AN ACT

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

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

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

42-5031. Distribution of multipurpose facility revenues to district

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

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

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

D. To qualify for payments under this section, the municipality in which the multipurpose facility site is located must either obtain voter approval for a local transaction privilege tax to pay costs associated with a multipurpose facility, or make a financial commitment by intergovernmental agreement between the municipality and the district to make direct payments to the district from any lawful source, including municipal transaction privilege taxes or to expend monies for land, infrastructure or other improvements directly related to the multipurpose facility or the multipurpose facility site, by the end of the date
referred to in subsection A of this section in an aggregate amount equal
to the amount received by the district pursuant to this section.

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

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

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

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

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

B. From the taxes and charges levied or identified pursuant to
section 48-4237 for use with respect to multipurpose facilities and from
other monies lawfully available to the district, the district may acquire
land and construct, finance, furnish, maintain, improve, operate, market
and promote the use of multipurpose facilities and other structures,
utilities, roads, parking areas or buildings necessary for full use of the
multipurpose facilities and do all things necessary or convenient to
accomplish those purposes. Public funds not expressly identified in section
HB 2456

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

1. Debt service for bonds issued by the district before January 1, 2009.
2. Contractual obligations incurred by the district before June 1, 2009.
3. Fiduciary, reasonable legal and administrative expenses of the district.
4. The design and construction of the hotel and convention center located on the multipurpose facility site.

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

1. Each district board member shall provide advance notice of the consideration of the expenditure by the board to the person who holds the office that is responsible for that board member’s appointment.
2. The notice prescribed in paragraph 1 of this subsection must be provided by regular mail delivered to the office that is responsible for that board member’s appointment and may be preceded by any other form of notice. The notice must be provided at least two weeks before the date of the meeting and must be posted to the district’s website on the day the notice is mailed.
3. The notice prescribed in paragraph 1 of this subsection must be accompanied by the board member’s written statement as to whether the board member has any financial interest in the subject of the proposed expenditure by the board. The board members’ written statements may be provided in a single document that is prepared by the board’s administrative personnel but must be signed by the board members and must be posted to the district’s website with the notice prescribed in paragraph 1 of this subsection.
4. The district board may not artificially divide or fragment planned expenditures so as to circumvent the requirements of this subsection.

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

E. Pursuant to an intergovernmental agreement with the Arizona board of regents, from the revenues collected from assessments pursuant to section 48-4235 for use with respect to Arizona board of regents owned intercollegiate athletic facilities, the district may construct, reconstruct, finance, furnish, maintain and improve existing
intercollegiate athletic facilities located on Arizona board of regents' property, including utilities, roads, parking areas or buildings necessary for full use of the athletic facilities.

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

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

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

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

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