

REFERENCE TITLE: stadium district; extension; Rio Nuevo

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

HB 2456

Introduced by
Representatives Finchem: Clodfelter, Shooter

AN ACT

AMENDING SECTIONS 42-5031 AND 48-4204, ARIZONA REVISED STATUTES; RELATING
TO COUNTY STADIUM DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-5031, Arizona Revised Statutes, is amended to
3 read:

4 42-5031. Distribution of multipurpose facility revenues to
5 district

6 A. Subject to the requirements of subsection D of this section, if
7 a county stadium district is authorized by an election pursuant to section
8 48-4237, subsection E, paragraph 5 to use the amounts paid to the district
9 pursuant to subsection B of this section as permitted by law, then after
10 delivery of a resolution of the district board of directors requesting
11 payment, which resolution shall contain notice of the exercise of the
12 option to begin payments provided for in this subsection, the state
13 treasurer shall pay each month, beginning with the second calendar month
14 after the optional payment commencement event contained in the resolution,
15 from the amount designated as distribution base pursuant to section
16 42-5029, subsection D, the amount determined under subsection B of this
17 section to the district. Payments under this section shall continue until
18 July 1, ~~2025~~ 2035 or until the date all authorized debt service payments
19 are completed as provided by section 48-4203, subsection B, paragraph 3,
20 whichever date is ~~earlier~~ LATER.

21 B. The amount to be paid each month under subsection A of this
22 section is one-half of the amount of state transaction privilege tax
23 revenues received in the second preceding calendar month from all persons
24 conducting business under any business classification under this article
25 at a multipurpose facility site, or in the construction of a multipurpose
26 facility, the public or district owned components of which cost at least
27 two hundred million dollars to construct. In no event shall the amount to
28 be paid each month under this section exceed the net new state transaction
29 privilege tax revenues received from the multipurpose facility site as
30 compared to the revenues received in the same month during the twelve
31 months ~~prior to~~ BEFORE the month in which the public vote pursuant to
32 section 48-4237 is held. The amount paid to the district shall not exceed
33 the amount required to service the debts and obligations of the district
34 and to meet the purposes set forth in section 48-4204, subsection B.

35 C. The primary component, as described in section 48-4201, shall be
36 constructed during the first phase of the project.

37 D. To qualify for payments under this section, the municipality in
38 which the multipurpose facility site is located must either obtain voter
39 approval for a local transaction privilege tax to pay costs associated
40 with a multipurpose facility, or make a financial commitment by
41 intergovernmental agreement between the municipality and the district to
42 make direct payments to the district from any lawful source, including
43 municipal transaction privilege taxes or to expend monies for land,
44 infrastructure or other improvements directly related to the multipurpose
45 facility or the multipurpose facility site, by the end of the date

1 referred to in subsection A of this section in an aggregate amount equal
2 to the amount received by the district pursuant to this section.

3 E. If the municipality in which the multipurpose facility site is
4 located fails to satisfy the obligations of the municipality pursuant to
5 subsection D of this section, then beginning six months after the date
6 referred to in subsection A of this section, distributions otherwise
7 payable to the municipality pursuant to section 42-5029, subsection C
8 shall be reduced by an amount equal to the excess of the amount received
9 by the district pursuant to this section over the amount paid or expended
10 by the municipality. The amount of the reduction shall be distributed to
11 the district to satisfy the financial commitment of the municipality
12 pursuant to subsection D of this section.

13 F. To comply with the requirements of this section, the county
14 stadium district board of directors or any city or town that is part of
15 the county stadium district shall supply the department with all requested
16 information necessary to administer this section.

17 Sec. 2. Section 48-4204, Arizona Revised Statutes, is amended to
18 read:

19 48-4204. Constructing and operating a stadium and other
20 structures; regulating alcoholic beverages

21 A. From the taxes and surcharges levied pursuant to article 2 of
22 this chapter for use with respect to major league baseball spring
23 training, the district may acquire land and construct, finance, furnish,
24 maintain, improve, operate, market and promote the use of existing or
25 proposed major league baseball spring training facilities or stadiums and
26 other structures, utilities, roads, parking areas or buildings necessary
27 for full use of the training facilities or stadiums for sports and other
28 purposes and do all things necessary or convenient to accomplish those
29 purposes. The board shall require that any project undertaken by the
30 district include financial participation from the county or municipality
31 in which the project is located, from a private party or from any
32 combination of these entities ~~which~~ THE equals or exceeds one-half of the
33 amount to be expended or distributed by the district. Capital improvement
34 funds expended ~~at any time after June 1, 1991~~ by a county, municipality or
35 private party for a purpose authorized by this section may be deemed
36 financial participation with respect to any project the district may
37 undertake.

38 B. From the taxes and charges levied or identified pursuant to
39 section 48-4237 for use with respect to multipurpose facilities and from
40 other monies lawfully available to the district, the district may acquire
41 land and construct, finance, furnish, maintain, improve, operate, market
42 and promote the use of multipurpose facilities and other structures,
43 utilities, roads, parking areas or buildings necessary for full use of the
44 multipurpose facilities and do all things necessary or convenient to
45 accomplish those purposes. Public ~~funds~~ MONIES identified in section

1 48-4237, including ~~funds~~ MONIES distributed pursuant to section 42-5031,
2 may only be used for the components for a multipurpose facility that are
3 owned by the district or that are publicly owned or for the following
4 purposes:

5 1. Debt service for bonds issued by the district before January 1,
6 ~~2009~~ 2025.

7 2. Contractual obligations incurred by the district before June 1,
8 ~~2009~~ 2025.

9 3. Fiduciary, reasonable legal and administrative expenses of the
10 district.

11 4. The design and construction of the hotel and convention center
12 located on the multipurpose facility site.

13 C. For the public ~~funds~~ MONIES identified in section 48-4237,
14 including ~~funds~~ MONIES distributed pursuant to section 42-5031, and from
15 which the district board has planned an expenditure of five hundred
16 thousand dollars or more, the following apply:

17 1. Each district board member shall provide advance notice of the
18 consideration of the expenditure by the board to the person who holds the
19 office that is responsible for that board member's appointment.

20 2. The notice prescribed in paragraph 1 of this subsection must be
21 provided by regular mail delivered to the office that is responsible for
22 that board member's appointment and may be preceded by any other form of
23 notice. The notice must be provided at least two weeks before the date of
24 the meeting and must be posted to the district's website on the day the
25 notice is mailed.

26 3. The notice prescribed in paragraph 1 of this subsection must be
27 accompanied by the board member's written statement as to whether the
28 board member has any financial interest in the subject of the proposed
29 expenditure by the board. The board members' written statements may be
30 provided in a single document that is prepared by the board's
31 administrative personnel but must be signed by the board members and must
32 be posted to the district's website with the notice prescribed in
33 paragraph 1 of this subsection.

34 4. The district board may not artificially divide or fragment
35 planned expenditures so as to circumvent the requirements of this
36 subsection.

37 D. A district established pursuant to section 48-4202, subsection B
38 may not use monies distributed pursuant to section 42-5031 for the
39 salaries or compensation of any employee of the municipality in which the
40 district is located.

41 E. Pursuant to an intergovernmental agreement with the Arizona
42 board of regents, from the revenues collected from assessments pursuant to
43 section 48-4235 for use with respect to Arizona board of regents owned
44 intercollegiate athletic facilities, the district may construct,
45 reconstruct, finance, furnish, maintain and improve existing

1 intercollegiate athletic facilities located on Arizona board of regents'
2 property, including utilities, roads, parking areas or buildings necessary
3 for full use of the athletic facilities.

4 F. Title 34 applies to the district, except that regardless of the
5 funding source for design and construction of facilities and structures
6 the district may establish alternative systems and procedures, including
7 the use of the design-build method of construction or the use of
8 qualifications-based selection of contractors with experience in stadium
9 design or construction, to expedite the design and construction or
10 reconstruction of any of its facilities or structures or any facilities or
11 structures leased to it or used by it pursuant to an intergovernmental
12 agreement. For the purposes of this subsection:

13 1. "Design-build" means a process of entering into and managing a
14 contract between the district and another party in which the other party
15 agrees to both design and build a structure, a facility or other items
16 specified in the contract.

17 2. "Qualifications-based selection" means a process of entering
18 into and managing a contract between the district and another party in
19 which the other party is selected by the district on the basis of the
20 party's qualifications and experience in designing or constructing
21 facilities, structures or other items similar to those the district is
22 authorized to construct or lease. The other party may be selected by
23 direct selection or by public competition.

24 G. For the purposes of financing, designing, constructing,
25 reconstructing or operating facilities or structures, the district is not
26 the agent of any municipality, this state or any agency or instrumentality
27 of this state participating in the funding of such facilities or
28 structures.

29 H. Subject to the requirements of title 4, the board of directors
30 may permit and regulate the sale, use and consumption of alcoholic
31 beverages at events held on property acquired, leased or subleased under
32 this article.