

State of Arizona  
House of Representatives  
Forty-sixth Legislature  
First Regular Session  
2003

CHAPTER 266

**HOUSE BILL 2332**

AN ACT

AMENDING TITLE 9, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 6; AMENDING TITLE 41, CHAPTER 4, ARTICLE 7, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-791.04; AMENDING SECTION 42-5029, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-5030; RELATING TO MUNICIPAL CONVENTION CENTER FINANCING.

(TEXT OF BILL BEGINS ON NEXT PAGE)



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

2 Section 1. Title 9, Arizona Revised Statutes, is amended by adding  
3 chapter 6, to read:

4 CHAPTER 6

5 CONVENTION CENTERS

6 ARTICLE 1. ARIZONA CONVENTION CENTER DEVELOPMENT FUND

7 9-601. Arizona convention center development fund; purpose

8 THE ARIZONA CONVENTION CENTER DEVELOPMENT FUND IS ESTABLISHED TO  
9 ENCOURAGE AND ENABLE ELIGIBLE CITIES UNDER SECTION 9-604 TO DEVELOP AND  
10 EXPAND MUNICIPALLY OPERATED MAJOR CONVENTION CENTER FACILITIES DESIGNED TO  
11 SERVE LARGE CONVENTIONS AND TRADE SHOWS ATTENDED PRIMARILY BY RESIDENTS OF  
12 OTHER STATES AND TO ENCOURAGE THE TOURISM AND VISITOR INDUSTRIES IN THIS  
13 STATE.

14 9-602. Fund operation

15 A. THE ARIZONA CONVENTION CENTER DEVELOPMENT FUND CONSISTS OF MONIES  
16 DEPOSITED PURSUANT TO SECTIONS 42-5029 AND 42-5030.

17 B. THE STATE TREASURER SHALL ADMINISTER THE FUND. THE STATE TREASURER  
18 SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313 AS  
19 NEEDED TO FACILITATE DISTRIBUTIONS FROM THE FUND, AND MONIES EARNED FROM  
20 INVESTMENT SHALL BE CREDITED TO THE FUND.

21 C. ON OR BEFORE AUGUST 1 OF EACH YEAR, THE STATE TREASURER SHALL  
22 DISTRIBUTE THE AMOUNTS COMPUTED IN SUBSECTION D OF THIS SECTION TO EACH  
23 ELIGIBLE CITY THAT HAS FILED A CERTIFICATE OF COMPLETION OF CONSTRUCTION  
24 PURSUANT TO SECTION 9-622 FOR EACH ELIGIBLE PROJECT UNDER SECTION 9-605.

25 D. THE AMOUNT TO BE DISTRIBUTED PURSUANT TO SUBSECTION C OF THIS  
26 SECTION SHALL BE COMPUTED BY DIVIDING THE TOTAL COST OF THE ELIGIBLE PROJECT  
27 NOT FUNDED FROM MUNICIPAL SOURCES AS IDENTIFIED IN THE CERTIFICATE OF  
28 COMPLETION OF CONSTRUCTION FILED PURSUANT TO SECTION 9-622 BY THREE HUNDRED  
29 MILLION AND MULTIPLYING THE QUOTIENT BY THE FOLLOWING AMOUNTS:

30 1. IN THE FIRST FISCAL YEAR, FIVE MILLION DOLLARS.

31 2. IN THE SECOND FISCAL YEAR, TEN MILLION DOLLARS.

32 3. IN THE THIRD FISCAL YEAR, FIFTEEN MILLION DOLLARS.

33 4. IN THE FOURTH FISCAL YEAR, TWENTY MILLION DOLLARS.

34 5. IN THE FIFTH FISCAL YEAR AND EACH OF THE NEXT THIRTY FISCAL YEARS,  
35 THE AMOUNT DISTRIBUTED IN THE PRECEDING FISCAL YEAR PLUS FIVE HUNDRED  
36 THOUSAND DOLLARS, EXCEPT THAT THE AMOUNT DISTRIBUTED SHALL NOT EXCEED THIRTY  
37 MILLION DOLLARS IN ANY FISCAL YEAR.

38 E. IF SUFFICIENT DISTRIBUTIONS HAVE BEEN MADE TO PROVIDE FOR ALL OF  
39 THE USES OF THE FUND MONIES PURSUANT TO SECTION 9-603 FOR AN ELIGIBLE  
40 PROJECT, THE CHIEF FINANCIAL OFFICER OF THE ELIGIBLE CITY SHALL CERTIFY TO  
41 THE STATE TREASURER THAT NO ADDITIONAL DISTRIBUTIONS ARE REQUIRED FOR THE  
42 PROJECT, AND ON RECEIVING THE CERTIFICATION THE STATE TREASURER SHALL MAKE  
43 NO FURTHER DISTRIBUTIONS TO THE CITY FOR THAT PROJECT.

44 F. AFTER THE DISTRIBUTIONS REQUIRED BY SUBSECTION C OF THIS SECTION,  
45 ANY MONIES REMAINING IN THE FUND ON RECEIPT OF THE CERTIFICATION OF

1 SATISFACTION OF ANNUAL OBLIGATIONS PURSUANT TO SECTION 9-623, OR ON THE FIRST  
2 MONDAY IN AUGUST IF A CERTIFICATE OF COMPLETION OF CONSTRUCTION HAS NOT BEEN  
3 PREVIOUSLY FILED PURSUANT TO SECTION 9-622, SHALL BE TRANSFERRED TO THE STATE  
4 GENERAL FUND.

5 9-603. Use of fund monies

6 A. THE MONIES IN THE ARIZONA CONVENTION CENTER DEVELOPMENT FUND SHALL  
7 BE USED ONLY FOR THE PURPOSES SPECIFIED IN THIS CHAPTER.

8 B. THE STATE TREASURER SHALL DISBURSE MONIES FROM THE FUND AS PROVIDED  
9 IN SECTION 9-602. ANY AMOUNTS REMAINING IN THE FUND AFTER THE DISTRIBUTIONS  
10 MADE PURSUANT TO SECTION 9-602, SUBSECTION C SHALL BE HELD IN RESERVE FOR THE  
11 PURPOSES OF THE DISTRIBUTIONS UNTIL THE CERTIFICATE OF SATISFACTION OF ANNUAL  
12 OBLIGATIONS IS RECEIVED BY THE STATE TREASURER OR UNTIL THE FIRST MONDAY IN  
13 AUGUST IF A CERTIFICATE OF COMPLETION OF CONSTRUCTION HAS NOT BEEN PREVIOUSLY  
14 FILED PURSUANT TO SECTION 9-622.

15 C. A CITY THAT RECEIVES MONIES DISTRIBUTED FROM THE FUND:

16 1. SHALL SEGREGATE AND SEPARATELY ACCOUNT FOR THE MONIES AND SHALL NOT  
17 COMMINGLE THE MONIES FROM THE FUND WITH MONIES FROM ANY OTHER SOURCE. THOSE  
18 MONIES SHALL BE DESIGNATED AS A SPECIAL FUND OF THE ELIGIBLE CITY, SEPARATE  
19 FROM THE CITY'S GENERAL FUND. ANY AMOUNT NOT IMMEDIATELY USED TO MEET  
20 SCHEDULED PAYMENTS OR CURRENT EXPENSES SHALL REMAIN IN THE SPECIAL FUND,  
21 SHALL NOT BE TRANSFERRED TO THE CITY'S GENERAL FUND AND SHALL BE USED ONLY  
22 FOR THE PERMITTED PURPOSES IN THE FUTURE.

23 2. MAY USE MONIES FROM THE FUND ONLY FOR THE FOLLOWING PURPOSES IN  
24 CONNECTION WITH AN ELIGIBLE PROJECT UNDER SECTION 9-605:

25 (a) THE DESIGN, DEVELOPMENT, CONSTRUCTION AND RELATED COSTS FOR A  
26 CONVENTION CENTER AND RELATED DEVELOPMENT.

27 (b) FINANCING COSTS AND ANY OTHER COSTS INCURRED IN CONNECTION WITH  
28 ANY FINANCINGS UNDERTAKEN TO FACILITATE THE ACCOMPLISHMENT OF THE USES OF THE  
29 MONIES IN THE FUND AS PROVIDED IN THIS SECTION.

30 (c) FUNDING FINANCIAL RESERVES CREATED IN CONNECTION WITH ANY  
31 FINANCINGS UNDERTAKEN TO FACILITATE THE ACCOMPLISHMENT OF THE USES OF THE  
32 MONIES IN THE FUND AS PROVIDED IN THIS SECTION.

33 (d) REIMBURSEMENT OF ANY AMOUNTS PLUS INTEREST ADVANCED BY AN ELIGIBLE  
34 CITY BUT FOR WHICH THE ELIGIBLE CITY DOES NOT HAVE ULTIMATE RESPONSIBILITY  
35 TO PAY ANY PORTION OF FINANCING OR RELATED COSTS INCURRED IN CONNECTION WITH  
36 ANY FINANCINGS UNDERTAKEN TO FACILITATE THE ACCOMPLISHMENT OF THE OTHER USES  
37 OF THE MONIES IN THE FUND AS PROVIDED IN THIS SECTION.

38 (e) ANY OTHER COSTS NECESSARY TO EFFECTUATE THE USES AND PURPOSES  
39 SPECIFIED IN THIS ARTICLE.

40 D. AMOUNTS DISTRIBUTED FROM THE FUND ARE IN ADDITION TO ANY OTHER  
41 AMOUNTS DISTRIBUTED TO ELIGIBLE CITIES PURSUANT TO ANY OTHER LAW.

42 9-604. Eligible cities

43 TO BE ELIGIBLE TO RECEIVE DISTRIBUTIONS FROM THE ARIZONA CONVENTION  
44 CENTER DEVELOPMENT FUND A MUNICIPALITY MUST:

45 1. BE A CHARTER CITY.



1           2. CERTIFY TO THE STATE TREASURER THAT A PROJECT MEETS ALL OF THE  
2 ELIGIBILITY REQUIREMENTS OF SECTION 9-605 BEFORE ANY DISTRIBUTIONS FOR THE  
3 PROJECT FROM THE ARIZONA CONVENTION CENTER DEVELOPMENT FUND TO THE CITY.

4           3. CERTIFY TO THE STATE TREASURER THE TOTAL COST OF THE ELIGIBLE  
5 PROJECT AND THE PART OF THE TOTAL COST TO BE FUNDED FROM MUNICIPAL SOURCES.

6           9-623. Certification of satisfaction of annual obligation

7           A. IN ANY YEAR THAT A SCHEDULED PAYMENT IS DUE AS STATED IN THE  
8 CERTIFICATION OF COMPLETION OF CONSTRUCTION FROM MONIES IN THE SPECIAL FUND  
9 ESTABLISHED BY THE ELIGIBLE CITY FOR RECEIPT OF DISTRIBUTIONS FROM THE  
10 ARIZONA CONVENTION CENTER DEVELOPMENT FUND, ON RECEIVING DISTRIBUTIONS FROM  
11 THE ARIZONA CONVENTION CENTER DEVELOPMENT FUND, THE CHIEF FINANCIAL OFFICER  
12 SHALL DEPOSIT INTO THE APPROPRIATE ACCOUNT A SUFFICIENT AMOUNT FROM THOSE  
13 DISTRIBUTIONS TO MAKE ANY SCHEDULED PAYMENTS OR DEPOSITS FOR THE CURRENT  
14 FISCAL YEAR.

15           B. THE CHIEF FINANCIAL OFFICER SHALL CERTIFY TO THE STATE TREASURER  
16 THE SATISFACTION OF THE ANNUAL OBLIGATIONS ON DEPOSITING INTO THE APPROPRIATE  
17 FUNDS OR ACCOUNTS SUFFICIENT MONIES TO MAKE ANY SCHEDULED PAYMENTS OR  
18 DEPOSITS FOR THE CURRENT FISCAL YEAR.

19           9-624. Request for state lease purchase

20           A. THE CHIEF FINANCIAL OFFICER MAY FILE A NOTICE WITH THE DIRECTOR OF  
21 THE DEPARTMENT OF ADMINISTRATION REQUESTING THIS STATE TO UNDERTAKE LEASE  
22 PURCHASE FINANCING IN CONNECTION WITH AN ELIGIBLE PROJECT PURSUANT TO SECTION  
23 41-791.04. THE NOTICE SHALL INCLUDE A DETAILED DESCRIPTION OF THE PART OF  
24 THE ELIGIBLE PROJECT THAT THE STATE IS REQUESTED TO LEASE PURCHASE.

25           B. THE DEPARTMENT OF ADMINISTRATION SHALL PROMPTLY RESPOND TO THE  
26 PROPOSAL IN THE MANNER PRESCRIBED BY SECTION 41-791.04.

27           C. IF A NOTICE IS FILED AND THE LEASE PURCHASE FINANCING IS COMPLETED  
28 PURSUANT TO THIS SECTION, NO DISTRIBUTIONS SHALL BE MADE BY THE STATE  
29 TREASURER PURSUANT TO SECTION 9-602 TO THE ELIGIBLE CITY FOR THE ELIGIBLE  
30 PROJECT.

31           9-625. Tax exemption

32           AN ELIGIBLE CITY IS REGARDED AS PERFORMING A GOVERNMENTAL FUNCTION IN  
33 CARRYING OUT THE PURPOSES OF THIS CHAPTER AND THE ELIGIBLE PROJECT IS  
34 CONSIDERED TO BE MUNICIPAL PROPERTY FOR THE PURPOSES OF ARTICLE IX, SECTION  
35 2, CONSTITUTION OF ARIZONA.

36           9-626. Construction progress reports; auditor general  
37 performance measures

38           A. THE ELIGIBLE CITY SHALL REPORT PROGRESS ON THE DEVELOPMENT OF ANY  
39 ELIGIBLE PROJECT TO THE JOINT COMMITTEE ON CAPITAL REVIEW TWICE ANNUALLY  
40 DURING CONSTRUCTION OF THE ELIGIBLE PROJECT.

41           B. WITHIN FIVE YEARS AFTER THE FILING OF THE CERTIFICATE OF COMPLETION  
42 OF CONSTRUCTION OF AN ELIGIBLE PROJECT PURSUANT TO SECTION 9-622, AND AFTER  
43 CONSULTATION WITH THE ELIGIBLE CITY, THE AUDITOR GENERAL SHALL CONDUCT OR  
44 CONTRACT FOR AN ECONOMIC AND FISCAL IMPACT ANALYSIS OF THE ELIGIBLE PROJECT

1 IN ITS FIFTH YEAR OF OPERATION FOLLOWING THE FILING OF THE CERTIFICATE OF  
2 COMPLETION OF CONSTRUCTION. AT A MINIMUM, THE ANALYSIS SHALL:

3 1. ESTIMATE THE EFFECTS OF DIRECT, INDIRECT AND INDUCED ECONOMIC  
4 ACTIVITY IN THIS STATE ASSOCIATED WITH:

5 (a) REGIONAL AND NATIONAL CONVENTIONS AND TRADE SHOWS HELD AT THE SITE  
6 OF THE ELIGIBLE PROJECT, THE TOTAL AMOUNT OF STATE GENERAL FUND REVENUES  
7 DERIVED FROM THAT ECONOMIC ACTIVITY AND THE ESTIMATED AVERAGE ANNUAL  
8 ATTENDANCE AT THOSE EVENTS ASSUMING:

9 (i) THE ELIGIBLE PROJECT HAD NOT BEEN COMPLETED.

10 (ii) THE ELIGIBLE PROJECT HAS BEEN COMPLETED.

11 (b) THE CONSTRUCTION OF THE ELIGIBLE PROJECT AND THE TOTAL AMOUNT OF  
12 STATE GENERAL FUND REVENUES DERIVED FROM THE CONSTRUCTION ACTIVITY.

13 2. COMPUTE THE TOTAL CUMULATIVE AMOUNT OF DISTRIBUTIONS PURSUANT TO  
14 SECTION 9-602 FOR THE FIRST THROUGH FIFTH YEARS FOLLOWING THE FILING OF THE  
15 CERTIFICATE OF COMPLETION OF CONSTRUCTION FOR THE ELIGIBLE PROJECT PURSUANT  
16 TO SECTION 9-622 AND FROM THE FIRST THROUGH EACH SUBSEQUENT FIFTH YEAR.

17 3. COMPUTE THE NET CUMULATIVE DISTRIBUTIONS FOR THE ELIGIBLE PROJECT  
18 BY SUBTRACTING THE AMOUNT DETERMINED PURSUANT TO PARAGRAPH 1, SUBDIVISION (b)  
19 OF THIS SUBSECTION FROM EITHER THE AMOUNTS DETERMINED PURSUANT TO PARAGRAPH  
20 2 OF THIS SUBSECTION OR, IF APPLICABLE, THE AMOUNT OF STATE MONIES PAID UNDER  
21 A LEASE PURCHASE AGREEMENT PURSUANT TO SECTION 41-791.04.

22 4. BASED ON THE ANALYSIS CONDUCTED PURSUANT TO THIS SUBSECTION,  
23 ESTIMATE THE MINIMUM REQUIRED ATTENDANCE AT THE ELIGIBLE PROJECT FOR THE  
24 FIFTH YEAR FOLLOWING THE FILING OF THE CERTIFICATE OF COMPLETION OF  
25 CONSTRUCTION OF AN ELIGIBLE PROJECT PURSUANT TO SECTION 9-622 AND EACH YEAR  
26 THEREAFTER. THE ESTIMATES SHALL BE COMPUTED AS FOLLOWS:

27 (a) DIVIDE THE TOTAL STATE GENERAL FUND REVENUES ESTIMATED PURSUANT  
28 TO PARAGRAPH 1, SUBDIVISION (a), ITEM (ii) OF THIS SUBSECTION BY THE  
29 ATTENDANCE ESTIMATED PURSUANT TO PARAGRAPH 1, SUBDIVISION (a), ITEM (ii) OF  
30 THIS SUBSECTION.

31 (b) DIVIDE THE NET CUMULATIVE DISTRIBUTION AMOUNTS FOR THE FIFTH YEAR  
32 FOLLOWING THE FILING OF THE CERTIFICATE OF COMPLETION OF CONSTRUCTION OF AN  
33 ELIGIBLE PROJECT PURSUANT TO SECTION 9-622 AND EACH YEAR THEREAFTER COMPUTED  
34 PURSUANT TO PARAGRAPH 3 OF THIS SUBSECTION BY THE QUOTIENT COMPUTED PURSUANT  
35 TO SUBDIVISION (a) OF THIS PARAGRAPH.

36 (c) ADD THE AVERAGE ANNUAL ATTENDANCE ESTIMATED PURSUANT TO PARAGRAPH  
37 1, SUBDIVISION (a), ITEM (i) OF THIS SUBSECTION TO EACH OF THE QUOTIENTS  
38 DETERMINED PURSUANT TO SUBDIVISION (b) OF THIS PARAGRAPH. THE RESULTING SUMS  
39 ARE THE MINIMUM REQUIRED ATTENDANCE AMOUNTS FOR EACH YEAR.

40 C. BEGINNING IN THE FIFTH CALENDAR YEAR FOLLOWING THE FILING OF THE  
41 CERTIFICATE OF COMPLETION OF CONSTRUCTION OF AN ELIGIBLE PROJECT PURSUANT TO  
42 SECTION 9-622 AND EACH YEAR THEREAFTER, THE AUDITOR GENERAL SHALL:

43 1. ESTIMATE THE AVERAGE ANNUAL ATTENDANCE AT REGIONAL AND NATIONAL  
44 CONVENTIONS AND TRADE SHOWS HELD AT THE SITE OF THE ELIGIBLE PROJECT USING

1 ANY APPROPRIATE METHOD TO ESTIMATE THE ATTENDANCE. THE ELIGIBLE CITY SHALL  
2 COOPERATE WITH AND ASSIST THE AUDITOR GENERAL IN DEVELOPING THE ESTIMATES.

3 2. COMPUTE THE RATIO OF THE CUMULATIVE SUM OF THE ESTIMATED ATTENDANCE  
4 AMOUNTS DEVELOPED PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION FOR ALL YEARS  
5 THROUGH THE CURRENT YEAR TO THE CUMULATIVE SUM OF THE MINIMUM REQUIRED  
6 ATTENDANCE AMOUNTS FOR THOSE YEARS COMPUTED PURSUANT TO SUBSECTION B,  
7 PARAGRAPH 4, SUBDIVISION (c) OF THIS SECTION.

8 3. NOTIFY THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF  
9 REPRESENTATIVES AND THE GOVERNOR OF:

10 (a) THE MINIMUM REQUIRED ATTENDANCE AMOUNTS FOR THOSE YEARS COMPUTED  
11 PURSUANT TO SUBSECTION B, PARAGRAPH 4, SUBDIVISION (c) OF THIS SECTION.

12 (b) THE ATTENDANCE ESTIMATE DEVELOPED PURSUANT TO PARAGRAPH 1 OF THIS  
13 SUBSECTION.

14 (c) THE RATIO COMPUTED PURSUANT TO PARAGRAPH 2 OF THIS SUBSECTION.

15 D. EXCEPT AS PROVIDED IN PARAGRAPH 4 OF THIS SUBSECTION, IF THE RATIO  
16 COMPUTED PURSUANT TO SUBSECTION C, PARAGRAPH 2 OF THIS SECTION IS LESS THAN  
17 ONE:

18 1. THE AUDITOR GENERAL SHALL COMPUTE THE DIFFERENCE BETWEEN THE  
19 ESTIMATED STATE GENERAL FUND REVENUES AND THE NET CUMULATIVE DISTRIBUTIONS  
20 BY MULTIPLYING THE NET CUMULATIVE DISTRIBUTIONS COMPUTED PURSUANT TO  
21 SUBSECTION B, PARAGRAPH 3 OF THIS SECTION BY THE DIFFERENCE BETWEEN THE RATIO  
22 COMPUTED PURSUANT TO SUBSECTION C, PARAGRAPH 2 OF THIS SECTION AND ONE.

23 2. THE AUDITOR GENERAL SHALL NOTIFY THE STATE TREASURER OF:

24 (a) THE RATIO COMPUTED PURSUANT TO SUBSECTION C, PARAGRAPH 2 OF THIS  
25 SECTION.

26 (b) THE DIFFERENCE COMPUTED PURSUANT TO PARAGRAPH 1 OF THIS  
27 SUBSECTION.

28 3. AT THE TIME OF THE NEXT REGULARLY SCHEDULED DISTRIBUTION, THE STATE  
29 TREASURER SHALL WITHHOLD FROM THE AMOUNT THAT WOULD OTHERWISE BE DISTRIBUTED  
30 TO THE ELIGIBLE CITY FROM THE LOCAL TRANSPORTATION ASSISTANCE FUND PURSUANT  
31 TO SECTION 28-8102 AN AMOUNT EQUAL TO THE AMOUNT STATED IN THE NOTICE  
32 RECEIVED PURSUANT TO PARAGRAPH 2 OF THIS SUBSECTION. IF THE AMOUNT AVAILABLE  
33 FOR DISTRIBUTION IS LESS THAN THE AMOUNT TO BE WITHHELD, THE STATE TREASURER  
34 SHALL CONTINUE WITHHOLDING FROM SUBSEQUENT DISTRIBUTIONS UNTIL THE FULL  
35 AMOUNT STATED IN THE NOTICE HAS BEEN WITHHELD.

36 4. THE ELIGIBLE CITY MAY REQUEST AND THE AUDITOR GENERAL SHALL CONDUCT  
37 OR CONTRACT FOR A COMPLETE ECONOMIC AND FISCAL IMPACT ANALYSIS OF THE  
38 ELIGIBLE PROJECT. IF AN ANALYSIS IS REQUESTED:

39 (a) THE AUDITOR GENERAL SHALL NOT NOTIFY THE STATE TREASURER PURSUANT  
40 TO PARAGRAPH 2 OF THIS SUBSECTION, AND THE STATE TREASURER SHALL NOT WITHHOLD  
41 PURSUANT TO PARAGRAPH 3 OF THIS SUBSECTION, PENDING COMPLETION OF THE  
42 ANALYSIS.

43 (b) THE ANALYSIS SHALL BE SIMILAR TO THE ANALYSIS DESCRIBED IN  
44 SUBSECTION B OF THIS SECTION, EXCEPT THAT THE ANALYSIS SHALL EXAMINE THE

1 OPERATIONS OF THE ELIGIBLE PROJECT IN THE YEAR FOR WHICH THE RATIO IS LESS  
2 THAN ONE.

3 (c) THE ANALYSIS, AT A MINIMUM, SHALL ESTIMATE THE TOTAL CUMULATIVE  
4 INCREMENTAL REVENUES TO THE STATE GENERAL FUND RESULTING FROM THE COMPLETION  
5 OF THE ELIGIBLE PROJECT INCLUDING THE REVENUES RESULTING FROM THE  
6 CONSTRUCTION ACTIVITY ASSOCIATED WITH THE COMPLETION OF THE ELIGIBLE PROJECT.

7 (d) AND THE ANALYSIS DEMONSTRATES THAT THE TOTAL CUMULATIVE  
8 INCREMENTAL REVENUES TO THE STATE GENERAL FUND EXCEED THE TOTAL CUMULATIVE  
9 AMOUNT OF DISTRIBUTIONS PURSUANT TO SECTION 9-602 AS COMPUTED IN SUBSECTION  
10 B, PARAGRAPH 3 OF THIS SECTION, THE AUDITOR GENERAL SHALL NOT NOTIFY THE  
11 STATE TREASURER PURSUANT TO PARAGRAPH 2 OF THIS SUBSECTION AND THE STATE  
12 TREASURER SHALL NOT WITHHOLD PURSUANT TO PARAGRAPH 3 OF THIS SUBSECTION.

13 (e) AND THE ANALYSIS DEMONSTRATES THAT THE TOTAL CUMULATIVE  
14 INCREMENTAL REVENUES TO THE STATE GENERAL FUND ARE LESS THAN THE TOTAL  
15 CUMULATIVE AMOUNT OF DISTRIBUTIONS PURSUANT TO SECTION 9-602 AS COMPUTED IN  
16 SUBSECTION B, PARAGRAPH 3 OF THIS SECTION:

17 (i) THE AUDITOR GENERAL SHALL SUBTRACT THE AMOUNT OF THE TOTAL  
18 CUMULATIVE INCREMENTAL REVENUES TO THE STATE GENERAL FUND FROM THE AMOUNT OF  
19 THE TOTAL CUMULATIVE DISTRIBUTIONS.

20 (ii) THE AUDITOR GENERAL SHALL NOTIFY THE STATE TREASURER OF THE  
21 DIFFERENCE COMPUTED PURSUANT TO ITEM (i) OF THIS SUBDIVISION.

22 (iii) AT THE TIME OF THE NEXT REGULARLY SCHEDULED DISTRIBUTION, THE  
23 STATE TREASURER SHALL WITHHOLD FROM THE AMOUNT THAT WOULD OTHERWISE BE  
24 DISTRIBUTED TO THE ELIGIBLE CITY FROM THE LOCAL TRANSPORTATION ASSISTANCE  
25 FUND PURSUANT TO SECTION 28-8102 AN AMOUNT EQUAL TO THE AMOUNT STATED IN THE  
26 NOTICE RECEIVED PURSUANT TO ITEM (ii) OF THIS SUBDIVISION. IF THE AMOUNT  
27 AVAILABLE FOR DISTRIBUTION IS LESS THAN THE AMOUNT TO BE WITHHELD, THE STATE  
28 TREASURER SHALL CONTINUE WITHHOLDING FROM SUBSEQUENT DISTRIBUTIONS UNTIL THE  
29 FULL AMOUNT STATED IN THE NOTICE HAS BEEN WITHHELD.

30 E. THE ELIGIBLE CITY SHALL REIMBURSE THE AUDITOR GENERAL FOR ANY COSTS  
31 INCURRED IN COMPLYING WITH THE REQUIREMENTS OF THIS SECTION.

32 Sec. 2. Title 41, chapter 4, article 7, Arizona Revised Statutes, is  
33 amended by adding section 41-791.04, to read:

34 41-791.04. Lease purchase financing; eligible municipal  
35 convention center projects; eligible projects  
36 lease purchase fund

37 A. ON THE FILING OF A NOTICE BY AN ELIGIBLE CITY WITH THE DIRECTOR  
38 PURSUANT TO SECTION 9-624 REQUESTING THIS STATE TO LEASE PURCHASE PART OF AN  
39 ELIGIBLE MUNICIPAL CONVENTION CENTER PROJECT, THE DIRECTOR MAY COMPLETE LEASE  
40 PURCHASE FINANCING OF THE PART OF THE ELIGIBLE PROJECT DESIGNATED BY THE  
41 ELIGIBLE CITY. THE DIRECTOR MAY EMPLOY OUTSIDE CONSULTANTS TO REVIEW THE  
42 LEASE PURCHASE PROGRAM REQUEST AND REPORT ON THE FINANCIAL DETAILS OF THE  
43 PROGRAM NEGOTIATED WITH THE ELIGIBLE CITY. THE ELIGIBLE CITY IS RESPONSIBLE  
44 FOR THE COSTS OF THE CONSULTANT AND THE REPORT. THE LEASE PURCHASE AGREEMENT  
45 SHALL INCLUDE THE PROVISIONS REQUIRED BY SECTION 41-791.02, SUBSECTION B AND

1 THE PROVISIONS AUTHORIZED BY SECTION 41-791.02, SUBSECTION C. THE AGREEMENT  
2 IS SUBJECT TO THE REVIEW PROVISIONS OF SECTION 41-791.02, SUBSECTIONS D AND  
3 E. AT THE DIRECTOR'S REQUEST, THE ATTORNEY GENERAL MAY GIVE OTHER OPINIONS  
4 RELATING TO THE AGREEMENT.

5 B. THE LEASE PURCHASE FINANCING AGREEMENT SHALL PROVIDE FOR:

6 1. THE USE, MAINTENANCE AND OPERATION OF THE ELIGIBLE PROJECT BY THE  
7 ELIGIBLE CITY AND FOR THE OWNERSHIP OF THE ELIGIBLE PROJECT BY THE ELIGIBLE  
8 CITY ON COMPLETION OF PERFORMANCE OF THE LEASE PURCHASE AGREEMENT.

9 2. THE ELIGIBLE CITY'S OPTION TO PURCHASE THE ELIGIBLE PROJECT AND ON  
10 EXERCISING THE OPTION, THE VESTING OF OWNERSHIP OF THE ELIGIBLE PROJECT IN  
11 THE ELIGIBLE CITY ON DISCHARGING THE LEASE PURCHASE AGREEMENT.

12 C. EXCEPT AS PROVIDED IN SUBSECTION E OF THIS SECTION, THE ANNUAL  
13 LEASE PAYMENT UNDER THE LEASE PURCHASE AGREEMENT SHALL NOT EXCEED THE AMOUNT  
14 THAT WOULD OTHERWISE HAVE BEEN DISTRIBUTABLE TO THE ELIGIBLE CITY PURSUANT  
15 TO SECTION 9-602 IF THE NOTICE PURSUANT TO SECTION 9-624 HAD NOT BEEN FILED.

16 D. AN ELIGIBLE PROJECTS LEASE PURCHASE FUND IS ESTABLISHED CONSISTING  
17 OF MONIES APPROPRIATED BY THE LEGISLATURE FOR LEASE PURCHASE AGREEMENT  
18 PAYMENTS PURSUANT TO THIS SECTION. THE DIRECTOR SHALL ADMINISTER THE FUND  
19 AND DISTRIBUTE MONIES IN THE FUND TO MAKE PAYMENTS PURSUANT TO LEASE PURCHASE  
20 AGREEMENTS ENTERED INTO BY THE DIRECTOR PURSUANT TO THIS SECTION AND TO PAY  
21 COSTS CONSIDERED TO BE NECESSARY BY THE DIRECTOR AND THE ELIGIBLE CITY IN  
22 CONNECTION WITH LEASE PURCHASE TRANSACTIONS ENTERED INTO PURSUANT TO THIS  
23 SECTION. PAYMENTS PURSUANT TO A LEASE PURCHASE AGREEMENT SHALL BE MADE ONLY  
24 FROM THE ELIGIBLE PROJECTS LEASE PURCHASE FUND. THE STATE TREASURER SHALL  
25 INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND  
26 MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND. MONIES IN THE  
27 FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF  
28 APPROPRIATIONS.

29 E. AT THE REQUEST OF AN ELIGIBLE CITY, THE DIRECTOR MAY COMPLETE LEASE  
30 PURCHASE FINANCING FOR ALL OR ANY PART OF THE ELIGIBLE PROJECT, EXCEPT THAT  
31 IF THE ANNUAL LEASE PAYMENT OF THIS STATE EXCEEDS THE AMOUNTS THAT WOULD  
32 OTHERWISE HAVE BEEN DISTRIBUTABLE TO THE ELIGIBLE CITY FOR THE ELIGIBLE  
33 PROJECT, ALL SUCH EXCESS AMOUNTS SHALL BE PAID FROM MONIES PROVIDED BY THE  
34 ELIGIBLE CITY.

35 Sec. 3. Section 42-5029, Arizona Revised Statutes, is amended to read:  
36 42-5029. Remission and distribution of monies

37 A. The department shall deposit, pursuant to sections 35-146 and  
38 35-147, all revenues collected under this article and articles 4, 5, 8 and  
39 9 of this chapter pursuant to section 42-1116, separately accounting for:

40 1. Payments of estimated tax under section 42-5014, subsection D.  
41 2. Revenues collected pursuant to section 42-5070.

1           3. Revenues collected under this article and article 5 of this chapter  
2 from and after June 30, 2000 from sources located on Indian reservations in  
3 this state.

4           4. Revenues collected pursuant to section 42-5010, subsection G and  
5 section 42-5155, subsection D.

6           B. The department shall credit payments of estimated tax to an  
7 estimated tax clearing account and each month shall transfer all monies in  
8 the estimated tax clearing account to a fund designated as the transaction  
9 privilege and severance tax clearing account. The department shall credit  
10 all other payments to the transaction privilege and severance tax clearing  
11 account, separately accounting for the monies designated as distribution base  
12 under sections 42-5010, 42-5164, 42-5205, 42-5353 and 42-5409. Each month  
13 the department shall report to the state treasurer the amount of monies  
14 collected pursuant to this article and articles 4, 5, 8 and 9 of this  
15 chapter.

16           C. On notification by the department, the state treasurer shall  
17 distribute the monies deposited in the transaction privilege and severance  
18 tax clearing account in the manner prescribed by this section and by sections  
19 42-5164, 42-5205, 42-5353 and 42-5409, after deducting warrants drawn against  
20 the account pursuant to sections 42-1118 and 42-1254.

21           D. Of the monies designated as distribution base the department shall:

22           1. Pay twenty-five per cent to the various incorporated municipalities  
23 in this state in proportion to their population as shown by the last United  
24 States decennial or special census, or revisions to the decennial or special  
25 census certified by the United States bureau of the census, to be used by the  
26 municipalities for any municipal purpose.

27           2. Pay 38.08 per cent to the counties in this state by averaging the  
28 following proportions:

29           (a) The proportion that the population of each county bears to the  
30 total state population, as shown by the most recent United States decennial  
31 or special census, or revisions to the decennial or special census certified  
32 by the United States bureau of the census.

33           (b) The proportion that the distribution base monies collected during  
34 the calendar month in each county under this article, section 42-5164,  
35 subsection B, section 42-5205, subsection B and sections 42-5353 and 42-5409  
36 bear to the total distribution base monies collected under this article,  
37 section 42-5164, subsection B, section 42-5205, subsection B and sections  
38 42-5353 and 42-5409 throughout the state for the calendar month.

39           3. Pay an additional 2.43 per cent to the counties in this state as  
40 follows:

41           (a) Average the following proportions:

42           (i) The proportion that the assessed valuation used to determine  
43 secondary property taxes of each county, after deducting that part of the  
44 assessed valuation that is exempt from taxation at the beginning of the month  
45 for which the amount is to be paid, bears to the total assessed valuations

1 used to determine secondary property taxes of all the counties after  
2 deducting that portion of the assessed valuations that is exempt from  
3 taxation at the beginning of the month for which the amount is to be paid.  
4 Property of a city or town that is not within or contiguous to the municipal  
5 corporate boundaries and from which water is or may be withdrawn or diverted  
6 and transported for use on other property is considered to be taxable  
7 property in the county for purposes of determining assessed valuation in the  
8 county under this item.

9 (ii) The proportion that the distribution base monies collected during  
10 the calendar month in each county under this article, section 42-5164,  
11 subsection B, section 42-5205, subsection B and sections 42-5353 and 42-5409  
12 bear to the total distribution base monies collected under this article,  
13 section 42-5164, subsection B, section 42-5205, subsection B and sections  
14 42-5353 and 42-5409 throughout the state for the calendar month.

15 (b) If the proportion computed under subdivision (a) of this paragraph  
16 for any county is greater than the proportion computed under paragraph 2 of  
17 this subsection, the department shall compute the difference between the  
18 amount distributed to that county under paragraph 2 of this subsection and  
19 the amount that would have been distributed under paragraph 2 of this  
20 subsection using the proportion computed under subdivision (a) of this  
21 paragraph and shall pay that difference to the county from the amount  
22 available for distribution under this paragraph. Any monies remaining after  
23 all payments under this subdivision shall be distributed among the counties  
24 according to the proportions computed under paragraph 2 of this subsection.

25 4. After any distributions required by sections 42-5030, 42-5030.01,  
26 42-5031, 42-5032, ~~AND 42-5032.01 and 42-5032.02~~, and after making any  
27 transfer to the water quality assurance revolving fund as required by section  
28 49-282, subsection B, credit the remainder of the monies designated as  
29 distribution base to the state general fund. From this amount:

30 (a) The legislature shall annually appropriate to:

31 (i) The department of revenue sufficient monies to administer and  
32 enforce this article and articles 5, 8 and 9 of this chapter.

33 (ii) The department of economic security monies to be used for the  
34 purposes stated in title 46, chapter 1.

35 (iii) The Arizona arts endowment fund established by section 41-986,  
36 the full amount by which revenues derived from the amusement classification  
37 pursuant to section 42-5073 for the current fiscal year exceed the revenues  
38 that were derived from that classification in fiscal year 1993-1994, except  
39 that this amount shall not exceed two million dollars through fiscal year  
40 2008-2009.

41 (iv) The firearms safety and ranges fund established by section  
42 17-273, fifty thousand dollars derived from the taxes collected from the  
43 retail classification pursuant to section 42-5061 for the current fiscal  
44 year.

SENATE

1 (b) The state treasurer shall transfer to the tourism fund an amount  
2 equal to the sum of the following:

3 (i) Three and one-half per cent of the gross revenues derived from the  
4 transient lodging classification pursuant to section 42-5070 during the  
5 preceding fiscal year.

6 (ii) Three per cent of the gross revenues derived from the amusement  
7 classification pursuant to section 42-5073 during the preceding fiscal year.

8 (iii) Two per cent of the gross revenues derived from the restaurant  
9 classification pursuant to section 42-5074 during the preceding fiscal year.

10 E. If approved by the qualified electors voting at a statewide general  
11 election, all monies collected pursuant to section 42-5010, subsection G and  
12 section 42-5155, subsection D shall be distributed each fiscal year pursuant  
13 to this subsection. The monies distributed pursuant to this subsection are  
14 in addition to any other appropriation, transfer or other allocation of  
15 public or private monies from any other source and shall not supplant,  
16 replace or cause a reduction in other school district, charter school,  
17 university or community college funding sources. The monies shall be  
18 distributed as follows:

19 1. If there are outstanding state school facilities revenue bonds  
20 pursuant to title 15, chapter 16, article 7, each month one-twelfth of the  
21 amount that is necessary to pay the fiscal year's debt service on outstanding  
22 state school improvement revenue bonds for the current fiscal year shall be  
23 transferred each month to the school improvement revenue bond debt service  
24 fund established by section 15-2084. The total amount of bonds for which  
25 these monies may be allocated for the payment of debt service shall not  
26 exceed a principal amount of eight hundred million dollars exclusive of  
27 refunding bonds and other refinancing obligations.

28 2. After any transfer of monies pursuant to paragraph 1 of this  
29 subsection, twelve per cent of the remaining monies collected during the  
30 preceding month shall be transferred to the technology and research  
31 initiative fund established by section 15-1648 to be distributed among the  
32 universities for the purpose of investment in technology and research-based  
33 initiatives.

34 3. After the transfer of monies pursuant to paragraph 1 of this  
35 subsection, three per cent of the remaining monies collected during the  
36 preceding month shall be transferred to the workforce development account  
37 established in each community college district pursuant to section 15-1472  
38 for the purpose of investment in workforce development programs.

39 4. After transferring monies pursuant to paragraphs 1, 2 and 3 of this  
40 subsection, one-twelfth of the amount a community college that is owned,  
41 operated or chartered by a qualifying Indian tribe on its own Indian  
42 reservation would receive pursuant to section 15-1472, subsection D,  
43 paragraph 2 if it were a community college district under the jurisdiction  
44 of the state board of directors for community colleges shall be distributed  
45 each month to the treasurer or other designated depository of a qualifying

1 Indian tribe. Monies distributed pursuant to this paragraph are for the  
2 exclusive purpose of providing support to one or more community colleges  
3 owned, operated or chartered by a qualifying Indian tribe and shall be used  
4 in a manner consistent with section 15-1472, subsection B. For purposes of  
5 this paragraph, "qualifying Indian tribe" has the same meaning as defined in  
6 section 42-5031.01, subsection D.

7 5. After transferring monies pursuant to paragraphs 1, 2 and 3 of this  
8 subsection, one-twelfth of the following amounts shall be transferred each  
9 month to the department of education for the increased cost of basic state  
10 aid under section 15-971 due to added school days and associated teacher  
11 salary increases enacted in 2000:

12 (a) In fiscal year 2001-2002, \$15,305,900.

13 (b) In fiscal year 2002-2003, \$31,530,100.

14 (c) In fiscal year 2003-2004, \$48,727,700.

15 (d) In fiscal year 2004-2005, \$66,957,200.

16 (e) In fiscal year 2005-2006 and each fiscal year thereafter,  
17 \$86,280,500.

18 6. After transferring monies pursuant to paragraphs 1, 2 and 3 of this  
19 subsection, seven million eight hundred thousand dollars is appropriated each  
20 fiscal year, to be paid in monthly installments, to the department of  
21 education to be used for school safety as provided in section 15-154 and two  
22 hundred thousand dollars is appropriated each fiscal year, to be paid in  
23 monthly installments to the department of education to be used for the  
24 character education matching grant program as provided in section 15-154.01.

25 7. After transferring monies pursuant to paragraphs 1, 2 and 3 of this  
26 subsection, no more than seven million dollars may be appropriated by the  
27 legislature each fiscal year to the department of education to be used for  
28 accountability purposes as described in section 15-241 and title 15, chapter  
29 9, article 8.

30 8. After transferring monies pursuant to paragraphs 1, 2 and 3 of this  
31 subsection, one million five hundred thousand dollars is appropriated each  
32 fiscal year, to be paid in monthly installments, to the failing schools  
33 tutoring fund established by section 15-241.

34 9. After transferring monies pursuant to paragraphs 1, 2 and 3 of this  
35 subsection, twenty-five million dollars shall be transferred each fiscal year  
36 to the state general fund to reimburse the general fund for the cost of the  
37 income tax credit allowed by section 43-1072.01.

38 10. After the payment of monies pursuant to paragraphs 1 through 9 of  
39 this subsection, the remaining monies collected during the preceding month  
40 shall be transferred to the classroom site fund established by section  
41 15-977. The monies shall be allocated as follows in the manner prescribed  
42 by section 15-977:

1 (a) Forty per cent shall be allocated for teacher compensation based  
2 on performance.

3 (b) Twenty per cent shall be allocated for increases in teacher base  
4 compensation and employee related expenses.

5 (c) Forty per cent shall be allocated for maintenance and operation  
6 purposes.

7 F. The department shall credit the remainder of the monies in the  
8 transaction privilege and severance tax clearing account to the state general  
9 fund, subject to any distribution required by section 42-5030.01.

10 G. Notwithstanding subsection D of this section, if a court of  
11 competent jurisdiction finally determines that tax monies distributed under  
12 this section were illegally collected under this article or articles 5, 8 and  
13 9 of this chapter and orders the monies to be refunded to the taxpayer, the  
14 department shall compute the amount of such monies that was distributed to  
15 each city, town and county under this section. The department shall notify  
16 the state treasurer of that amount plus the proportionate share of additional  
17 allocated costs required to be paid to the taxpayer. Each city's, town's and  
18 county's proportionate share of the costs shall be based on the amount of the  
19 original tax payment each municipality and county received. Each month the  
20 state treasurer shall reduce the amount otherwise distributable to the city,  
21 town and county under this section by one thirty-sixth of the total amount  
22 to be recovered from the city, town or county until the total amount has been  
23 recovered, but the monthly reduction for any city, town or county shall not  
24 exceed ten per cent of the full monthly distribution to that entity. The  
25 reduction shall begin for the first calendar month after the final  
26 disposition of the case and shall continue until the total amount, including  
27 interest and costs, has been recovered.

28 H. On receiving a certificate of default from the greater Arizona  
29 development authority pursuant to section 41-1554.06 or 41-1554.07 and to the  
30 extent not otherwise expressly prohibited by law, the state treasurer shall  
31 withhold from the next succeeding distribution of monies pursuant to this  
32 section due to the defaulting political subdivision the amount specified in  
33 the certificate of default and immediately deposit the amount withheld in the  
34 greater Arizona development authority revolving fund. The state treasurer  
35 shall continue to withhold and deposit the monies until the greater Arizona  
36 development authority certifies to the state treasurer that the default has  
37 been cured. In no event may the state treasurer withhold any amount that the  
38 defaulting political subdivision certifies to the state treasurer and the  
39 authority as being necessary to make any required deposits then due for the  
40 payment of principal and interest on bonds of the political subdivision that  
41 were issued before the date of the loan repayment agreement or bonds and that  
42 have been secured by a pledge of distributions made pursuant to this section.

1           Sec. 4. Title 42, chapter 5, article 1, Arizona Revised Statutes, is  
2 amended by adding section 42-5030, to read:

3           42-5030. Transfers to the Arizona convention center development  
4                                   fund; distributions

5           A. AT THE SAME TIME AS THE FIRST DISTRIBUTIONS EACH FISCAL YEAR  
6 PURSUANT TO SECTION 42-5029, THE DEPARTMENT SHALL CREDIT TO THE ARIZONA  
7 CONVENTION CENTER DEVELOPMENT FUND ESTABLISHED BY TITLE 9, CHAPTER 6, ARTICLE  
8 1 THE AMOUNTS DETERMINED PURSUANT TO THIS SECTION.

9           B. THE DEPARTMENT SHALL CREDIT TWENTY MILLION DOLLARS IN EACH FISCAL  
10 YEAR UNTIL A CERTIFICATION OF COMPLETION OF CONSTRUCTION IS FILED WITH THE  
11 STATE TREASURER PURSUANT TO SECTION 9-622. IN EACH FISCAL YEAR THEREAFTER,  
12 THE DEPARTMENT SHALL CREDIT THE AMOUNTS COMPUTED PURSUANT TO SUBSECTION C OF  
13 THIS SECTION TO THE ARIZONA CONVENTION CENTER DEVELOPMENT FUND FOR EACH  
14 ELIGIBLE PROJECT AS DESCRIBED IN SECTION 9-605.

15           C. THE AMOUNT DISTRIBUTED PURSUANT TO SUBSECTION B OF THIS SECTION  
16 SHALL BE COMPUTED BY DIVIDING THE TOTAL COST OF THE ELIGIBLE PROJECT NOT  
17 FUNDED FROM MUNICIPAL SOURCES AS IDENTIFIED IN THE CERTIFICATE OF COMPLETION  
18 OF CONSTRUCTION FILED PURSUANT TO SECTION 9-622 BY THREE HUNDRED MILLION AND  
19 MULTIPLYING THE QUOTIENT BY THE FOLLOWING AMOUNTS:

- 20           1. IN THE FIRST FISCAL YEAR, TWENTY-FIVE MILLION DOLLARS.  
21           2. IN THE SECOND FISCAL YEAR, THIRTY MILLION DOLLARS.  
22           3. IN THE THIRD FISCAL YEAR, THIRTY-FIVE MILLION DOLLARS.  
23           4. IN THE FOURTH FISCAL YEAR, FORTY MILLION DOLLARS.  
24           5. IN THE FIFTH FISCAL YEAR AND EACH OF THE NEXT THIRTY FISCAL YEARS,  
25 THE AMOUNT DISTRIBUTED IN THE PRECEDING FISCAL YEAR PLUS ONE MILLION DOLLARS,  
26 EXCEPT THAT THE AMOUNT DISTRIBUTED SHALL NOT EXCEED SIXTY MILLION DOLLARS IN  
27 ANY FISCAL YEAR.

28           D. IF THE CHIEF FINANCIAL OFFICER OF THE ELIGIBLE CITY CERTIFIES TO  
29 THE STATE TREASURER PURSUANT TO SECTION 9-602 THAT NO ADDITIONAL  
30 DISTRIBUTIONS ARE REQUIRED FROM THE ARIZONA CONVENTION CENTER DEVELOPMENT  
31 FUND FOR AN ELIGIBLE PROJECT, THE DEPARTMENT SHALL MAKE NO FURTHER TRANSFERS  
32 TO THE FUND FOR THAT PROJECT.

33           Sec. 5. Severability

34           If a provision of this act or its application to any person or  
35 circumstance is held invalid, the invalidity does not affect other provisions  
36 or applications of the act that can be given effect without the invalid  
37 provision or application, and to this end the provisions of this act are  
38 severable.

39           Sec. 6. Retroactivity

40           This act applies retroactively to fiscal years beginning from and after  
41 June 30, 2003.

APPROVED BY THE GOVERNOR JUNE 24, 2003.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 24, 2003.

Passed the House February 18, 2003

Passed the Senate June 18, 2003

by the following vote: 59 Ayes,

by the following vote: 21 Ayes,

0 Nays, 1 Not Voting

7 Nays, 2 Not Voting

Jake Flake  
Speaker of the House

Ken Fulk  
President of the Senate

Norman L. Moore  
Chief Clerk of the House

Charmion Bellinger  
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR**

This Bill was received by the Governor this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

**EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE**

This Bill was received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

H.B. 2332

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

June 19, 2003,

by the following vote: 31 Ayes,

21 Nays, 8 Not Voting

Jake Flake

Speaker of the House

Norman L. Fjore

Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

20 day of June, 2003

at 8:13 o'clock A M.

Sandra Ramirez  
Secretary to the Governor

Approved this 24 day of

June, 2003,

at 2<sup>10</sup> o'clock P. M.

Jan Nagel  
Governor of Arizona

H.B. 2332

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 24 day of June, 2003,

at 4:37 o'clock P M.  
Janice K. Brewer  
Secretary of State