



Bill Number: S.B. 1145

Carroll Floor Amendment

Reference to: Finance Committee Amendment

Amendment drafted by: Leg Council

FLOOR AMENDMENT EXPLANATION

- 1. Prohibits a municipality from operating or using revitalization district infrastructure for any purpose, or from allowing any other person or entity to use the infrastructure for any purpose, unless the municipality that uses or operates the infrastructure pays any balance due to the contractor for the work performed.**
- 2. Requires a repayment agreement between a landowner and revitalization district to include a provision that prohibits bond proceeds or reimbursements from being applied to any repayments if any contractor has not been paid in full for the work performed.**
- 3. Applies the contractor payment requirements and infrastructure use prohibitions to revitalization district infrastructure construction work commenced on or after the general effective date.**
- 4. Makes technical changes.**

CARROLL FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1145
(Reference to FINANCE S/E Committee amendment)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.

[Green underlining in brackets] indicates text added to new session law or text restoring existing law.

[GREEN STRIKEOUT IN BRACKETS] indicates new text removed from statute or previously enacted session law.

[Green strikeout in brackets] indicates text removed from existing statute, previously enacted session law or new session law.

<<Green carets>> indicate a section added to the bill.

<<Green strikeout in carets>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Strike everything after then enacting clause and insert:

3 "Section 1. Section 48-6808, Arizona Revised Statutes, is amended
4 to read:

5 48-6808. Powers of a revitalization district

6 A. In addition to the powers otherwise granted to a district
7 pursuant to this article, a district, ~~may~~ to further the implementation of
8 the general plan, MAY:

9 1. Enter into contracts and spend monies for any infrastructure
10 purpose with respect to the district. ALL CONSTRUCTION CONTRACTS [FOR]
11 [ENTERED INTO BY] THE DISTRICT SHALL COMPLY WITH SECTION 34-221.

12 2. Enter into intergovernmental agreements as prescribed in title
13 11, chapter 7, article 3 for the financing, planning, design, inspection,
14 ownership, control, maintenance, operation or repair of infrastructure or
15 the provision of enhanced municipal services by the municipality in the
16 district, including an intergovernmental agreement with an Indian tribe or
17 community.

18 3. Sell, lease or otherwise dispose of district property if the
19 sale, lease or conveyance is not a violation of the terms of any contract
20 or bond resolution of the district.

21 4. Reimburse a municipality for providing enhanced municipal
22 services in the district.

23 5. Operate, maintain and repair infrastructure.

24 6. Establish, charge and collect user fees, rates or charges for
25 the use of any infrastructure or service.

26 7. Employ staff, counsel and consultants.

27 8. Reimburse a municipality for staff and consultant services and
28 support facilities supplied by the municipality.

29 9. Accept gifts or grants and incur and repay loans for any
30 infrastructure purpose.

1 10. Enter into agreements with landowners and the municipality for
2 the collection of fees and charges from landowners for infrastructure
3 purposes, the advance of monies by landowners for infrastructure purposes
4 or the granting of real property by the landowner for infrastructure
5 purposes.

6 11. After approval at an election held pursuant to section 48-6818,
7 levy and assess the costs of any infrastructure purpose on any land
8 benefited in the district.

9 12. Pay the financial, legal and administrative costs of the
10 district.

11 13. Enter into contracts, agreements and trust indentures to obtain
12 credit enhancement or liquidity support for its bonds and process the
13 issuance, registration, transfer and payment of its bonds and the
14 disbursement and investment of proceeds of the bonds.

15 14. With the consent of the governing body of the municipality that
16 formed the district, enter into agreements with persons outside of the
17 district to provide services to persons and property outside of the
18 district.

19 15. With the consent of the applicable governmental entity, use
20 public easements and rights-of-way in or across public property, roadways,
21 highways, streets or other thoroughfares and other public easements and
22 rights-of-way, whether in or out of the geographical limits of the
23 district or the municipality.

24 B. In connection with any power authorized by statute, the district
25 may:

26 1. Contract.

27 2. Enter into intergovernmental agreements pursuant to title 11,
28 chapter 7, article 3.

29 3. Adopt and change a seal.

30 4. Sue and be sued.

31 5. Enter into development agreements, as defined in section
32 9-500.05.

33 C. The district shall not be used to finance or facilitate the
34 acquisition, operation, maintenance, construction or operation of a sports
35 stadium or other sports facility that is designed specifically for or used
36 specifically by a professional sports team, including a clubhouse, a
37 practice facility or any other related facility or on-site infrastructure
38 or related parking facilities for those purposes. This subsection does
39 not apply to the financing, acquisition, operation, maintenance or
40 construction of a multipurpose event center.

41 D. Public infrastructure other than personalty may be located only
42 in or on lands owned by ~~the~~ THIS state, a county, a municipality or the
43 district or dedicated or otherwise designated as public roadways,
44 highways, streets, thoroughfares, easements or rights-of-way, whether in
45 or out of the district or the municipality. Personalty may be used only
46 for purposes authorized by the district board. IF THE CONTRACTOR
47 CONSTRUCTING INFRASTRUCTURE IN OR ON LANDS OWNED BY THIS STATE, A COUNTY,

1 A MUNICIPALITY OR THE DISTRICT OR DEDICATED OR OTHERWISE DESIGNATED AS
2 PUBLIC ROADWAYS, HIGHWAYS, STREETS, THOROUGHFARES, EASEMENTS OR
3 RIGHTS-OF-WAY IS NOT PAID IN FULL FOR THE WORK PERFORMED DUE TO THE
4 DISTRICT HAVING INSUFFICIENT MONIES OR ANY OTHER REASON, ~~[THIS STATE, THE~~
5 ~~COUNTY OR THE MUNICIPALITY THAT OWNS OR CONTROLS THE LAND ON WHICH THE~~
6 ~~INFRASTRUCTURE IS CONSTRUCTED SHALL PAY]~~ [A MUNICIPALITY SHALL NOT OPERATE
7 OR USE THE INFRASTRUCTURE FOR ANY PURPOSE AND SHALL NOT ALLOW ANY OTHER
8 PERSON OR ENTITY TO USE THE INFRASTRUCTURE FOR ANY PURPOSE UNLESS THE
9 MUNICIPALITY THAT USES OR OPERATES THE INFRASTRUCTURE PAYS] THE BALANCE
10 DUE AND OWING TO THE CONTRACTOR FOR THE WORK PERFORMED.

11 E. ~~[IF A CONTRACTOR CONSTRUCTING INFRASTRUCTURE HAS BEEN PAID IN~~
12 ~~FULL FOR THE WORK PERFORMED,]~~ An agreement pursuant to subsection A,
13 paragraph 10 of this section may include agreements to repay all or part
14 of such advances, fees and charges from the proceeds of bonds if issued or
15 from advances, fees and charges collected from other landowners or users
16 or those having a right to use any infrastructure~~[, EXCEPT THAT ANY~~
17 ~~AGREEMENT PRESCRIBED BY THIS SUBSECTION SHALL INCLUDE A PROVISION THAT~~
18 ~~BOND PROCEEDS OR REIMBURSEMENTS SHALL NOT BE APPLIED TO ANY REPAYMENTS IF~~
19 ~~ANY CONTRACTOR CONSTRUCTING INFRASTRUCTURE FOR THE DISTRICT HAS NOT BEEN~~
20 ~~PAID IN FULL FOR THE WORK PERFORMED, AS CERTIFIED BY THE CONTRACTOR AND~~
21 ~~THE DISTRICT ENGINEER]. [NOTWITHSTANDING ANY PROVISION IN THIS~~
22 ~~SUBSECTION,]~~ a person does not have authority to compel the issuance or
23 sale of the bonds of the district or the exercise of any taxing power of
24 the district to make repayment under any agreement.

25 Sec. 2. Section 48-6809, Arizona Revised Statutes, is amended to
26 read:

27 48-6809. Perpetual succession

28 The district has perpetual succession, except that the district may
29 be dissolved as provided in section 48-6819 and, if the district does not
30 have any bonds or other obligations outstanding, shall be dissolved ten
31 years after the date of formation unless the governing bodies of the
32 participating municipalities by resolution extend the district by an
33 additional period of ten years. IF THE DISTRICT OWES MONIES TO A LICENSED
34 CONTRACTOR FOR THE INSTALLATION OF ANY TYPE OF INFRASTRUCTURE FOR THE
35 DISTRICT, THE DISTRICT MAY NOT BE DISSOLVED~~[.]~~ ~~[,]~~

36 Sec. 3. Section 48-6811, Arizona Revised Statutes, is amended to
37 read:

38 48-6811. Participation by municipality

39 The governing body of the municipality, by resolution, may summarily
40 order the participation by the municipality in the costs of any public
41 infrastructure purpose, including the payment of bond debt service. THE
42 MUNICIPALITY OR ANY PERSON MAY NOT USE FOR ITS INTENDED PURPOSE ANY
43 INFRASTRUCTURE THAT IS CONSTRUCTED PURSUANT TO THIS CHAPTER UNTIL THE
44 CONTRACTOR PERFORMING THE WORK HAS BEEN PAID IN FULL FOR THE WORK
45 PERFORMED PURSUANT TO A CONTRACT ENTERED INTO UNDER THIS CHAPTER.

1 Sec. 4. Section 48-6819, Arizona Revised Statutes, is amended to
2 read:

3 48-6819. Dissolution of district

4 A. The district may be dissolved by the district board by a
5 resolution of the district board if the following conditions exist:

6 1. All of the real and personal property owned by the district has
7 been or will be conveyed to a municipality.

8 2. Either the district has no bonds or obligations or the
9 municipality has assumed all of the obligations of the district.

10 3. ALL MONIES DUE TO CONTRACTORS THAT PERFORMED WORK FOR THE
11 DISTRICT HAVE BEEN PAID IN FULL.

12 B. The district board shall comply with the conditions prescribed
13 by subsection A OF THIS SECTION and shall dissolve the district if both of
14 the following occur:

15 1. The governing body has consented to comply with the conditions
16 prescribed by subsection A OF THIS SECTION and either:

17 (a) Dissolution has been approved by a vote of the property owners
18 of the district voting in an election called for that purpose.

19 (b) The governing body determines that the district has been
20 inactive for at least five consecutive years and has no future purpose.

21 2. The district board adopts a resolution dissolving the district
22 and records the resolution in the office of the county recorder.

23 C. The district board may call such an election and shall call such
24 an election if requested to do so in a petition signed by ten ~~per cent~~
25 PERCENT of the property owners of the district.

26 D. The election shall be called and held in the same manner as an
27 assessment levy election, except that the ballot shall contain the words
28 "dissolution, yes" and "dissolution, no".

29 E. All property in the district, except federal, state, county and
30 municipal property, remains subject to the lien for the payment of ad
31 valorem taxes levied, and any property subject to a special assessment
32 lien remains subject to the lien notwithstanding dissolution of the
33 district. The district may not be dissolved if any revenue or assessment
34 bonds of the district remain outstanding unless an amount of money
35 sufficient, together with investment income thereon, to make all payments
36 due on the revenue bonds either at maturity or prior redemption has been
37 deposited with a trustee or escrow agent and pledged to the payment and
38 redemption of the bonds. The district may continue to operate after
39 dissolution only as needed to collect money and make payments on any
40 outstanding bonds.

41 F. If a proposal for dissolution is approved and the district is an
42 Arizona state retirement system employer before the dissolution, the
43 governing body of the district shall notify the director of the Arizona
44 state retirement system of the dissolution."

1 <<Sec. 5. Applicability
2 [This act applies only to revitalization district infrastructure
3 construction work that is commenced on or after the effective date of this
4 act.]>>

5 Enroll and engross to conform
6 Amend title to conform

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