b) THE PAYMENT OF BOND OBLIGATIONS.

32 (c) BOND-RELATED EXPENSES.

33 41-3342. Authorization of bonds

34 A. THE AUTHORITY MAY ISSUE NEGOTIABLE BONDS PURSUANT TO THIS  
35 ARTICLE IN SUCH PRINCIPAL AMOUNT AS, IN THE OPINION OF THE BOARD, IS  
36 NECESSARY TO:

37 1. PROVIDE SUFFICIENT MONIES FOR A TRANSPORTATION AND TRADE  
38 FACILITY PURPOSE.

39 2. PAY NECESSARY BOND-RELATED EXPENSES.

40 3. ESTABLISH AND FULLY OR PARTIALLY FUND ANY RESERVES OR SINKING  
41 ACCOUNTS ESTABLISHED BY THE BOND RESOLUTION.

42 4. ISSUE REFUNDING BONDS IF THE BOARD CONSIDERS REFUNDING TO BE  
43 EXPEDIENT. THE BOARD MAY PROVIDE FOR INVESTING AND HOLDING THE PROCEEDS  
44 OF THE REFUNDING BONDS IN TRUST FOR THE BENEFIT OF THE HOLDERS OF THE  
45 BONDS BEING REFUNDED.

1           5. REFUND ANY BONDS ISSUED BY THE AUTHORITY IF THE BONDS ARE  
2 SECURED FROM THE SAME SOURCE OF REVENUES AS THE BONDS AUTHORIZED IN THIS  
3 ARTICLE BY ISSUING NEW BONDS, WHETHER THE BONDS TO BE REFUNDED HAVE OR  
4 HAVE NOT MATURED.

5           6. ISSUE BONDS PARTLY TO REFUND OUTSTANDING BONDS AND PARTLY FOR A  
6 TRANSPORTATION AND TRADE FACILITY PURPOSE CONSISTENT WITH THIS ARTICLE.

7           B. THE BOARD SHALL AUTHORIZE THE BONDS BY RESOLUTION. THE  
8 RESOLUTION SHALL PRESCRIBE:

9           1. THE AUTHORITY'S REVENUE SOURCES THAT ARE PLEDGED AND DEDICATED  
10 TO SECURE THE BONDS.

11           2. THE RATE OR RATES OF INTEREST, WHICH MAY BE FIXED OR VARIABLE,  
12 THE DATE OR DATES ON WHICH INTEREST IS PAYABLE AND THE DENOMINATIONS OF  
13 THE BONDS.

14           3. THE DATE OR DATES OF THE BONDS AND MATURITY.

15           4. THE MANNER OF EXECUTING THE BONDS.

16           5. THE MEDIUM AND PLACE OF PAYMENT.

17           6. THE TERMS OF REDEMPTION, WHICH MAY PROVIDE FOR A PREMIUM FOR  
18 EARLY REDEMPTION.

19           41-3343. Issuance and sales of bonds; notice

20           A. THE BOARD SHALL ISSUE THE BONDS IN THE NUMBER AND AMOUNT  
21 PROVIDED IN THE RESOLUTION.

22           B. THE BONDS MAY BE SOLD BY COMPETITIVE BID OR NEGOTIATED SALE FOR  
23 PUBLIC OR PRIVATE OFFERING AT THE PRICE AND ON THE TERMS PRESCRIBED IN THE  
24 RESOLUTION.

25           C. THE PROCEEDS FROM THE SALE OF THE BONDS SHALL BE DEPOSITED IN  
26 THE BOND PROCEEDS SUBACCOUNT ESTABLISHED BY SECTION 41-3344.

27           D. TITLE 35, CHAPTER 3, ARTICLE 7 APPLIES TO THE BOARD AND TO BONDS  
28 ISSUED UNDER THIS ARTICLE.

29           41-3344. Bond proceeds subaccount

30           A. IF THE AUTHORITY ISSUES BONDS UNDER THIS ARTICLE, THE BOARD  
31 SHALL ESTABLISH A BOND PROCEEDS SUBACCOUNT WITHIN THE CONSTRUCTION ACCOUNT  
32 ESTABLISHED BY SECTION 41-3322 CONSISTING OF MONIES RECEIVED FROM THE SALE  
33 OF THE BONDS.

34           B. THE AUTHORITY MAY USE MONIES IN THE BOND PROCEEDS SUBACCOUNT  
35 ONLY FOR TRANSPORTATION AND TRADE FACILITY PURPOSES IN THE MANNER  
36 PRESCRIBED BY THIS CHAPTER.

37           C. THE TREASURER OR FISCAL AGENT OF THE AUTHORITY SHALL ADMINISTER  
38 AND ACCOUNT FOR THE BOND PROCEEDS SUBACCOUNT.

39           41-3345. Debt service account

40           A. IF THE AUTHORITY ISSUES BONDS UNDER THIS ARTICLE, THE BOARD  
41 SHALL ESTABLISH A DEBT SERVICE ACCOUNT CONSISTING OF MONIES DESIGNATED AND  
42 DEDICATED BY THE BOARD FOR REPAYMENT OF THE BONDS AND PAYMENT OF COSTS AND  
43 RELATED EXPENSES ASSOCIATED WITH REDEEMING THE BONDS.

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

1 C. THE TREASURER OR FISCAL AGENT OF THE AUTHORITY SHALL ADMINISTER  
2 AND ACCOUNT FOR THE DEBT SERVICE ACCOUNT.

3 41-3346. Securing principal and interest

4 IN CONNECTION WITH ISSUING BONDS AUTHORIZED BY THIS ARTICLE AND TO  
5 SECURE THE PRINCIPAL AND INTEREST ON THE BONDS, THE BOARD BY RESOLUTION  
6 MAY:

7 1. PLEDGE FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS  
8 ALL OR PART OF THE REVENUES AND OTHER MONIES RECEIVED BY THE AUTHORITY AND  
9 DEPOSITED IN THE GENERAL FUND OR ANY ACCOUNT OR SUBACCOUNT OF THE  
10 AUTHORITY.

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

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

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

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

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

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

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

31 9. CONTRACT WITH A FINANCIAL INSTITUTION, INSURANCE COMPANY OR  
32 INDEMNITY COMPANY TO PROVIDE ADDITIONAL SECURITY FOR THE BONDS IN THE FORM  
33 OF A LINE OF CREDIT, LETTER OF CREDIT, INSURANCE POLICY OR OTHER SECURITY  
34 AND PAY THE COSTS OF THIS ADDITIONAL SECURITY FROM AMOUNTS PROVIDED IN THE  
35 BOND ISSUE OR FROM OTHER AVAILABLE SOURCES.

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

38 41-3347. 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  
42 THE AUTHORITY FOR PLACEMENT IN THE DEBT SERVICE ACCOUNT ARE IMMEDIATELY  
43 SUBJECT TO THE LIEN OF THE PLEDGE WITHOUT ANY FURTHER ACT. ANY LIEN OF  
44 ANY PLEDGE IS VALID AND BINDING AGAINST ALL PARTIES THAT HAVE CLAIMS OF  
45 ANY KIND AGAINST THE AUTHORITY, REGARDLESS OF WHETHER THE PARTIES HAVE



1 NOTICE OF THE LIEN. THE OFFICIAL RESOLUTION OR ANY INSTRUMENT BY WHICH  
2 THIS PLEDGE IS CREATED, WHEN ADOPTED BY THE BOARD, IS NOTICE TO ALL  
3 CONCERNED OF THE CREATION OF THE PLEDGE, AND THOSE INSTRUMENTS NEED NOT BE  
4 RECORDED IN ANY OTHER PLACE TO PERFECT THE PLEDGE.

5 41-3348. Bond purchase; cancellation

6 THE BOARD MAY PURCHASE BONDS FOR CANCELLATION, USING ANY AVAILABLE  
7 MONIES, AT A PRICE NOT EXCEEDING THE FOLLOWING:

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

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

14 41-3349. Payment of bonds

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

17 B. NEITHER THE MEMBERS OF THE BOARD NOR ANY PERSON EXECUTING THE  
18 BONDS IS PERSONALLY LIABLE FOR THE PAYMENT OF THE BONDS.

19 C. THE TREASURER OR FISCAL AGENT OF THE AUTHORITY SHALL CANCEL ALL  
20 BONDS WHEN PAID.

21 41-3350. Use of surplus monies

22 A. IF A BALANCE REMAINS IN THE BOND PROCEEDS SUBACCOUNT AFTER ALL  
23 ACQUISITION, CONSTRUCTION AND RELATED COSTS HAVE BEEN PAID:

24 1. THE BOARD SHALL CREDIT THE BALANCE TO REPAY ANY OTHER  
25 OUTSTANDING INDEBTEDNESS OF THE AUTHORITY.

26 2. IF THE AUTHORITY HAS NO OUTSTANDING INDEBTEDNESS, THE BOARD  
27 SHALL CREDIT THE REMAINING BALANCE TO THE AUTHORITY'S OPERATING ACCOUNT  
28 ESTABLISHED BY SECTION 41-3324.

29 B. IF A BALANCE REMAINS IN THE DEBT SERVICE ACCOUNT AFTER PAYMENT  
30 OF ALL BONDS, INTEREST AND OTHER CHARGES RELATED TO BONDS ISSUED UNDER  
31 THIS ARTICLE, THE BOARD SHALL CREDIT THE BALANCE TO THE AUTHORITY'S  
32 OPERATING ACCOUNT ESTABLISHED BY SECTION 41-3324.

33 41-3351. Investment of monies in the bond proceeds subaccount

34 A. THE BOARD MAY AUTHORIZE THE TREASURER OR FISCAL AGENT OF THE  
35 AUTHORITY TO INVEST MONIES IN THE BOND PROCEEDS SUBACCOUNT IN THE MANNER  
36 PRESCRIBED BY SECTION 41-3353.

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

41 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE  
42 INVESTMENT OF THE MONIES IN THE BOND PROCEEDS SUBACCOUNT SHALL BE CREDITED  
43 TO THAT SUBACCOUNT.

1           41-3352. Investment of monies in debt service account

2           A. THE BOARD MAY AUTHORIZE THE TREASURER OR FISCAL AGENT OF THE  
3 AUTHORITY TO INVEST AND REINVEST ANY MONIES IN THE DEBT SERVICE ACCOUNT AS  
4 PROVIDED BY SECTION 41-3353.

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

9           C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE  
10 INVESTMENT OF THE MONIES IN THE DEBT SERVICE ACCOUNT SHALL BE CREDITED TO  
11 THAT ACCOUNT.

12           41-3353. Authorized investments of monies

13           A. THE MONIES IN EITHER THE BOND PROCEEDS SUBACCOUNT OR THE DEBT  
14 SERVICE ACCOUNT MAY BE INVESTED AND REINVESTED AT THE DIRECTION OF THE  
15 BOARD IN ANY OF THE FOLLOWING:

16           1. UNITED STATES TREASURY OBLIGATIONS.

17           2. CONSOLIDATED FARM LOAN BONDS.

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

20           4. ANY OTHER OBLIGATIONS GUARANTEED BY THE UNITED STATES  
21 GOVERNMENT.

22           5. ANY INVESTMENTS THAT ARE AUTHORIZED BY ANY OTHER AGENCY OF THE  
23 UNITED STATES GOVERNMENT AND THAT ARE AUTHORIZED TO SECURE PUBLIC  
24 DEPOSITS.

25           6. STATE AND LOCAL GOVERNMENT SERIES UNITED STATES TREASURY  
26 SECURITIES.

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

29           8. INVESTMENT AGREEMENTS AND REPURCHASE AGREEMENTS COLLATERALIZED  
30 BY INVESTMENTS DESCRIBED IN PARAGRAPHS 1 THROUGH 5 OF THIS SUBSECTION.

31           B. THE TREASURER OR FISCAL AGENT SHALL MAKE THE PURCHASE OF THE  
32 SECURITIES ON AUTHORITY OF A RESOLUTION OF THE BOARD. THE TREASURER OR  
33 FISCAL AGENT SHALL ACT AS CUSTODIAN OF ALL SECURITIES PURCHASED.

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

38           41-3354. Deposit and disbursement of monies

39           A. MONIES DERIVED FROM SELLING BONDS UNDER THIS ARTICLE OR PLEDGED  
40 OR ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS OF THE  
41 BONDS SHALL BE DEPOSITED BY THE TREASURER OR FISCAL AGENT IN FINANCIAL  
42 INSTITUTIONS THAT THE BOARD DESIGNATES AND THAT ARE INSURED BY AN AGENCY  
43 OR INSTRUMENTALITY OF THE UNITED STATES. THE MONIES SHALL BE DISBURSED AS  
44 THE BOARD DIRECTS AND ACCORDING TO THE TERMS OF ANY AGREEMENTS WITH THE  
45 HOLDER OR HOLDERS OF THE BONDS.

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

6 41-3355. Characteristics of bonds; negotiable; obligation;  
7 legal investments; exempt from taxation

8 A. BONDS ISSUED UNDER THIS ARTICLE ARE FULLY NEGOTIABLE WITHIN THE  
9 MEANING AND FOR ALL PURPOSES OF THE UNIFORM COMMERCIAL CODE, SUBJECT ONLY  
10 TO ANY PROVISIONS FOR REGISTRATION, REGARDLESS OF WHETHER THE BONDS  
11 ACTUALLY CONSTITUTE NEGOTIABLE INSTRUMENTS UNDER THE UNIFORM COMMERCIAL  
12 CODE.

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

15 C. BONDS ISSUED UNDER THIS ARTICLE:

16 1. ARE OBLIGATIONS OF THE AUTHORITY. THE MEMBERS OF THE BOARD AND  
17 PERSONS WHO EXECUTE THE BONDS ARE NOT PERSONALLY LIABLE FOR THE PAYMENT OF  
18 THE BONDS.

19 2. ARE PAYABLE ONLY ACCORDING TO THEIR TERMS.

20 3. ARE OBLIGATIONS OF THE AUTHORITY AND ARE NOT GENERAL, SPECIAL OR  
21 OTHER OBLIGATIONS OF THIS STATE.

22 4. DO NOT CONSTITUTE A DEBT OF THIS STATE.

23 5. ARE NOT ENFORCEABLE AGAINST THIS STATE, AND PAYMENT OF THE BONDS  
24 IS NOT ENFORCEABLE OUT OF ANY MONIES OTHER THAN THE REVENUE PLEDGED AND  
25 ASSIGNED TO, OR IN TRUST FOR THE BENEFIT OF, THE HOLDER OR HOLDERS OF THE  
26 BONDS.

27 6. ARE SECURITIES IN WHICH PUBLIC OFFICERS AND BODIES OF THIS STATE  
28 AND OF MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE, ALL  
29 COMPANIES, ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN INSURANCE  
30 BUSINESS, ALL FINANCIAL INSTITUTIONS, INVESTMENT COMPANIES AND OTHER  
31 PERSONS CARRYING ON A BANKING BUSINESS, ALL FIDUCIARIES AND ALL OTHER  
32 PERSONS WHO ARE AUTHORIZED TO INVEST IN GOVERNMENT OBLIGATIONS MAY  
33 PROPERLY AND LEGALLY INVEST.

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

38 41-3356. Effect of changing circumstances on bonds; agreement  
39 of state

40 A. BONDS ISSUED UNDER THIS ARTICLE REMAIN VALID AND BINDING  
41 OBLIGATIONS OF THE AUTHORITY NOTWITHSTANDING THAT BEFORE THE DELIVERY OF  
42 THE BONDS ANY OF THE PERSONS WHOSE SIGNATURES APPEAR ON THE BONDS CEASE TO  
43 BE OFFICERS OF THE AUTHORITY.

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

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

15 41-3357. Validity of bonds; legal opinion

16 A. THIS ARTICLE CONSTITUTES FULL AUTHORITY FOR AUTHORIZING AND  
17 ISSUING BONDS WITHOUT REFERENCE TO ANY OTHER LAW OF THIS STATE. ANY OTHER  
18 LAWS WITH REGARD TO AUTHORIZING OR ISSUING OBLIGATIONS OR THAT IN ANY WAY  
19 IMPEDE OR RESTRICT PERFORMING THE ACTS AUTHORIZED BY THIS ARTICLE DO NOT  
20 APPLY TO ANY PROCEEDINGS TAKEN OR ACTS DONE PURSUANT TO THIS ARTICLE.

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

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

35 D. THE BONDS SHALL RECITE THAT THEY ARE REGULARLY ISSUED PURSUANT  
36 TO THIS ARTICLE. THAT RECITAL, TOGETHER WITH THE LEGAL OPINION UNDER  
37 SUBSECTION C OF THIS SECTION, CONSTITUTES PRIMA FACIE EVIDENCE OF THE  
38 LEGALITY AND VALIDITY OF THE BONDS. FROM AND AFTER THE SALE AND DELIVERY  
39 OF THE BONDS, THEY ARE INCONTESTABLE BY THIS STATE OR THE AUTHORITY.

40 Sec. 4. Purpose

41 Pursuant to section 41-2955, subsection E, Arizona Revised Statutes,  
42 the legislature establishes the international transportation and trade  
43 corridor authority to construct and operate transportation and trade  
44 facilities.

1           Sec. 5. Appointment of members

2           The governor, president of the senate and speaker of the house of  
3 representatives shall appoint members to the international transportation  
4 and trade corridor authority board pursuant to section 41-3303, Arizona  
5 Revised Statutes, as added by this act, within ten days after the  
6 effective date of this act.

7           Sec. 6. Appropriation; international transportation and trade  
8                                   corridor authority

9           The sum of \$200,000 is appropriated from the state general fund in  
10 fiscal year 2023-2024 to the international transportation and trade  
11 corridor authority for the purposes of this act.