



MEMORANDUM

Date: 1-29-09

To: CHH
H.ATHG
C.STRaub

From: Martin Willett
Chief Deputy County Administrator

Re: Recently Enacted Legislation

MR2572 - SPORTS

Attached for your information is recently enacted legislation that may affect your work. Please distribute it to others within your area who need to be aware of this change in the law.

Unless otherwise specifically stated within the legislation, the general effective date for all laws enacted during the 2009 regular session of the State Legislature is September 30, 2009.

MW/dr

Attachment

House Engrossed

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-ninth Legislature
First Regular Session
2009

CHAPTER 122

HOUSE BILL 2572

AN ACT

AMENDING TITLE 5, BY ADDING CHAPTER 9, ARIZONA REVISED STATUTES; RELATING TO
SPORTS AUTHORITY DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

4 CHAPTER 9
5 SPORTS AUTHORITY DISTRICT
6 ARTICLE 1. ORGANIZATION

7 5-1101. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

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

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

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

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

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

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

27 8. "YOUTH SPORTS" MEANS RECREATIONAL AND AMATEUR SPORTING RELATED
28 ACTIVITIES AND COMPETITIONS ORGANIZED IN THE DISTRICT.

29 5-1102. Formation of district; board of directors; duties

30 A. A SPORTS AUTHORITY DISTRICT IS ESTABLISHED IN EACH COUNTY HAVING A
31 POPULATION OF MORE THAN FIVE HUNDRED THOUSAND BUT LESS THAN TWO MILLION
32 PERSONS. THE BOUNDARIES OF THE DISTRICT ARE THE BOUNDARIES OF THE COUNTY.

33 B. THE COUNTY BOARD OF SUPERVISORS SHALL SERVE AS THE BOARD OF
34 DIRECTORS OF THE DISTRICT. THE DIRECTORS SHALL NOT RECEIVE COMPENSATION OR
35 REIMBURSEMENT OF EXPENSES FOR THEIR SERVICES AS THE BOARD OF DIRECTORS.

36 C. THE BOARD OF DIRECTORS SHALL:

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

39 2. APPOINT CERTAIN MEMBERS OF THE GOVERNING BOARD OF THE SPORTS
40 AUTHORITY AS PROVIDED BY SECTION 5-1103, SUBSECTION D.

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

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

44 D. THE DISTRICT IS A CORPORATE AND POLITICAL BODY, SEPARATE AND
45 INDEPENDENT OF THIS STATE OR THE COUNTY, AND EXCEPT AS OTHERWISE LIMITED,

1 MODIFIED OR PROVIDED BY THIS CHAPTER, HAS ALL OF THE RIGHTS, POWERS AND
2 IMMUNITIES OF MUNICIPAL CORPORATIONS EXCEPT TO ACQUIRE REAL PROPERTY BY
3 EMINENT DOMAIN. THE BOARD OF DIRECTORS AND THE DISTRICT DO NOT HAVE THE
4 AUTHORITY TO LEVY OR OTHERWISE IMPOSE ANY TAX OR ASSESSMENT, OTHER THAN
5 CHARGES FOR THE USE OF FACILITIES OWNED OR MANAGED BY THE DISTRICT. THE
6 QUALIFIED ELECTORS RESIDING IN THE DISTRICT MAY LEVY A TAX FOR THE FISCAL
7 NEEDS OF THE AUTHORITY AS PROVIDED BY THIS CHAPTER, BUT THE BOARD OF
8 DIRECTORS HAS NO INDEPENDENT AUTHORITY TO IMPOSE A TAX. SUBJECT TO THAT
9 LIMITATION, THE DISTRICT IS CONSIDERED TO BE A TAX LEVYING PUBLIC IMPROVEMENT
10 DISTRICT FOR THE PURPOSES OF ARTICLE XIII, SECTION 7, CONSTITUTION OF
11 ARIZONA.

12 5-1103. Sports authority; establishment; authority board

13 A. THE BOARD OF DIRECTORS SHALL CALL AN ELECTION OF THE QUALIFIED
14 ELECTORS OF THE DISTRICT TO AUTHORIZE THE ESTABLISHMENT OF A SPORTS AUTHORITY
15 WITHIN AND COTERMINOUS WITH THE BOUNDARIES OF THE DISTRICT. THE ELECTION
16 SHALL BE HELD ON ONE OF THE NEXT FIVE GENERAL ELECTION DATES HELD ON THE
17 FIRST TUESDAY AFTER THE FIRST MONDAY IN NOVEMBER FOLLOWING THE ESTABLISHMENT
18 OF THE DISTRICT.

19 B. THE ELECTION BALLOT SHALL INCLUDE THE FOLLOWING QUESTIONS:

20 1. "SHALL A SPORTS AUTHORITY BE ESTABLISHED IN ____ COUNTY?".
21 2. "SHALL THE SPORTS AUTHORITY DISTRICT BE AUTHORIZED TO LEVY AND
22 COLLECT TAXES AS PROVIDED BY SECTIONS 5-1133 THROUGH 5-1137, ARIZONA REVISED
23 STATUTES?".

24 3. "SHALL THE SPORTS AUTHORITY DISTRICT ISSUE REVENUE BONDS TO FINANCE
25 THE CONSTRUCTION, RENOVATION, EXPANSION OR REPAIR OF CACTUS LEAGUE BASEBALL
26 STADIUMS, YOUTH SPORTS FACILITIES AND MULTIPURPOSE FACILITIES, TO BE PAID
27 EXCLUSIVELY FROM REVENUES OF THE AUTHORITY?".

28 C. THE BOARD OF DIRECTORS SHALL ORDER THE ESTABLISHMENT OF THE
29 AUTHORITY ON THE APPROVAL OF ALL QUESTIONS BY A MAJORITY OF THE QUALIFIED
30 ELECTORS VOTING ON EACH ISSUE IN THE ELECTION. IF ANY QUESTION IS
31 DISAPPROVED, THE AUTHORITY SHALL NOT BE ESTABLISHED AND FURTHER PROCEEDINGS
32 UNDER THIS CHAPTER SHALL BE TERMINATED.

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

36 1. ONE MEMBER WHO IS APPOINTED BY THE BOARD OF DIRECTORS AND WHO IS
37 SELECTED FROM A LIST OF NOMINEES SUBMITTED BY THE LARGEST INDUSTRY
38 ORGANIZATION OR TRADE ASSOCIATION, AS MEASURED BY ITS MEMBERS' GROSS
39 REVENUES, REPRESENTING HOTEL, MOTEL AND LODGING BUSINESSES IN THE DISTRICT.

40 2. ONE MEMBER WHO IS APPOINTED BY THE BOARD OF DIRECTORS AND WHO IS
41 SELECTED FROM A LIST OF NOMINEES SUBMITTED BY THE LARGEST INDUSTRY
42 ORGANIZATION OR TRADE ASSOCIATION, AS MEASURED BY ITS MEMBERS' GROSS
43 REVENUES, REPRESENTING RESTAURANT BUSINESSES IN THE DISTRICT.

44 3. ONE MEMBER WHO IS APPOINTED BY THE BOARD OF DIRECTORS AND WHO IS
45 SELECTED FROM A LIST OF NOMINEES SUBMITTED BY THE LARGEST INDUSTRY

1 ORGANIZATION OR TRADE ASSOCIATION IN THIS STATE SPECIALIZING IN ON-SALE AND
2 OFF-SALE RETAIL LIQUOR DISTRIBUTION.

3 4. ONE MEMBER WHO IS APPOINTED BY THE BOARD OF DIRECTORS, WHO
4 REPRESENTS YOUTH AND AMATEUR SPORTS IN THE DISTRICT AND WHO IS SELECTED FROM
5 A LIST OF NOMINEES SUBMITTED BY THE LARGEST YOUTH OR AMATEUR SPORTS
6 ORGANIZATION IN THE DISTRICT AS MEASURED BY THE SIZE OF ITS MEMBERSHIP.

7 5. ONE MEMBER WHO IS APPOINTED BY THE GOVERNING BODY OF THE LARGEST
8 CITY IN THE DISTRICT, AS MEASURED BY POPULATION, AND WHO IS SELECTED FROM A
9 LIST OF NOMINEES SUBMITTED BY THE LARGEST INDUSTRY ORGANIZATION OR TRADE
10 ASSOCIATION REPRESENTING AUTOMOBILE RENTAL BUSINESSES IN THE DISTRICT.

11 6. ONE MEMBER WHO IS APPOINTED BY THE GOVERNING BODY OF THE LARGEST
12 CITY IN THE DISTRICT, AS MEASURED BY POPULATION; AND WHO IS SELECTED FROM A
13 LIST OF NOMINEES SUBMITTED BY THE LARGEST INDUSTRY ORGANIZATION OR TRADE
14 ASSOCIATION, AS MEASURED BY ITS MEMBERS' GROSS REVENUES, REPRESENTING TOURISM
15 BUSINESSES GENERALLY IN THE DISTRICT.

16 7. ONE MEMBER WHO IS APPOINTED PURSUANT TO SUBSECTION G OF THIS
17 SECTION AND WHO IS SELECTED FROM A LIST OF NOMINEES SUBMITTED BY THE LARGEST
18 INDUSTRY ORGANIZATION OR TRADE ASSOCIATION, AS MEASURED BY ITS MEMBERS' GROSS
19 REVENUES, REPRESENTING TOURISM BUSINESSES GENERALLY IN THE DISTRICT.

20 8. ONE MEMBER WHO IS APPOINTED PURSUANT TO SUBSECTION G OF THIS
21 SECTION AND WHO IS SELECTED FROM A LIST OF NOMINEES SUBMITTED BY THE LARGEST
22 CHAMBER OF COMMERCE IN THE CITY MAKING THE APPOINTMENT REPRESENTING RETAIL
23 BUSINESSES GENERALLY IN THE DISTRICT.

24 9. ONE MEMBER WHO IS APPOINTED PURSUANT TO SUBSECTION G OF THIS
25 SECTION AND WHO HAS SUBSTANTIAL KNOWLEDGE AND EXPERIENCE REGARDING MAJOR
26 LEAGUE BASEBALL.

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

33 E. THE APPOINTING ENTITIES PRESCRIBED IN SUBSECTION D OF THIS SECTION
34 SHALL RECEIVE NOMINATIONS FOR APPOINTMENT TO THE AUTHORITY BOARD FROM
35 SPECIFIED COMMERCIAL INTERESTS, AND SHALL APPOINT THE MEMBERS FROM THE
36 NOMINEES. THE APPOINTING ENTITIES SHALL MAKE APPOINTMENTS TO THE AUTHORITY
37 BOARD TO PROVIDE BROAD GEOGRAPHIC REPRESENTATION AMONG THE MEMBERS. THE
38 INITIAL MEMBERS SHALL BE APPOINTED TO TERMS OF TWO, THREE AND FOUR YEARS,
39 CHOSEN BY LOT. ALL SUBSEQUENT MEMBERS SHALL BE APPOINTED TO TERMS OF FOUR
40 YEARS, EXCEPT FOR INTERIM APPOINTMENTS TO FILL UNEXPIRED TERMS. A MEMBER OF
41 THE BOARD MAY BE REMOVED ON A TWO-THIRDS VOTE OF ALL MEMBERS. THE REMOVAL IS
42 EFFECTIVE IMMEDIATELY.

43 F. A MEMBER OF THE AUTHORITY BOARD SHALL NOT HOLD ANY ELECTED OFFICE
44 WHILE SERVING ON THE BOARD. AN AUTHORITY BOARD MEMBER WHO TAKES ELECTIVE
45 OFFICE WHO FILES NOMINATING PETITIONS FOR ELECTIVE OFFICE OR WHO IS APPOINTED

1 TO AN ELECTIVE OFFICE IS CONSIDERED TO HAVE RESIGNED FROM THE AUTHORITY BOARD
2 EFFECTIVE IMMEDIATELY.

3 G. THE APPOINTMENT OF THE AUTHORITY BOARD MEMBER PURSUANT TO
4 SUBSECTION D, PARAGRAPHS 7, 8 AND 9 OF THIS SECTION SHALL BE DETERMINED AS
5 FOLLOWS:

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

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

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

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

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

18 6. IF THERE IS A VACANCY OF A MEMBER OF THE AUTHORITY BOARD APPOINTED
19 PURSUANT TO SUBSECTION D, PARAGRAPHS 7, 8 AND 9 OF THIS SECTION, THE
20 GOVERNING BODY THAT APPOINTED THE VACATING MEMBER SHALL APPOINT A REPLACEMENT
21 FOR THE REMAINDER OF THE UNEXPIRED TERM.

22 5-1104. Sports authority plan; authority board powers and
23 duties; advisory board

24 A. THE AUTHORITY BOARD SHALL SUBMIT A PLAN FOR THE OPERATION OF THE
25 SPORTS AUTHORITY, INCLUDING PROPOSALS FOR THE CONSTRUCTION, RENOVATION,
26 EXPANSION OR REPAIR OF STADIUMS, MULTIPURPOSE FACILITIES AND YOUTH SPORTS
27 FACILITIES AS PROVIDED IN THIS CHAPTER. THE PLAN SHALL:

28 1. BE DEVELOPED AND SUBMITTED TO THE BOARD OF DIRECTORS WITHIN NINETY
29 DAYS AFTER THE APPOINTMENT OF THE INITIAL AUTHORITY BOARD.

30 2. BE FINALIZED FOLLOWING PUBLIC HEARINGS AND MEETINGS HELD IN THE
31 AUTHORITY.

32 3. SPECIFY THE GENERAL PURPOSES FOR WHICH THE MONIES OF THE AUTHORITY,
33 INCLUDING TAX REVENUES PURSUANT TO SECTIONS 5-1133 THROUGH 5-1137, WILL BE
34 SPENT DURING THE FIRST TWENTY YEARS OF THE AUTHORITY'S OPERATIONS.

35 B. IN ADDITION, THE AUTHORITY BOARD, ON BEHALF OF THE SPORTS
36 AUTHORITY, SHALL:

37 1. PROMOTE MAJOR LEAGUE BASEBALL SPRING TRAINING IN THE AUTHORITY.

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

41 3. PROVIDE GRANTS AND ASSISTANCE TO POLITICAL SUBDIVISIONS OF THIS
42 STATE AND TO NONPROFIT CORPORATIONS FOR THE DEVELOPMENT AND OPERATIONS OF
43 SPORTING ACTIVITIES.

44 4. APPROVE CAPITAL PROJECTS THAT ARE PROVIDED BY THE BUDGET.

45 5. ISSUE REVENUE BONDS PURSUANT TO ARTICLE 3 OF THIS CHAPTER.

- 1 6. APPOINT FROM AMONG ITS MEMBERS A CHAIRPERSON, A SECRETARY AND SUCH
2 OTHER OFFICERS AS MAY BE NECESSARY TO CONDUCT ITS BUSINESS.
- 3 7. EMPLOY AN EXECUTIVE DIRECTOR AND PRESCRIBE THE TERMS AND CONDITIONS
4 OF EMPLOYMENT.
- 5 8. KEEP AND MAINTAIN A COMPLETE AND ACCURATE RECORD OF ALL OF ITS
6 PROCEEDINGS. THE BOARD IS A PUBLIC BODY FOR PURPOSES OF TITLE 38, CHAPTER 3,
7 ARTICLE 3.1 AND TITLE 39, CHAPTER 1.
- 8 9. PROVIDE FOR THE USE, MAINTENANCE AND OPERATION OF THE PROPERTIES
9 AND INTERESTS OWNED OR MANAGED BY THE AUTHORITY.
- 10 C. THE AUTHORITY BOARD MAY:
- 11 1. ENTER INTO CONTRACTS, INCLUDING INTERGOVERNMENTAL AGREEMENTS UNDER
12 TITLE 11, CHAPTER 7, ARTICLE 3, AS NECESSARY TO CARRY OUT THE PURPOSES AND
13 REQUIREMENTS OF THIS CHAPTER.
- 14 2. ADOPT ADMINISTRATIVE RULES AS NECESSARY TO ADMINISTER AND OPERATE
15 THE AUTHORITY AND ANY PROPERTY UNDER ITS JURISDICTION.
- 16 3. ACQUIRE BY ANY LAWFUL MEANS, OTHER THAN EMINENT DOMAIN, AND
17 OPERATE, MAINTAIN, ENCUMBER AND DISPOSE OF REAL AND PERSONAL PROPERTY AND
18 INTERESTS IN PROPERTY.
- 19 4. RETAIN LEGAL COUNSEL AND OTHER CONSULTANTS AS NECESSARY TO CARRY
20 OUT THE PURPOSES OF THE AUTHORITY.
- 21 5. ENTER INTO CONTRACTS FOR THE LEASE OR RENTAL OF ANY FACILITY OR
22 FACILITIES OF THE AUTHORITY WITH A NONPROFIT COMMUNITY BASED ORGANIZATION
23 THAT SPONSORS A PROFESSIONAL OR YOUTH SPORTING EVENT THAT PROVIDE FOR THE
24 PAYMENT TO THE ORGANIZATION OF A TICKET SURCHARGE OR FACILITY USER FEE
25 ASSOCIATED WITH PARKING IF THE AUTHORITY HAS FULLY PAID THE CURRENT YEAR'S
26 REQUIRED PRINCIPAL AND INTEREST PAYMENTS ON ANY OUTSTANDING AUTHORITY BONDS
27 FOR WHICH THESE REVENUES WERE PLEDGED PURSUANT TO ARTICLE 3 OF THIS CHAPTER.
- 28 D. THE AUTHORITY SHALL COMPLY WITH ZONING, LIGHTING AND ALL OTHER LAWS
29 AND ORDINANCES OF THE COUNTY, CITY OR TOWN WITH ZONING JURISDICTION OVER ANY
30 PROPERTY OWNED BY THE AUTHORITY.
- 31 E. THE AUTHORITY BOARD SHALL APPOINT AN ADVISORY BOARD CONSISTING OF
32 MEMBERS REPRESENTING A BROAD SPECTRUM OF INTERESTED PARTIES FOR THE PURPOSE
33 OF ADVISING THE AUTHORITY IN ITS ACTIVITIES TO FULLY PERFORM AND ACCOMPLISH
34 ITS PURPOSES.
- 35 5-1105. Executive director; duties
- 36 A. THE EXECUTIVE DIRECTOR OF THE AUTHORITY IS RESPONSIBLE TO THE
37 AUTHORITY BOARD FOR MANAGING, ADMINISTERING AND SUPERVISING THE ACTIVITIES OF
38 THE AUTHORITY.
- 39 B. THE EXECUTIVE DIRECTOR SHALL NEGOTIATE, MAKE, EXECUTE, ACKNOWLEDGE
40 AND PERFORM CONTRACTS AND OTHER AGREEMENTS IN THE INTEREST OF THE AUTHORITY
41 OR TO CARRY OUT OR ACCOMPLISH THE PURPOSES OF THIS CHAPTER, INCLUDING
42 CONSTRUCTION CONTRACTS AND AGREEMENTS WITH USERS OF A MULTIPURPOSE FACILITY,
43 ALL OF WHICH ARE SUBJECT TO APPROVAL BY THE AUTHORITY BOARD.

1 C. THE EXECUTIVE DIRECTOR SHALL:

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

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

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

10 4. DIRECT THE ACTIVITIES OF OUTSIDE CONSULTANTS.

11 5-1106. Major league baseball spring training facilities; local
12 financial participation

13 A. THE AUTHORITY MAY:

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

19 2. DO ALL THINGS NECESSARY OR CONVENIENT TO ACCOMPLISH THE PURPOSES
20 DESCRIBED IN THIS SUBSECTION.

21 B. EXCEPT AS PROVIDED BY SECTION 5-1139, MONIES OF THE AUTHORITY MAY
22 BE USED FOR THE PURPOSES OF:

23 1. ATTRACTING MAJOR LEAGUE BASEBALL SPRING TRAINING OPERATIONS TO
24 LOCATIONS IN THE AUTHORITY.

25 2. RETAINING MAJOR LEAGUE BASEBALL SPRING TRAINING OPERATIONS IN THEIR
26 CURRENT LOCATIONS IN THE AUTHORITY.

27 C. THE AUTHORITY BOARD MAY REQUIRE THAT ANY PROJECT UNDERTAKEN
28 PURSUANT TO THIS SECTION INCLUDE FINANCIAL PARTICIPATION FROM THE COUNTY OR
29 MUNICIPALITY IN WHICH THE PROJECT IS LOCATED, FROM A PRIVATE PARTY OR FROM
30 ANY COMBINATION OF THESE ENTITIES. CAPITAL IMPROVEMENT MONIES SPENT BY A
31 COUNTY, MUNICIPALITY OR PRIVATE PARTY FOR A PURPOSE AUTHORIZED BY THIS
32 SECTION MAY BE CONSIDERED TO BE FINANCIAL PARTICIPATION WITH RESPECT TO ANY
33 PROJECT THE AUTHORITY MAY UNDERTAKE IF THE EXPENDITURES OCCUR AFTER THE
34 AUTHORITY IS ESTABLISHED.

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

38 E. BEFORE UNDERTAKING THE PLANNING OR CONSTRUCTION OF THE FIRST NEW
39 FACILITY UNDER THIS SECTION, THE AUTHORITY BOARD MAY CONSIDER THE COSTS OF
40 ANTICIPATED REQUIRED RENOVATIONS OF EXISTING FACILITIES AND SHALL CONSIDER
41 SUCH COSTS FOR SUBSEQUENT NEW FACILITIES.

1 5-1107. Youth sports and recreation; local financial
2 participation

3 A. EXCEPT AS PROVIDED BY SECTION 5-1139, THE AUTHORITY SHALL SPEND AT
4 LEAST TEN PER CENT OF ITS GENERAL REVENUES FOR THE PURPOSE OF PROMOTING YOUTH
5 SPORTS AND RECREATION AND MAY:

6 1. ACQUIRE LAND OR CONSTRUCT, FINANCE, FURNISH, MAINTAIN, IMPROVE,
7 OPERATE, MARKET OR PROMOTE THE USE OF YOUTH SPORTS FACILITIES, RECREATIONAL
8 FACILITIES AND OTHER COMMUNITY FACILITIES OR PROGRAMS THAT ARE LOCATED IN THE
9 AUTHORITY.

10 2. DO ALL THINGS NECESSARY OR CONVENIENT TO ACCOMPLISH THE PURPOSES
11 DESCRIBED IN THIS SUBSECTION.

12 B. THE AUTHORITY BOARD MAY REQUIRE THAT ANY PROJECT UNDERTAKEN
13 PURSUANT TO THIS SECTION INCLUDE FINANCIAL PARTICIPATION FROM THE COUNTY,
14 MUNICIPALITY OR SCHOOL DISTRICT IN WHICH THE PROJECT IS LOCATED, FROM ANY
15 OTHER PARTY OR FROM ANY COMBINATION OF THESE ENTITIES. CAPITAL IMPROVEMENT
16 MONIES SPENT BY A COUNTY, MUNICIPALITY, SCHOOL DISTRICT OR OTHER PARTY FOR A
17 PURPOSE AUTHORIZED BY THIS SECTION MAY BE CONSIDERED TO BE FINANCIAL
18 PARTICIPATION WITH RESPECT TO ANY PROJECT THE AUTHORITY MAY UNDERTAKE IF THE
19 EXPENDITURES OCCUR AFTER THE AUTHORITY IS ESTABLISHED.

20 C. FOR THE PURPOSES OF FINANCING, DESIGNING, CONSTRUCTING OR OPERATING
21 FACILITIES OR STRUCTURES, THE AUTHORITY IS NOT THE AGENT OF ANY OTHER PARTY
22 PARTICIPATING IN THE FUNDING OF THE FACILITY OR STRUCTURE AFTER THE AUTHORITY
23 IS ESTABLISHED.

24 D. FOR THE PURPOSES OF SUBSECTION A OF THIS SECTION, THE AMOUNT SPENT
25 SHALL BE MEASURED AT THE END OF EVERY TENTH FISCAL YEAR FOLLOWING THE
26 ESTABLISHMENT OF THE AUTHORITY FOR THE ENTIRE PERIOD SINCE THE FORMATION OF
27 THE AUTHORITY, EXCEPT THAT THE REQUIREMENT SHALL NOT INTERFERE WITH, DELAY OR
28 IMPEDE THE PAYMENT OF ANY AMOUNTS DUE AND PAYABLE ON ANY OUTSTANDING
29 OBLIGATION OF THE AUTHORITY.

30 5-1108. Gift ban; exemptions

31 A. A PRINCIPAL OR LOBBYIST OR ANY OTHER PERSON ACTING ON BEHALF OF A
32 PRINCIPAL OR LOBBYIST SHALL NOT GIVE A GIFT TO ANY MEMBER OF THE BOARD OF
33 DIRECTORS OR ANY MEMBER OR EMPLOYEE OF THE AUTHORITY BOARD, AND AN AUTHORITY
34 BOARD MEMBER OR EMPLOYEE SHALL NOT ACCEPT A GIFT FROM A PRINCIPAL OR
35 LOBBYIST.

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

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

40 2. A FAMILY GIFT.

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

43 4. ANY DISCOUNT OR OTHER BENEFIT THAT IS OFFERED TO A BOARD MEMBER OR
44 EMPLOYEE ON THE SAME CONDITIONS AS TO THE PUBLIC, TO A CLASS CONSISTING OF

- 1 ALL BOARD MEMBERS AND EMPLOYEES OR TO A GROUP OR CLASS IN WHICH MEMBERSHIP IS
2 UNRELATED TO BEING A BOARD MEMBER OR EMPLOYEE.
- 3 5. AN EDUCATIONAL EVENT OR SPEAKING ENGAGEMENT.
- 4 6. EXPENSES RELATING TO A SPECIAL EVENT OR FUNCTION TO WHICH ALL
5 MEMBERS OF THE BOARD ARE INVITED AND THAT ARE PROPERLY REPORTED.
- 6 7. FLOWERS.
- 7 8. FOOD AND BEVERAGE.
- 8 9. INFORMATIONAL MATERIAL, INCLUDING A BOOK, CALENDAR, PAMPHLET,
9 PERIODICAL, REPORT OR VIDEO.
- 10 10. AN ITEM THAT IS NOT USED AND THAT IS RETURNED TO THE DONOR WITHIN
11 FIFTEEN DAYS AFTER RECEIPT OR THAT IS DELIVERED TO A CHARITABLE ORGANIZATION
12 WITHIN FIFTEEN DAYS AFTER RECEIPT AND THAT IS NOT CLAIMED AS A CHARITABLE
13 CONTRIBUTION FOR STATE OR FEDERAL INCOME TAX PURPOSES.
- 14 11. AN ITEM THAT IS GIVEN TO A BOARD MEMBER OR EMPLOYEE IF THE BOARD
15 MEMBER OR EMPLOYEE GIVES AN ITEM OF APPROXIMATELY THE SAME VALUE TO THE GIVER
16 OF THE ITEM AT THE SAME TIME THAT THE ITEM IS GIVEN OR ON A SIMILAR OCCASION
17 AS THE ONE THAT PROMPTED THE ORIGINAL ITEM TO BE GIVEN.
- 18 12. AN ITEM OF A PERSONAL NATURE THAT WAS CUSTOMARILY RECEIVED BY AN
19 INDIVIDUAL FROM THE DONOR BEFORE THE INDIVIDUAL BECAME A BOARD MEMBER OR
20 EMPLOYEE.
- 21 13. AN ITEM THAT IS GIVEN TO THE GENERAL PUBLIC AT AN EVENT.
- 22 14. AN ITEM OF NOMINAL VALUE SUCH AS A GREETING CARD, BASEBALL CAP,
23 T-SHIRT, MUG OR PEN.
- 24 15. NONRECREATIONAL TRAVEL OR LODGING, OR BOTH.
- 25 16. PERSONAL HOSPITALITY.
- 26 17. A PLAQUE, AWARD OR OTHER FORM OF RECOGNITION TO A BOARD MEMBER OR
27 EMPLOYEE TO SIGNIFY THE HONORARY RECOGNITION OF A SERVICE OR OTHER NOTABLE
28 ACCOMPLISHMENT.
- 29 18. PROFESSIONAL OR CONSULTING SERVICES THAT ARE RENDERED ON MATTERS
30 DIRECTLY RELATED TO HOLDING A POSITION ON THE BOARD OR BEING AN EMPLOYEE OF
31 THE BOARD AND THAT ARE NOT RENDERED TO OBTAIN A BENEFIT FOR ANY REGISTERED
32 PRINCIPAL, PUBLIC BODY, LOBBYIST, DESIGNATED PUBLIC LOBBYIST OR AUTHORIZED
33 PUBLIC LOBBYIST OR THE CLIENTS OF A PRINCIPAL OR LOBBYIST.
- 34 5-1109. Regulating sale, use and consumption of alcoholic
35 beverages
- 36 SUBJECT TO THE REQUIREMENTS OF TITLE 4, THE AUTHORITY BOARD MAY PERMIT
37 AND REGULATE THE SALE, USE AND CONSUMPTION OF ALCOHOLIC BEVERAGES AT EVENTS
38 HELD ON PROPERTY ACQUIRED, LEASED OR SUBLEASED UNDER THIS CHAPTER.
- 39 5-1110. Conflicts of interest
- 40 A. THE MEMBERS OF THE AUTHORITY BOARD ARE SUBJECT TO TITLE 38, CHAPTER
41 3, ARTICLE 8, RELATING TO CONFLICTS OF INTEREST, INCLUDING THE PENALTIES
42 PRESCRIBED BY SECTION 38-510.
- 43 B. A MEMBER OF THE BOARD OF DIRECTORS SHALL NOT HAVE ANY DIRECT OR
44 INDIRECT FINANCIAL INTEREST IN ANY:
- 45 1. PROPERTY OWNED, PURCHASED OR CONSTRUCTED BY THE DISTRICT.

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

3 B. THE AUTHORITY BOARD:

4 1. SHALL TRANSMIT A COPY OF THE BUDGET TO THE DISTRICT BOARD OF
5 DIRECTORS.

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

7 5-1132. General fund; investments

8 A. THE AUTHORITY SHALL MAINTAIN A GENERAL FUND AND MAY ESTABLISH
9 ACCOUNTS AND SUBACCOUNTS WITHIN THE GENERAL FUND AS NECESSARY AND CONVENIENT.
10 ALL REVENUES AND MONIES RECEIVED BY THE AUTHORITY SHALL INITIALLY BE
11 DEPOSITED IN THE GENERAL FUND.

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

16 C. THE AUTHORITY'S INVESTMENTS MUST MATURE WHEN THE FUND ASSETS WILL
17 BE REQUIRED FOR THE PURPOSES OF THIS CHAPTER. IF THE LIQUID ASSETS IN THE
18 FUND OR ANY ACCOUNT OR SUBACCOUNT BECOME INSUFFICIENT TO MEET THE STATUTORY
19 OBLIGATIONS, THE AUTHORITY BOARD SHALL DIRECT THE AUTHORITY'S FISCAL AGENT TO
20 LIQUIDATE SUFFICIENT SECURITIES TO MEET ALL OF THE CURRENT OBLIGATIONS AND
21 IMMEDIATELY NOTIFY THE DISTRICT BOARD OF DIRECTORS AND THE AUDITOR GENERAL OF
22 THE INSUFFICIENCY. THE AUDITOR GENERAL SHALL INVESTIGATE AND AUDIT THE
23 CIRCUMSTANCES SURROUNDING THE DEPLETION OF THE FUND, ACCOUNT OR SUBACCOUNT
24 AND REPORT THE FINDINGS TO THE AUTHORITY BOARD AND THE BOARD OF DIRECTORS.

25 5-1133. Excise tax on car rentals

26 A. THE QUALIFIED ELECTORS, BY MAJORITY VOTE AT AN ELECTION HELD
27 PURSUANT TO SECTION 5-1103, MAY LEVY AND, IF LEVIED, THE DEPARTMENT OF
28 REVENUE SHALL COLLECT AN EXCISE TAX ON THE GROSS PROCEEDS OF SALES OR GROSS
29 INCOME FROM THE BUSINESS OF LEASING OR RENTING MOTOR VEHICLES IN THE
30 AUTHORITY BY A PERSON ENGAGING OR CONTINUING IN A BUSINESS TAXED UNDER TITLE
31 42, CHAPTER 5 AND CLASSIFIED UNDER SECTION 42-5071, BEGINNING ON THE FIRST
32 DAY OF THE FIRST MONTH BEGINNING NINETY DAYS AFTER THE ELECTION. THE TAX
33 SHALL BE IN EFFECT FOR THREE HUNDRED SIXTY MONTHS EXCEPT AS PROVIDED BY
34 SECTION 5-1139. THE TAX IMPOSED PURSUANT TO THIS SECTION IS IN ADDITION TO
35 ANY OTHER TAXES LEVIED BY THIS STATE OR ANY OTHER POLITICAL SUBDIVISION OF
36 THIS STATE.

37 B. EXCEPT AS PROVIDED BY SECTION 5-1139, THE RATE OF THE TAX IS .35
38 PER CENT OF THE TAX BASE PRESCRIBED BY SECTION 42-5071.

39 C. THE TAX APPLIES TO THE BUSINESS OF LEASING OR RENTING IN THE
40 AUTHORITY, FOR LESS THAN ONE YEAR, MOTOR VEHICLES FOR HIRE WITHOUT A DRIVER
41 THAT ARE DESIGNED TO OPERATE ON THE STREETS AND HIGHWAYS OF THIS STATE AND
42 THAT ARE PRIMARILY INTENDED TO CARRY NOT MORE THAN FOURTEEN PASSENGERS,
43 REGARDLESS OF WHETHER THE VEHICLE IS REGISTERED OR LICENSED IN THIS STATE.

44 D. THE TAX DOES NOT APPLY TO THE LEASE OR RENTAL OF:

1 1. A MOTOR VEHICLE AS A TEMPORARY REPLACEMENT VEHICLE THAT IS LOANED
2 AT NO CHARGE BY A REPAIR FACILITY OR DEALER FOR USE WHILE THE VEHICLE THAT IT
3 IS REPLACING IS NOT IN SERVICE BECAUSE OF BREAKDOWN, REPAIR, SERVICE, DAMAGE
4 OR LOSS.

5 2. A MOTOR VEHICLE TO AN AUTOMOBILE DEALERSHIP, A REPAIR FACILITY, AN
6 INSURANCE COMPANY OR ANY OTHER PERSON THAT PROVIDES THAT VEHICLE AT NO CHARGE
7 TO A PERSON WHOSE OWN MOTOR VEHICLE IS BEING REPAIRED, ADJUSTED OR SERVICED.

8 E. THE TAX IS NOT TAXABLE UNDER SECTION 42-5071.

9 5-1134. Excise tax on hotels and motels

10 A. THE QUALIFIED ELECTORS, BY MAJORITY VOTE AT AN ELECTION HELD
11 PURSUANT TO SECTION 5-1103, MAY LEVY AND, IF LEVIED, THE DEPARTMENT OF
12 REVENUE SHALL COLLECT A TAX ON THE GROSS PROCEEDS OF SALES OR GROSS INCOME
13 FROM THE BUSINESS OF EVERY PERSON ENGAGING OR CONTINUING IN A BUSINESS TAXED
14 UNDER TITLE 42, CHAPTER 5 AND CLASSIFIED UNDER SECTION 42-5070 WITHIN THE
15 AUTHORITY. A TAX UNDER THIS SECTION IS IN ADDITION TO THE TAX IMPOSED BY
16 TITLE 42, CHAPTER 5 AND ANY TAX IMPOSED BY ANY OTHER POLITICAL SUBDIVISION IN
17 THE AUTHORITY.

18 B. IF LEVIED, THE TAX SHALL BE LEVIED UNDER THIS SECTION BEGINNING ON
19 THE FIRST DAY OF THE FIRST MONTH BEGINNING NINETY DAYS AFTER THE ELECTION,
20 AND SHALL CONTINUE IN THIS MANNER FOR THREE HUNDRED SIXTY MONTHS EXCEPT AS
21 PROVIDED BY SECTION 5-1139.

22 C. EXCEPT AS PROVIDED BY SECTION 5-1139, THE RATE OF THE TAX IS .45
23 PER CENT OF THE TAX BASE PRESCRIBED BY SECTION 42-5070.

24 5-1135. Tax on restaurants and bars

25 A. THE QUALIFIED ELECTORS, BY MAJORITY VOTE AT AN ELECTION HELD
26 PURSUANT TO SECTION 5-1103, MAY LEVY AND, IF LEVIED, THE DEPARTMENT OF
27 REVENUE SHALL COLLECT A TAX ON THE GROSS PROCEEDS OF SALES OR GROSS INCOME
28 FROM THE BUSINESS OF EVERY PERSON ENGAGING OR CONTINUING IN A BUSINESS TAXED
29 UNDER TITLE 42, CHAPTER 5 AND CLASSIFIED UNDER SECTION 42-5074 IN THE
30 AUTHORITY. A TAX UNDER THIS SECTION IS IN ADDITION TO THE TAX IMPOSED BY
31 TITLE 42, CHAPTER 5 AND ANY TAX IMPOSED BY ANY OTHER POLITICAL SUBDIVISION IN
32 THE AUTHORITY.

33 B. IF LEVIED, THE TAX SHALL BE LEVIED UNDER THIS SECTION BEGINNING ON
34 THE FIRST DAY OF THE FIRST MONTH BEGINNING NINETY DAYS AFTER THE ELECTION,
35 AND SHALL CONTINUE IN THIS MANNER FOR THREE HUNDRED SIXTY MONTHS EXCEPT AS
36 PROVIDED BY SECTION 5-1139.

37 C. EXCEPT AS PROVIDED BY SECTION 5-1139, THE RATE OF THE TAX IS .25
38 PER CENT OF THE TAX BASE PRESCRIBED BY SECTION 42-5074.

39 5-1136. Tax on amusements and sporting events

40 A. THE QUALIFIED ELECTORS, BY MAJORITY VOTE AT AN ELECTION HELD
41 PURSUANT TO SECTION 5-1103, MAY LEVY AND, IF LEVIED, THE DEPARTMENT OF
42 REVENUE SHALL COLLECT A TAX ON THE GROSS PROCEEDS OF SALES OR GROSS INCOME
43 FROM PERSONS TAXED UNDER TITLE 42, CHAPTER 5 AND CLASSIFIED UNDER SECTION
44 42-5073 IN THE AUTHORITY.

1 B. IF LEVIED, THE TAX SHALL BE LEVIED UNDER THIS SECTION BEGINNING ON
2 THE FIRST DAY OF THE FIRST MONTH BEGINNING NINETY DAYS AFTER THE ELECTION,
3 AND SHALL CONTINUE IN THIS MANNER FOR THREE HUNDRED SIXTY MONTHS EXCEPT AS
4 PROVIDED BY SECTION 5-1139.

5 C. EXCEPT AS PROVIDED BY SECTION 5-1139, THE RATE OF THE TAX IS .35
6 PER CENT OF THE TAX BASE PRESCRIBED BY SECTION 42-5073.

7 5-1137. Tax on retail

8 A. THE QUALIFIED ELECTORS, BY MAJORITY VOTE AT AN ELECTION HELD
9 PURSUANT TO SECTION 5-1103, MAY LEVY AND, IF LEVIED, THE DEPARTMENT OF
10 REVENUE SHALL COLLECT A TAX ON THE GROSS PROCEEDS OF SALES OR GROSS INCOME
11 FROM THE BUSINESS OF EVERY PERSON ENGAGING OR CONTINUING IN A BUSINESS TAXED
12 UNDER TITLE 42, CHAPTER 5 AND CLASSIFIED UNDER SECTION 42-5061 IN THE
13 AUTHORITY. A TAX UNDER THIS SECTION IS IN ADDITION TO THE TAX IMPOSED BY
14 TITLE 42, CHAPTER 5 AND ANY TAX IMPOSED BY ANY OTHER POLITICAL SUBDIVISION IN
15 THE AUTHORITY.

16 B. IF LEVIED, THE TAX SHALL BE LEVIED UNDER THIS SECTION BEGINNING ON
17 THE FIRST DAY OF THE FIRST MONTH BEGINNING NINETY DAYS AFTER THE ELECTION,
18 AND SHALL CONTINUE IN THIS MANNER FOR THREE HUNDRED SIXTY MONTHS EXCEPT AS
19 PROVIDED BY SECTION 5-1139.

20 C. EXCEPT AS PROVIDED BY SECTION 5-1139, THE RATE OF THE TAX IS .15
21 PER CENT OF THE TAX BASE PRESCRIBED BY SECTION 42-5061.

22 5-1138. Administration of tax

23 A. UNLESS THE CONTEXT OTHERWISE REQUIRES, SECTION 42-6102 GOVERNS THE
24 ADMINISTRATION OF THE TAXES IMPOSED UNDER THIS ARTICLE.

25 B. EACH MONTH THE STATE TREASURER SHALL TRANSMIT THE NET REVENUES
26 COLLECTED PURSUANT TO THIS ARTICLE TO THE AUTHORITY FOR DEPOSIT IN THE
27 GENERAL FUND.

28 5-1139. Conditional reduction of district taxes

29 A. IF, SEVENTY-TWO MONTHS AFTER THE DISTRICT IS ESTABLISHED, AT LEAST
30 TWO MAJOR LEAGUE BASEBALL FRANCHISES HAVE NOT EXECUTED BINDING CONTRACTUAL
31 AGREEMENTS FOR USE OF STADIUMS AND OTHER FACILITIES IN THE DISTRICT AS THEIR
32 EXCLUSIVE SITES FOR SPRING TRAINING OPERATIONS FOR TERMS OF AT LEAST TEN
33 YEARS, THE RESPECTIVE TAX RATES PRESCRIBED BY SECTIONS 5-1133 THROUGH 5-1137
34 ARE REDUCED BY FIFTY PER CENT AS PROVIDED BY PARAGRAPH 2 OF THIS SUBSECTION,
35 AND THE DISTRICT SHALL USE ALL REVENUES PRODUCED BY THE REDUCED RATES
36 EXCLUSIVELY FOR THE PROMOTION OF YOUTH AND AMATEUR SPORTS AS PROVIDED BY
37 SECTION 5-1107. IF THE CONDITION DESCRIBED BY THIS SUBSECTION OCCURS:

38 1. THE EXECUTIVE DIRECTOR SHALL NOTIFY THE DEPARTMENT OF REVENUE IN
39 WRITING ON OR BEFORE THE DATE THAT IS SEVENTY-TWO MONTHS AFTER THE DISTRICT
40 IS ESTABLISHED.

41 2. THE REDUCED TAX RATES ARE EFFECTIVE ON THE FIRST DAY OF THE FIRST
42 MONTH THAT IS AT LEAST NINETY DAYS AFTER THE DATE OF NOTIFICATION.

43 B. IF, AT ANY SUBSEQUENT TIME, AT LEAST TWO MAJOR LEAGUE BASEBALL
44 FRANCHISES EXECUTE BINDING CONTRACTUAL AGREEMENTS FOR USE OF STADIUMS AND
45 OTHER FACILITIES IN THE DISTRICT AS THEIR EXCLUSIVE SITES FOR SPRING TRAINING

1 OPERATIONS FOR TERMS OF AT LEAST TEN YEARS, THE RESPECTIVE TAX RATES
2 PRESCRIBED BY SECTIONS 5-1133 THROUGH 5-1137 SHALL BE REINSTATED AT THE FULL
3 AMOUNTS AS PROVIDED BY PARAGRAPH 2 OF THIS SUBSECTION, AND THE DISTRICT SHALL
4 USE THE REVENUES AS PROVIDED BY LAW WITHOUT CONDITION. IF THE CONDITION
5 DESCRIBED BY THIS SUBSECTION OCCURS:

6 1. THE EXECUTIVE DIRECTOR SHALL NOTIFY THE DEPARTMENT OF REVENUE IN
7 WRITING ON OR BEFORE THE DATE THAT THE SECOND CONTRACT IS ENTERED INTO.

8 2. THE INCREASED TAX RATES ARE EFFECTIVE ON THE FIRST DAY OF THE FIRST
9 MONTH THAT IS AT LEAST NINETY DAYS AFTER THE DATE OF NOTIFICATION.

10 5-1140. Annual audit

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

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

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

24 ARTICLE 3. REVENUE BONDS

25 5-1161. Definitions

26 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

29 (a) BONDS AND NOTES.

30 (b) CERTIFICATES OF PARTICIPATION IN A LEASE-PURCHASE OR CERTIFICATES
31 OF PURCHASE IN A LEASE OR INSTALLMENT PURCHASE AGREEMENT.

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

34 2. "BOND RELATED EXPENSES" MEANS ANY EXPENSES INCURRED BY THE
35 AUTHORITY FOR ISSUING AND ADMINISTERING ITS BONDS, INCLUDING UNDERWRITING
36 FEES AND COSTS, TRUSTEE FEES, FINANCIAL CONSULTANT FEES, PRINTING AND
37 ADVERTISING COSTS, PAYING AGENT FEES, TRANSFER AGENT FEES, LEGAL, ACCOUNTING,
38 FEASIBILITY CONSULTANT AND OTHER PROFESSIONAL FEES AND EXPENSES, CREDIT
39 ENHANCEMENT FEES, ATTORNEY AND ACCOUNTING FEES AND EXPENSES RELATED TO CREDIT
40 ENHANCEMENT, BOND INSURANCE OR LIQUIDITY ENHANCEMENT, REMARKETING FEES,
41 RATING AGENCY FEES AND COSTS, TRAVEL AND TELEPHONE EXPENSES AND ALL OTHER
42 FEES CONSIDERED NECESSARY BY THE AUTHORITY BOARD IN ORDER TO MARKET AND
43 ADMINISTER THE BONDS.

1 3. "SPORTS AUTHORITY PURPOSE" INCLUDES:

2 (a) THE CAPITAL COSTS OF ACQUIRING, DESIGNING, DEVELOPING,
3 CONSTRUCTING, RECONSTRUCTING, EQUIPPING, FURNISHING, REPAIRING, MAINTAINING
4 AND IMPROVING STADIUMS AND MULTIPURPOSE FACILITIES, DIRECTLY RELATED
5 IMPROVEMENTS AND INFRASTRUCTURE, EXCEPT AS OTHERWISE LIMITED BY THIS
6 ARTICLE. FOR THE PURPOSES OF THIS SUBDIVISION, "INFRASTRUCTURE" MEANS
7 IMPROVEMENTS THAT WILL DIRECTLY AND PRINCIPALLY BENEFIT THE STADIUM OR
8 MULTIPURPOSE FACILITY AND INCLUDES:

- 9 (i) SANITARY SEWAGE SYSTEMS.
10 (ii) DRAINAGE AND FLOOD CONTROL SYSTEMS.
11 (iii) WATER SYSTEMS.
12 (iv) ROADWAYS FOR ACCESS, ENTRY AND EXIT AND PARKING FACILITIES.
13 (v) PEDESTRIAN AND OTHER NONMOTORIZED FACILITIES FOR ACCESS, ENTRY AND
14 EXIT AND PARKING.
15 (vi) LANDSCAPING.
16 (vii) LIGHTING SYSTEMS.
17 (viii) TRAFFIC CONTROL SYSTEMS, SIGNALS, CONTROLS, MARKINGS AND
18 SIGNAGE.
19 (b) THE PAYMENT OF BONDS.
20 (c) BOND RELATED EXPENSES.

21 5-1162. Obligation for the bonds

22 BONDS ISSUED UNDER THIS ARTICLE:

- 23 1. ARE PAYABLE ONLY ACCORDING TO THEIR TERMS.
24 2. ARE OBLIGATIONS OF THE AUTHORITY.
25 3. ARE NOT GENERAL, SPECIAL OR OTHER OBLIGATIONS OF THIS STATE, OR OF
26 THE COUNTY OR ANY CITY OR TOWN LOCATED IN THE AUTHORITY. THE MEMBERS OF THE
27 BOARD OF DIRECTORS AND THE AUTHORITY BOARD AND PERSONS WHO EXECUTE THE BONDS
28 ARE NOT PERSONALLY LIABLE FOR PAYMENT OF THE BONDS.
29 4. DO NOT CONSTITUTE A DEBT OF THIS STATE OR OF THE COUNTY OR ANY CITY
30 OR TOWN LOCATED IN THE AUTHORITY.
31 5. ARE NOT ENFORCEABLE AGAINST THIS STATE. PAYMENT OF THE BONDS IS
32 ENFORCEABLE ONLY OUT OF ANY MONIES OR ASSETS OF THE AUTHORITY SPECIFICALLY
33 PLEDGED AND ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS
34 OF THE BONDS.

35 5-1163. Authorization of bonds

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

- 38 1. PROVIDE SUFFICIENT MONIES FOR ANY SPORTS AUTHORITY PURPOSES.
39 2. ESTABLISH AND FULLY OR PARTIALLY FUND ANY REQUIRED RESERVES OR
40 SINKING ACCOUNTS.
41 3. ISSUE REFUNDING BONDS TO REFUND BONDS ISSUED BY THE AUTHORITY IF
42 THE AUTHORITY BOARD CONSIDERS REFUNDING TO BE EXPEDIENT. THE BOARD MAY
43 PROVIDE FOR INVESTING AND HOLDING THE PROCEEDS OF THE REFUNDING BONDS IN
44 TRUST FOR THE BENEFIT OF THE HOLDERS OF THE BONDS BEING REFUNDED.

1 B. THE AUTHORITY BOARD SHALL AUTHORIZE THE BONDS BY RESOLUTION. THE
2 RESOLUTION SHALL PRESCRIBE:

3 1. THE REVENUE SOURCES THAT ARE PLEDGED AND DEDICATED TO SECURE THE
4 BONDS.

5 2. THE RATE OR RATES OF INTEREST, WHICH MAY BE FIXED OR VARIABLE, THE
6 DATE OR DATES ON WHICH INTEREST IS PAYABLE AND THE DENOMINATIONS OF THE
7 BONDS.

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

10 4. THE MANNER OF EXECUTING THE BONDS.

11 5. THE MEDIUM AND PLACE OF PAYMENT.

12 6. THE TERMS OF REDEMPTION, WHICH MAY PROVIDE FOR A PREMIUM FOR EARLY
13 REDEMPTION.

14 5-1164. Issuance and sale of bonds

15 A. THE AUTHORITY BOARD SHALL ISSUE THE BONDS IN THE NUMBER AND AMOUNT
16 PROVIDED IN THE RESOLUTION. THE AUTHORITY BOARD SHALL PROVIDE PUBLISHED
17 NOTICE WITHIN FIFTEEN DAYS TO THE PUBLIC AND TO THE DISTRICT BOARD OF
18 DIRECTORS OF ITS INTENTION TO ISSUE BONDS.

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

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

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

29 5-1165. Bond proceeds account

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

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

35 C. THE AUTHORITY'S FISCAL AGENT SHALL ADMINISTER AND ACCOUNT FOR THE
36 BOND PROCEEDS ACCOUNT.

37 5-1166. Debt service account

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

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

1 C. THE AUTHORITY'S FISCAL AGENT SHALL ADMINISTER AND ACCOUNT FOR THE
2 DEBT SERVICE ACCOUNT.

3 5-1167. 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 AUTHORITY BOARD BY
6 RESOLUTION MAY:

7 1. PLEDGE FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS ALL
8 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 GENERAL
10 FUND.

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

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

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

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

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

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

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

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

31 5-1168. Lien of pledge

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

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

43 5-1169. Bond purchase for cancellation

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

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

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

6 5-1170. Payment of bonds

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

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

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

12 5-1171. Investment of monies in the bond proceeds account

13 A. THE AUTHORITY BOARD MAY AUTHORIZE THE AUTHORITY'S FISCAL AGENT TO
14 INVEST MONIES IN THE BOND PROCEEDS ACCOUNT IN THE MANNER PRESCRIBED BY
15 SECTION 5-1173.

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

20 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE
21 INVESTMENT OF THE MONIES IN THE BOND PROCEEDS ACCOUNT SHALL BE CREDITED AS
22 DESCRIBED IN THE AUTHORIZING RESOLUTION.

23 5-1172. Investment of monies in the debt service account

24 A. THE AUTHORITY BOARD MAY AUTHORIZE THE AUTHORITY'S FISCAL AGENT TO
25 INVEST AND REINVEST ANY MONIES IN THE DEBT SERVICE ACCOUNT AS PROVIDED BY
26 SECTION 5-1173.

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

31 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE
32 INVESTMENT OF THE MONIES IN THE DEBT SERVICE ACCOUNT SHALL BE CREDITED AS
33 DESCRIBED IN THE AUTHORIZING RESOLUTION.

34 5-1173. Authorized investment of monies

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

- 38 1. UNITED STATES TREASURY OBLIGATIONS.
39 2. CONSOLIDATED FARM LOAN BONDS.
40 3. OBLIGATIONS ISSUED BY THE FEDERAL INTERMEDIATE CREDIT BANKS OR
41 BONDS FOR COOPERATIVES ON AUTHORITY OF THE FARM CREDIT ACT OF 1933.
42 4. ANY OTHER OBLIGATIONS GUARANTEED BY THE UNITED STATES GOVERNMENT.
43 5. ANY INVESTMENTS THAT ARE AUTHORIZED BY ANY OTHER AGENCIES OF THE
44 UNITED STATES GOVERNMENT AND THAT ARE AUTHORIZED TO SECURE PUBLIC DEPOSITS.

1 6. STATE AND LOCAL GOVERNMENT SERIES UNITED STATES TREASURY
2 SECURITIES.

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

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

7 9. INVESTMENT AGREEMENTS FROM PROVIDERS RATED IN ONE OF THE TWO
8 HIGHEST RATING CATEGORIES BY A NATIONALLY RECOGNIZED RATING AGENCY.

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

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

16 5-1174. Deposit and disbursement of monies

17 A. MONIES DERIVED FROM SELLING BONDS UNDER THIS ARTICLE OR PLEDGED OR
18 ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS OF THE BONDS
19 SHALL BE DEPOSITED BY THE AUTHORITY'S FISCAL AGENT IN FINANCIAL INSTITUTIONS
20 THAT THE AUTHORITY BOARD DESIGNATES AND THAT ARE INSURED BY AN AGENCY OR
21 INSTRUMENTALITY OF THE UNITED STATES. THE MONIES SHALL BE DISBURSED AS THE
22 AUTHORITY BOARD DIRECTS AND ACCORDING TO THE TERMS OF ANY AGREEMENTS WITH THE
23 HOLDER OR HOLDERS OF THE BONDS.

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

29 5-1175. Characteristics of bonds; negotiability; legal
30 investments; exemption from taxation

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

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

37 C. BONDS ISSUED UNDER THIS ARTICLE:

38 1. ARE SECURITIES IN WHICH PUBLIC OFFICERS AND BODIES OF THIS STATE
39 AND OF MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE, ALL
40 COMPANIES, ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS,
41 ALL FINANCIAL INSTITUTIONS, INVESTMENT COMPANIES AND OTHER PERSONS CARRYING
42 ON A BANKING BUSINESS, ALL FIDUCIARIES AND ALL OTHER PERSONS WHO ARE
43 AUTHORIZED TO INVEST IN GOVERNMENT OBLIGATIONS MAY PROPERLY AND LEGALLY
44 INVEST.

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

4 5-1176. Effect of changing circumstances on bonds; agreement of
5 state

6 A. BONDS ISSUED UNDER THIS ARTICLE REMAIN VALID AND BINDING
7 OBLIGATIONS OF THE AUTHORITY NOTWITHSTANDING THAT BEFORE THE DELIVERY OF THE
8 BONDS ANY PERSON WHOSE SIGNATURE APPEARS ON THE BONDS CEASES TO BE AN OFFICER
9 OF THE AUTHORITY.

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

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

24 5-1177. Validity of bonds; legal opinion

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

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

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

44 D. THE BONDS SHALL RECITE THAT THEY ARE REGULARLY ISSUED PURSUANT TO
45 THIS ARTICLE. THAT RECITAL, TOGETHER WITH THE LEGAL OPINION UNDER SUBSECTION

1 C, CONSTITUTES PRIMA FACIE EVIDENCE OF THE LEGALITY AND VALIDITY OF THE
2 BONDS. FROM AND AFTER THE SALE AND DELIVERY OF THE BONDS, THEY ARE
3 INCONTESTABLE BY THIS STATE OR THE AUTHORITY.

4 Sec. 2. Succession

5 A sports authority district established pursuant to title 5, chapter 9,
6 Arizona Revised Statutes, as added by this act, succeeds to the
7 responsibilities of any pre-existing sports authority established by the
8 board of supervisors in the county, and all existing contracts, agreements
9 and other legally binding obligations of the pre-existing authority are
10 transferred to and retain their same status with the sports authority
11 district.

12 Sec. 3. Conditional repeal

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

18 B. The clerk of the board of supervisors that conducts the election
19 shall notify in writing the director of legislative council of the results of
20 the election and whether the condition described in subsection A of this
21 section occurred.

22 Sec. 4. Election

23 A. Except as otherwise provided by this section, the election held
24 under section 5-1103, Arizona Revised Statutes, as added by this act, shall:

25 1. Be conducted as nearly as practicable in the manner prescribed for
26 general elections in title 16, Arizona Revised Statutes.

27 2. Be held on November 2, 2010, November 8, 2011, November 6, 2012,
28 November 5, 2013 or November 4, 2014.

29 B. The county election officer shall account for costs specifically
30 incurred with respect to the ballot issue under this section. The sports
31 authority district shall reimburse the county for the costs listed in this
32 subsection specifically incurred with respect to the ballot issue under this
33 section from the authority general fund on submission of the bill by the
34 county election officer. If the electors disapprove the formation of the
35 sports authority district, the election costs may be reimbursed from private
36 sources. Costs specifically incurred with respect to the ballot issue under
37 this section include the following:

38 1. Costs of mailing, publishing, posting and printing ballots,
39 publicity pamphlets, notices, election materials and other matters concerning
40 the election.

- 1 2. Legal and other consulting fees and costs relating to the election.
- 2 3. Telecommunications costs.
- 3 4. Compensation of the election board, county election officers and
- 4 employees and other labor costs incurred to administer, hold, canvass and
- 5 announce the results of the election.
- 6 5. Any other costs attributable to the election.
- 7 C. This act does not constitute a submission of any provision of law
- 8 to the people for approval under the power of the referendum.

APPROVED BY THE GOVERNOR JULY 13, 2009.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 13, 2009.