

REFERENCE TITLE: sports authority; Cactus league relocations

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SB 1510

Introduced by
Senators Garcia, Aboud, Bee, Pesquiera; Representatives Cajero Bedford,
Farley; Senators Cheuvront, Soltero; Representatives Alvarez, Bradley,
Burns J, Lopes, Lopez, McClure, Prezelski, Saradnik

AN ACT

AMENDING SECTION 5-808, ARIZONA REVISED STATUTES; AMENDING SECTION 9-500.11, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2005, CHAPTER 200, SECTION 1; REPEALING SECTION 9-500.11, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2005, CHAPTER 105, SECTION 2; RELATING TO THE MAJOR LEAGUE BASEBALL SPRING TRAINING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 5-808, Arizona Revised Statutes, is amended to
3 read:

4 5-808. Major league baseball spring training facilities; local
5 financial participation

6 A. From monies in the cactus league promotion account established by
7 section 5-837, the authority may:

8 1. Acquire land or construct, finance, furnish, improve, market or
9 promote the use of existing or proposed major league baseball spring training
10 facilities that are located in the authority and other structures, utilities,
11 roads, parking areas or buildings necessary for full use of the training
12 facilities for sports and other purposes.

13 2. Do all things necessary or convenient to accomplish those purposes.

14 B. Monies in the cactus league promotion account:

15 1. May be used for the purposes of:

16 (a) Attracting major league baseball spring training operations to
17 locations in the authority.

18 (b) Retaining major league baseball spring training operations in
19 their current locations in the authority.

20 2. Shall not be used to facilitate the relocation of a major league
21 baseball spring training operation from one location in this state to another
22 location in this state unless either:

23 (a) Another major league baseball team has made contractual
24 commitments to assure the relocation of its spring training operations from a
25 location outside this state to the vacated facility.

26 (b) The relocation is to a facility located in the authority from
27 another facility in this state that was shared with another major league
28 baseball team.

29 C. A COUNTY OR MUNICIPALITY THAT OFFERS FINANCIAL OR REGULATORY
30 INCENTIVES TO FACILITATE OR ENCOURAGE THE RELOCATION OF A MAJOR LEAGUE
31 BASEBALL SPRING TRAINING OPERATION TO THE COUNTY OR MUNICIPALITY FROM ANOTHER
32 LOCATION IN THIS STATE IS NOT ELIGIBLE TO RECEIVE MONIES IN THE CACTUS LEAGUE
33 PROMOTION ACCOUNT FOR THE PROPOSED FACILITY.

34 ~~E.~~ D. The board shall require that any project undertaken pursuant to
35 this section include financial participation from the county or municipality
36 in which the project is located, from a private party or from any combination
37 of these entities that equals or exceeds one-half of the amount to be spent
38 or distributed by the authority. Capital improvement monies spent by a
39 county, municipality or private party for a purpose authorized by this
40 section may be considered to be financial participation with respect to any
41 project the authority may undertake.

42 ~~D.~~ E. For purposes of financing, designing or constructing facilities
43 or structures, the authority is not the agent of any other party
44 participating in the funding of the facility or structure.

45 ~~E.~~ F. Before undertaking the planning or construction of the first
46 new facility under this section, the board may consider the costs of

1 anticipated required renovations of existing facilities and shall consider
2 such costs for subsequent new facilities.

3 Sec. 2. Section 9-500.11, Arizona Revised Statutes, as amended by Laws
4 2005, chapter 200, section 1, is amended to read:

5 9-500.11. Expenditures for economic development: requirements:
6 definitions

7 A. In addition to any other powers granted to a city or town, the
8 governing body of a city or town may appropriate and spend public monies for
9 and in connection with economic development activities.

10 B. To fund economic development activities under this section, a city
11 or town subject to the requirements of section 9-500.06 shall not impose a
12 new fee or tax on a single specific industry or type of business.

13 C. Notwithstanding section 19-142, subsection B, a decision by the
14 governing body involving an expenditure pursuant to this section shall not be
15 enacted as an emergency measure, and that decision is not effective for at
16 least thirty days after final approval of the expenditure.

17 D. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, A CITY OR TOWN
18 SHALL NOT OFFER FINANCIAL OR REGULATORY INCENTIVES OR SPEND PUBLIC MONIES TO
19 FACILITATE OR ENCOURAGE THE RELOCATION OF A MAJOR LEAGUE BASEBALL SPRING
20 TRAINING OPERATION TO THE CITY OR TOWN FROM ANOTHER LOCATION IN THIS STATE.

21 ~~D.~~ E. Before entering into a retail development tax incentive
22 agreement, a city or town shall make a finding by a simple majority vote of
23 the governing body without the use of consent calendar that includes both of
24 the following:

25 1. That the proposed tax incentive is anticipated to raise more
26 revenue than the amount of the incentive within the duration of the
27 agreement.

28 2. That in the absence of a tax incentive, the retail business
29 facility or similar retail business facility would not locate in the city or
30 town in the same time, place or manner.

31 ~~E.~~ F. A city or town located in or within twenty-five miles of the
32 exterior boundary of a metropolitan statistical area having a population of
33 more than two million persons shall make a finding pursuant to subsection D
34 of this section, by a two-thirds vote of the governing body.

35 ~~F.~~ G. A city or town shall not enter into a retail DEVELOPMENT tax
36 incentive agreement if the proposed tax incentive raises less revenue than
37 the amount of the incentive.

38 ~~G.~~ H. A city or town shall present a status report of the revenues
39 and expenses associated with the tax incentive every two years for the
40 duration of the agreement in a public meeting.

41 ~~H.~~ I. The finding made pursuant to subsection ~~D.~~ E, paragraph 1 of
42 this section shall be verified by an independent third party before the city
43 or town enters into the retail development TAX incentive agreement.

44 ~~I.~~ J. The adoption of the retail development tax incentive agreement
45 shall be approved by a simple majority vote of the governing body without the
46 use of consent calendar. For a city or town located in or within twenty-five

1 miles of the exterior boundary of a metropolitan statistical area having a
2 population of more than two million persons, the adoption of a retail
3 development tax incentive agreement shall be approved by an affirmative vote
4 of at least two-thirds of the governing body without the use of consent
5 calendar.

6 ~~J.~~ K. A person or business entity receiving the retail development
7 tax incentive agreement shall not finance the independent third party
8 verification of the findings or have input into the selection of the
9 independent third party verifying the findings.

10 ~~K.~~ L. A city or town shall adopt a notice of intent to enter into a
11 retail development tax incentive agreement at least fourteen days before
12 approving a retail development tax incentive agreement.

13 ~~L.~~ M. Subsection ~~D.~~ E of this section does not apply to tax
14 incentives given to a business entity in an area that is designated by a city
15 or town as a redevelopment project as defined in section 36-1471.

16 ~~M.~~ N. For the purposes of this section:

17 1. "Economic development activities" means any project, assistance,
18 undertaking, program or study, whether within or outside the boundaries of
19 the city or town, including acquisition, improvement, redevelopment, leasing
20 or conveyance of improved or unimproved real or personal property or other
21 activity, that the governing body of the city or town has found and
22 determined will assist in the creation or retention of jobs or will otherwise
23 improve or enhance the economic welfare of the inhabitants of the city or
24 town.

25 2. "Expenditure" includes any waiver, exemption, deduction, credit,
26 rebate, discount, deferral or other abatement or reduction of the normal
27 municipal tax liability that otherwise applies to similar existing business
28 entities and properties in that city or town, however denominated, computed
29 or applied, and that is generally understood as an inducement to locate a
30 business facility or other operation in the city or town.

31 3. "Metropolitan statistical area" means a geographical area
32 consisting of cities, towns and other populated areas defined for federal
33 statistical and census purposes by the United States office of management and
34 budget with technical assistance from the United States bureau of the census.

35 4. "Retail" means the sale of tangible personal property, except the
36 sale of tangible personal property to a person who is engaged in the business
37 of selling such property.

38 5. "Retail development activities" means those economic development
39 activities that involve the acquisition, improvement, leasing or conveyance
40 of improved or unimproved real or personal property or other activity to
41 facilitate the sale of goods at retail, including the sale of automobiles, or
42 to facilitate other activities, including theater and restaurant development,
43 that generate revenues that are subject to municipal transaction privilege
44 taxation.

45 6. "Retail development tax incentive agreement" means an agreement
46 between a city or town and a person engaged in or planning to engage in

1 retail development activities within that city or town in which the city or
2 town agrees to pay, refund, credit, rebate or otherwise provide to that
3 person all or a portion of the sales, use or transaction privilege taxes
4 payable to that city or town in connection with the construction, development
5 or operation of the retail development activities.

6 Sec. 3. Repeal

7 Section 9-500.11, Arizona Revised Statutes, as amended by Laws 2005,
8 chapter 105, section 2, is repealed.

9 Sec. 4. Retroactivity

10 Section 1 of this act is effective retroactively to from and after
11 September 30, 2006.