

S.B. 509

SENATE BILL NO. 509—COMMITTEE ON FINANCE

(ON BEHALF OF THE OFFICE OF THE GOVERNOR)

MAY 26, 2023

Referred to Committee on Finance

SUMMARY—Revises provisions governing stadium infrastructure projects. (BDR S-1221)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Contains Appropriation not included in Executive Budget.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to economic development; enacting the Southern Nevada Tourism Innovation Act; amending the Southern Nevada Tourism Improvements Act; requiring the establishment in Clark County of a sports and entertainment improvement district for the financing of a Major League Baseball stadium project; authorizing the Clark County Stadium Authority to carry out the provisions of law governing the Major League Baseball stadium project; requiring the creation of a resort corridor homelessness prevention and assistance fund; authorizing the pledge of certain taxes, fees and charges for the payment of bonds and other purposes relating to the financing of the Major League Baseball stadium project; authorizing the State Treasurer to provide a credit enhancement on bonds issued to finance the construction of the Major League Baseball stadium project; requiring the issuance of general obligations of Clark County for the financing of a Major League Baseball stadium project under certain circumstances; authorizing the issuance of transferrable tax credits to developer partners for qualified projects relating to the Major League Baseball stadium project; making an appropriation; and providing other matters properly relating thereto.



Legislative Counsel's Digest:

1 Existing law creates the Clark County Stadium Authority as a public body to
2 carry out the provisions of the Southern Nevada Tourism Improvements Act
3 governing the National Football League stadium project. (Chapter 2, Statutes of
4 Nevada 2016, 30th Special Session, at page 19)

5 This bill enacts the Southern Nevada Tourism Innovation Act to establish a
6 method to finance a Major League Baseball stadium project. **Sections 3-17** of this
7 bill define terms for the purposes of the Southern Nevada Tourism Innovation Act.
8 **Sections 18-35** of this bill establish a method to finance the design, entitlement,
9 acquisition, construction, improvement, repair, demolition, reconstruction,
10 equipment, financing, promotion, leasing, subleasing, management, operation or
11 maintenance of a Major League Baseball stadium project.

12 **Section 21** of this bill authorizes the Stadium Authority to exercise certain
13 powers which are in addition to the powers granted to the Stadium Authority under
14 the Southern Nevada Tourism Improvements Act.

15 **Section 28** of this bill requires the Board of County Commissioners of Clark
16 County to create a sports and entertainment improvement district in unincorporated
17 Clark County to assist in the financing of a Major League Baseball stadium project
18 and authorizes the Board to amend or modify the geographic boundaries of the
19 district by ordinance.

20 **Section 22** of this bill requires the Stadium Authority to negotiate and enter
21 into a development agreement, lease agreement and non-relocation agreement with
22 respect to the Major League Baseball stadium project if the Board of Directors
23 determines that a Major League Baseball team has committed to locate or relocate
24 within the sports and entertainment district. **Section 22** establishes requirements for
25 a development agreement, lease agreement and non-relocation agreement. **Section**
26 **33** of this bill sets forth additional provisions which must be included in the
27 development agreement, lease agreement and non-relocation agreement, including,
28 without limitation, the maximum financial contribution of the Stadium Authority to
29 the development and construction of the Major League Baseball stadium project.

30 **Section 24** of this bill provides for the confidentiality of certain information
31 provided to the Stadium Authority under certain circumstances. **Section 25** of this
32 bill generally exempts the Major League Baseball stadium project from laws
33 requiring competitive bidding or specifying procedures for the procurement of
34 goods or services, and from the statutory provisions governing public works
35 projects, except that the pertinent construction contracts must comply with the
36 statutory prevailing wage provisions and, if the Stadium Authority determines a
37 subcontract can be competitively bid without affecting the quality of the project,
38 must be competitively bid. Additionally, **section 26** of this bill requires that any
39 contract or agreement entered into by a prime contractor for the construction of the
40 Major League Baseball stadium project must include provisions requiring that at
41 least 15 percent of the subcontracts for the project must be with small local
42 businesses.

43 **Section 27** of this bill requires the Stadium Authority to retain the sole and
44 exclusive right to enter into agreements for the sale, license or transfer of personal
45 seat licenses, stadium builder's licenses or other similar instruments for any and all
46 seats in the Major League Baseball stadium project to generate revenues for the
47 construction of the Major League Baseball stadium project.

48 **Section 34** of this bill requires the Board of County Commissioners of Clark
49 County to issue general obligations of the County upon the request of the Board of
50 Directors of the Stadium Authority and once certain requirements have been met in
51 an amount that can be supported by the proceeds of certain taxes, fees and charges
52 described in **section 29** of this bill. **Section 34** also requires the proceeds from the
53 issuance of the general obligations to be distributed to the Stadium Authority and
54 used for certain purposes related to the Major League Baseball stadium project.



55 **Section 30** of this bill authorizes the State Treasurer to provide a credit
56 enhancement on bonds issued to finance the construction of the Major League
57 Baseball stadium project, and **sections 38 and 40** of this bill make an appropriation,
58 effective on July 1, 2024, of \$25 million to State Infrastructure Bank for this credit
59 enhancement. **Section 32** of this bill requires the county treasurer of Clark County,
60 after paying any principal, interest or other costs due in connection with any bonds
61 or securities and establishing a reserve fund, to transfer the proceeds of the taxes,
62 fees and charges pledged to the financing or refinancing of the Major League
63 Baseball stadium project to the Stadium Authority to be used for certain purposes.

64 **Section 31** of this bill authorizes a developer partner of a qualified project to
65 apply to the Stadium Authority for a certificate of eligibility for transferrable tax
66 credits. **Section 31** prohibits the Stadium Authority from approving more than
67 \$36,000,000 in transferrable tax credits in a fiscal year or \$180,000,000 in total for
68 all qualified projects in this State.

69 **Section 20** of this bill requires the Board of County Commissioners to create a
70 resort corridor homelessness prevention and assistance fund to provide assistance to
71 people who are at risk of becoming homeless or are currently experiencing
72 homelessness by supporting certain programs. **Section 23** of this bill requires, as
73 part of the development and operation of the Major League Baseball stadium
74 project, the development of a community benefits agreement and the creation of a
75 stadium community oversight committee to oversee the implementation and
76 administration of the community benefits agreement.

77 **Section 35** of this bill provides that the authority of the Board of Directors to
78 undertake the Major League Baseball stadium project expires under certain
79 circumstances.

80 **Sections 36 and 37** of this bill revise the membership of the Board of Directors
81 of the Stadium Authority.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Sections 2 to 35, inclusive, of this act may be cited
2 as the Southern Nevada Tourism Innovation Act.

3 **Sec. 2.** 1. The Legislature hereby finds that:

4 (a) Because the Las Vegas area is the most visited and
5 economically significant tourism market within this State, the
6 tourism industry within the Las Vegas area is critically important to
7 the economy of that local area and this State, and the continued
8 growth and success of the tourism industry within the Las Vegas
9 area is particularly vital to the general welfare and prosperity of that
10 local area and this State.

11 (b) A significant part of the continued growth and success of the
12 tourism industry within the Las Vegas area depends upon the unique
13 attractiveness, excitement, atmosphere and vitality of the Las Vegas
14 Strip and the development of new, innovative and diversified
15 facilities, venues and forms of entertainment within the Las Vegas
16 area to ensure that the area may:



1 (1) Continue to be the preferred and premier destination for
2 tourists from all walks of life in the ever-advancing technological
3 age of the 21st century;

4 (2) Remain competitive with other national and international
5 tourism destinations that are continually evolving and seeking to
6 draw more tourists to their facilities, venues and forms of
7 entertainment; and

8 (3) Retain its world-famous, unique and incomparably
9 distinctive status as the Sports and Entertainment Capital of the
10 World.

11 (c) It is in the public interest and beneficial to the public welfare
12 to diversify, enhance and grow the largest tourism market in this
13 State through the development of large-scale and one-of-a-kind
14 convention, entertainment and sports venues and facilities within the
15 Las Vegas area, including the Las Vegas Strip, by constructing and
16 operating a state-of-the-art stadium capable of attracting
17 professional sports franchises, such as teams from Major League
18 Baseball, hosting national sporting events, such as the World Series
19 and World Baseball Classic, playoff, tournament and championship
20 games, and holding other large-scale entertainment and sports
21 events, such as concerts, festivals, motor sports, prizefighting and
22 rodeos.

23 (d) Because the Las Vegas area, including the Las Vegas Strip,
24 is the largest tourism market in this State and because the Las Vegas
25 area, including the Las Vegas Strip, is world famous, unique and
26 incomparably distinctive, the Las Vegas area is the only area in this
27 State that:

28 (1) Is appropriate and suitable for the development of such
29 large-scale and one-of-a-kind entertainment and sports venues and
30 facilities; and

31 (2) Has all the necessary local and special attributes,
32 conditions and resources that are essential to support such large-
33 scale and one-of-a-kind entertainment and sports venues and
34 facilities, including, without limitation, the necessary economic
35 conditions, capital investment, and infrastructure that could support
36 the development and operation of such venues and facilities, support
37 industries and businesses, workforce, population and visitors.

38 (e) The Clark County Stadium Authority is positioned to play a
39 significant role in the continued growth and success of the tourism
40 industry within the Las Vegas area by facilitating the development
41 and operation of such new, innovative and diversified facilities,
42 venues and forms of entertainment within the Las Vegas area.

43 2. The Legislature hereby declares that:

44 (a) Because the Las Vegas area is the only area in this State that
45 is appropriate and suitable for the development of such large-scale



1 and one-of-a-kind entertainment and sports venues and facilities and
2 has all the necessary local and special attributes, conditions and
3 resources that are essential to support such venues and facilities, it is
4 necessary to enact a law of local and special application to promote,
5 develop and secure the advantages of the local and special
6 characteristics and circumstances within the Las Vegas area, which
7 are found nowhere else within this State, and to benefit the residents
8 of that local and special area.

9 (b) Therefore, given that a law of local and special application is
10 necessary to promote, develop and secure the advantages of the
11 local and special characteristics and circumstances within the Las
12 Vegas area, which are found nowhere else within this State, and
13 given that such a law is necessary to benefit the residents of that
14 local and special area, a general law cannot be made applicable to
15 the purposes, objects, powers, rights, privileges, immunities,
16 liabilities, duties and disabilities set forth in this act.

17 **Sec. 3.** Except as otherwise provided in this act or unless the
18 context otherwise requires, the terms used or referred to in this act
19 have the meanings ascribed to them in the Local Government
20 Securities Law, but the definitions set forth in sections 4 to 17,
21 inclusive, of this act, unless the context otherwise requires, govern
22 the construction of this act.

23 **Sec. 4.** “Baseball Stadium Events Company” means a person
24 whose business is organized under the laws of this State for the
25 purpose of leasing the Major League Baseball stadium project from
26 the Stadium Authority and whose business is owned by:

- 27 1. The Major League Baseball team or its affiliate;
- 28 2. A developer partner or its affiliate; or
- 29 3. The Major League Baseball team or its affiliate and a
30 developer partner or an affiliate of a developer partner.

31 **Sec. 5.** “Board of County Commissioners” means the Board of
32 County Commissioners of Clark County.

33 **Sec. 6.** “Board of Directors” means the Board of Directors of
34 the Stadium Authority appointed pursuant to subsection 1 of section
35 22 of the Southern Nevada Tourism Improvements Act, as amended
36 by section 36 of this act.

37 **Sec. 7.** “Bonds” means one or more series of general
38 obligation bonds additionally secured by pledged revenues
39 authorized to be issued by the County pursuant to subsection 2 of
40 section 34 of this act and the Local Government Securities Law and
41 any general obligation bonds additionally secured by pledged
42 revenues issued to refund all or a portion of such bonds issued
43 pursuant to subsection 2 of section 34 of this act and the Local
44 Government Securities Law.



1 **Sec. 8.** “Capital investment” means all costs and expenses
2 incurred by a developer partner or Baseball Stadium Events
3 Company in a qualified project in connection with the acquisition,
4 construction, installation and equipping of the qualified project.

5 **Sec. 9.** “County” means Clark County, Nevada.

6 **Sec. 10.** “Developer partner” means a person who provides
7 money to pay the costs of the design, acquisition, construction,
8 entitlement, leasing, improvement, financing, equipping, operation
9 or maintenance, or any combination thereof, of the Major League
10 Baseball stadium project or the cost of any capital improvements to
11 the Major League Baseball stadium project.

12 **Sec. 11.** “Major League Baseball stadium project” means any
13 enterprise to design, acquire, construct, entitle, lease, improve,
14 equip, finance, operate or maintain, or any combination thereof,
15 within the boundaries of the sports and entertainment improvement
16 district a baseball stadium capable of hosting the home games of the
17 Major League Baseball team and that complies with section 22 of
18 this act and all necessary or desirable appurtenances or incidentals
19 thereof for the operation of the Major League Baseball stadium
20 project.

21 **Sec. 12.** “Major League Baseball team” means the Major
22 League Baseball team that is locating or relocating within the sports
23 and entertainment improvement district.

24 **Sec. 13.** “Person” means a natural person, any form of
25 business or social organization and any other nongovernmental legal
26 entity, including, but not limited to, a corporation, partnership,
27 association, trust or unincorporated organization. The term does not
28 include a government, governmental agency or political subdivision
29 of a government.

30 **Sec. 14.** “Qualified project” means a project that meets the
31 definition and applicable requirements of a Major League Baseball
32 stadium project, as set forth in this act.

33 **Sec. 15.** “Resort corridor homelessness prevention and
34 assistance fund” means the fund created by the County pursuant to
35 section 20 of this act.

36 **Sec. 16.** “Sports and entertainment improvement district”
37 means the district created by section 28 of this act.

38 **Sec. 17.** “Stadium Authority” means the Clark County
39 Stadium Authority created by section 21 of the Southern Nevada
40 Tourism Improvements Act.

41 **Sec. 18.** In addition to the powers and authority vested in the
42 Stadium Authority pursuant to the Southern Nevada Tourism
43 Improvements Act, the Stadium Authority is hereby authorized and
44 empowered to undertake the development of the Major League
45 Baseball stadium project pursuant to the terms of this act.



1 **Sec. 19.** The Board of Directors shall create a baseball stadium
2 tax account and a baseball stadium capital projects fund to carry out
3 the provisions of this act.

4 **Sec. 20.** 1. The Board of County Commissioners shall create
5 a resort corridor homelessness prevention and assistance fund.

6 2. In managing the fund, the County shall coordinate with the
7 Major League Baseball team and the Nevada Resort Association.

8 3. Money in the fund shall be used exclusively to provide
9 assistance to people who are at risk of becoming homeless or are
10 currently experiencing homelessness by supporting programs which
11 are designed to:

12 (a) Prevent homelessness;

13 (b) Help individuals and families to regain stable housing; or

14 (c) Diminish the incidence of homelessness in and around the
15 Southern Nevada resort corridor.

16 4. To the extent practicable, money in the fund shall be
17 invested in programs which provide a range of service, including,
18 without limitation, emergency rental assistance, utility assistance,
19 case management, job training, rehabilitation, respite and counseling
20 services.

21 **Sec. 21.** In furtherance of the duties and responsibilities set
22 forth in this act, the Stadium Authority may:

23 1. Apply for and accept any gift, donation, bequest, grant or
24 other source of money to finance or develop the Major League
25 Baseball stadium project.

26 2. Require and receive such audits and other measurements of
27 the performance of a developer partner or the Baseball Stadium
28 Events Company as it deems necessary to ensure that the operation
29 of the Major League Baseball stadium project complies with this
30 act, except that the Stadium Authority may not require an audit of
31 the general business of the Major League Baseball team or any
32 developer partner.

33 3. Consider and approve or disapprove:

34 (a) An annual capital improvement budget for the Major League
35 Baseball stadium project submitted by the Baseball Stadium Events
36 Company.

37 (b) Any specific requests for capital improvements proposed by
38 the Baseball Stadium Events Company or the Major League
39 Baseball team.

40 4. Perform any other act that may be necessary, convenient,
41 desirable or appropriate to carry out the powers and duties of the
42 Stadium Authority with respect to the Major League Baseball
43 stadium project.

44 **Sec. 22.** 1. The Stadium Authority shall negotiate and may
45 enter into a development agreement, lease agreement and a



1 non-relocation agreement with respect to the Major League Baseball
2 stadium project that complies with subsections 2, 3 and 5, as
3 applicable, if the Board of Directors:

4 (a) Within 12 months after the effective date of this act or, if the
5 Board determines that an extension of this period is necessary or
6 desirable, within 18 months after that effective date, finds that
7 Major League Baseball has authorized the Major League Baseball
8 team to locate or relocate within the sports and entertainment
9 improvement district;

10 (b) Within 12 months after the effective date of this act or, if the
11 Board determines that an extension of this period is necessary or
12 desirable, within 18 months after that effective date, finds that the
13 Major League Baseball team has committed to locate or relocate
14 within the sports and entertainment improvement district;

15 (c) Selects as a developer partner one or more persons who
16 have:

17 (1) Disclosed to the Board as a matter of public record the
18 identity of the person or persons;

19 (2) Provided documentation satisfactory to the Board to
20 indicate that the person or persons selected to be a developer partner
21 have an affiliation with the Major League Baseball team;

22 (3) Demonstrated to the satisfaction of the Board that the
23 developer partner is able to successfully develop and construct the
24 Major League Baseball stadium project; and

25 (4) Provided to the Board adequate financial security for the
26 performance of the financial obligations of a developer partner for
27 the development and construction of the Major League Baseball
28 stadium project; and

29 (d) Selects a Baseball Stadium Events Company which has
30 disclosed to the Board the identity of each of its owners and
31 managers.

32 2. A development agreement for the Major League Baseball
33 stadium project entered into by the Stadium Authority with a
34 developer partner selected by the Board of Directors pursuant to
35 paragraph (c) of subsection 1 must require the location, design, fit
36 and finish of the Major League Baseball stadium project to be
37 consistent with first-class, premier Major League Baseball facilities
38 currently in operation or approved for construction by Major League
39 Baseball and:

40 (a) Identify the site of the project;

41 (b) Set forth the overall design, scope and specifications of the
42 project, which must include, without limitation, an enclosed baseball
43 stadium with an attendance capacity of approximately 30,000
44 persons;



1 (c) Set forth the sources of financing to pay the costs of the
2 development and construction of the project in a manner consistent
3 with the provisions of sections 18 to 35, inclusive, of this act;

4 (d) Require the developer partner to provide periodic progress
5 reports to the Board of Directors on the status of the development
6 and construction of the project;

7 (e) Set forth the procedures for the provision of the periodic
8 progress reports described in paragraph (d) and the information
9 required to be included in such reports;

10 (f) State that any and all development and construction cost
11 overruns for the development and construction of the project must
12 be the sole responsibility of the developer partner, except that any
13 cost overrun must not be the responsibility of the developer partner
14 if the cost overrun is caused by a change in development or
15 construction mandated by the Stadium Authority after the execution
16 of the development agreement, other than a change in development
17 or construction after the execution of the development agreement
18 that is required to comply with a building code, including, without
19 limitation, a change relating to building safety;

20 (g) Contain provisions that are consistent with sections 25, 26
21 and 33 of this act;

22 (h) Provide for an adequate contribution by the developer
23 partner for the construction or improvement of any infrastructure off
24 the site of the project that is determined to be necessary for the
25 project by the Department of Transportation, the County or any
26 municipality in which the project is located and that is specified in
27 the regional infrastructure and service evaluation required for a high
28 impact project before a special use permit is issued for the project;

29 (i) Require that the developer partner ensure that no action or
30 inaction by the developer partner, or any person hired or retained by
31 the developer partner to act on behalf of the developer partner, in the
32 development or construction of the project results in a mechanic's
33 lien or judgment lien against the project that is not cured by the
34 developer partner within a customary amount of time using
35 commercially reasonable efforts, which must be determined in
36 accordance with the laws of this State and must be such time and
37 efforts as are approved by the Board of Directors;

38 (j) Take into consideration the use of multimodal facilities that
39 use alternative modes of transportation and do not have detrimental
40 impacts on other permitted transportation projects; and

41 (k) Contain such other terms as deemed necessary and
42 appropriate by the Stadium Authority.

43 3. A lease agreement entered into by the Stadium Authority
44 with the Baseball Stadium Events Company described in paragraph
45 (d) of subsection 1 must set forth the requirements and



1 responsibilities of the Baseball Stadium Events Company with
2 respect to the operation of the Major League Baseball stadium
3 project and must:

4 (a) Be for a term of not less than 30 years and may include
5 rights for the Baseball Stadium Events Company to renew the lease
6 agreement with the approval of the Stadium Authority;

7 (b) Grant the Baseball Stadium Events Company full operational
8 control of the project;

9 (c) Not contain any provision that interferes with the discretion
10 of the Baseball Stadium Events Company to operate the project,
11 including, without limitation, a provision restricting in any manner
12 the programs or events that may be held at the project;

13 (d) Authorize the Baseball Stadium Events Company to enter
14 into an agreement with another person to operate the project on a
15 day-to-day basis, as deemed necessary or appropriate by the
16 Baseball Stadium Events Company;

17 (e) Establish a minimum standard for the maintenance of, and
18 capital reinvestment in, the project to ensure that the design and
19 development standards set forth in sections 18 to 35, inclusive, of
20 this act are maintained or enhanced throughout the term of the lease
21 agreement;

22 (f) Provide for the annual allocation of the revenue from, and
23 expenses of, the operation of the project in a manner consistent with
24 sections 18 to 35, inclusive, of this act;

25 (g) State that the Baseball Stadium Events Company and the
26 developer partner are liable jointly and severally for the operating
27 losses of the project or the Baseball Stadium Events Company;

28 (h) Require an annual audit of the Baseball Stadium Events
29 Company by an independent certified public accountant in this State
30 who does not provide any similar or related services to a developer
31 partner or the Major League Baseball team, or any affiliate,
32 subsidiary, principal or related party of a developer partner or the
33 Major League Baseball team, and who is selected by the mutual
34 agreement of the Stadium Authority and the Baseball Stadium
35 Events Company;

36 (i) Require the cost of the audit described in paragraph (h) to be
37 divided equally between the Stadium Authority and the Baseball
38 Stadium Events Company;

39 (j) Require that the term of any lease or sublease entered into by
40 the Baseball Stadium Events Company with the Major League
41 Baseball team must be at least 30 years;

42 (k) State that a person owning a controlling ownership interest
43 in the Baseball Stadium Events Company may sell or otherwise
44 transfer the person's ownership interest to a related or unrelated
45 third party only upon the approval of the Stadium Authority and that



1 the Stadium Authority must not unreasonably withhold such
2 approval;

3 (l) Provide that the Stadium Authority must comply with the
4 confidentiality provisions of section 24 of this act;

5 (m) Provide that the Baseball Stadium Events Company must
6 fund annually a capital reserve in an amount sufficient to ensure the
7 facility standard is maintained throughout the life of the Major
8 League Baseball stadium project, as determined jointly by the
9 Baseball Stadium Events Company and the Stadium Authority; and

10 (n) Such other terms and conditions as deemed necessary and
11 appropriate by the Board of Directors.

12 4. The Stadium Authority may enter into a combined
13 development and lease agreement that complies with the provisions
14 of subsections 2 and 3.

15 5. A non-relocation agreement entered into by the Stadium
16 Authority with the Baseball Stadium Events Company described in
17 subsection 1 must:

18 (a) Set forth the requirements and responsibilities of the
19 Baseball Stadium Events Company with respect to the conditions
20 under which the Major League Baseball team may relocate from the
21 sports and entertainment improvement district;

22 (b) Be for a term of not less than 30 years;

23 (c) Provide for damages in the event the Major League Baseball
24 team relocates in violation of the agreement in an amount not less
25 than:

26 (1) The amount required for the repayment of the principal
27 and interest then outstanding on the bonds issued to finance or
28 refinance the Major League Baseball stadium project;

29 (2) An amount equal to the then outstanding tax credits
30 subject to repayment pursuant to paragraph (g) of subsection 4 of
31 section 32 of this act; and

32 (3) Any costs resulting from early termination of such bonds;
33 and

34 (d) Require the Baseball Stadium Events Company to provide
35 evidence satisfactory to the Stadium Authority of the ability to
36 satisfy the terms of the non-relocation agreement in the event the
37 Major League Baseball team relocates in violation of the agreement.

38 6. The Stadium Authority shall be considered a third-party
39 beneficiary of all agreements entered into by the developer partner,
40 the Baseball Stadium Events Company and the Major League
41 Baseball team with respect to the development, design, construction
42 or operation of the Major League Baseball stadium project.

43 **Sec. 23.** 1. The developer partner and the Baseball Stadium
44 Events Company shall develop a community benefits agreement to
45 ensure the greatest possible participation by all segments of the local



1 community in the economic opportunities available in connection
2 with the design, construction and operation of the Major League
3 Baseball stadium project developed by the developer partner and
4 operated by the Baseball Stadium Events Company. The community
5 benefits agreement must be approved by the Board of Directors. The
6 community benefits agreement must be reviewed and updated not
7 less than once every 5 years and each such update must be approved
8 by the Board of Directors.

9 2. A baseball stadium community oversight committee must be
10 created to oversee the implementation and administration of the
11 community benefits agreement developed pursuant to subsection 1.
12 The baseball stadium community oversight committee is hereby
13 authorized to enforce the provisions of the community benefits
14 agreement which it was created to oversee.

15 3. The baseball stadium community oversight committee must
16 include at least one member who is appointed by the Board of
17 County Commissioners. The member appointed by the Board of
18 County Commissioners must not be:

19 (a) An elected official;

20 (b) An employee of the Major League Baseball team or an
21 affiliate or related entity of the Major League Baseball team;

22 (c) A representative of a business that is engaged by a business
23 providing goods or services to the Major League Baseball team or
24 the Major League Baseball stadium project; or

25 (d) A representative of a labor union representing employees, or
26 seeking to represent employees, working at or for the Major League
27 Baseball stadium project.

28 **Sec. 24.** 1. Except as otherwise provided in subsection 3 and
29 NRS 239.0115, the Stadium Authority shall keep confidential any
30 record or other document provided to the Stadium Authority by a
31 developer partner, the Major League Baseball team or the Baseball
32 Stadium Events Company, which is in the possession of the Stadium
33 Authority, if the person providing the information:

34 (a) Submits a request in writing that the record or other
35 document be kept confidential by the Stadium Authority; and

36 (b) Demonstrates to the satisfaction of the Stadium Authority
37 that the record or other document contains proprietary or
38 confidential information.

39 2. If the Stadium Authority determines that a record or other
40 document contains proprietary or confidential information, the Chair
41 of the Board of Directors shall attach to the file containing the
42 record or document:

43 (a) A certificate signed by him or her stating that a request for
44 confidentiality was made by the requesting entity and the date of the
45 request;



1 (b) A copy of the written request submitted by the requesting
2 entity;

3 (c) The documentation to support the request submitted by the
4 requesting entity; and

5 (d) A copy of the decision of the Stadium Authority determining
6 that the record or other document contains proprietary or
7 confidential information.

8 3. Records and documents that are confidential pursuant to this
9 section:

10 (a) Are proprietary or confidential information of the requesting
11 entity;

12 (b) Are not a public record; and

13 (c) Must not be disclosed to any person who is not an officer or
14 employee of the Stadium Authority unless the requesting entity
15 consents to the disclosure.

16 4. As used in this section, "proprietary or confidential
17 information" has the meaning ascribed to it in NRS 360.247.

18 **Sec. 25.** 1. Except as otherwise provided in sections 18 to
19 35, inclusive, of this act and notwithstanding any other provision of
20 law to the contrary:

21 (a) Any contract, lease, sublease, lease-purchase agreement,
22 management agreement or other agreement entered into pursuant to
23 sections 18 to 35, inclusive, of this act by the Stadium Authority, a
24 developer partner or any related entity relating to the Major League
25 Baseball stadium project financed in whole or in part pursuant to
26 sections 18 to 35, inclusive, of this act, and any contract, lease,
27 sublease, lease-purchase agreement, management agreement or
28 other agreement that provides for the design, entitlement,
29 acquisition, construction, improvement, repair, demolition,
30 reconstruction, equipment, financing, promotion, leasing,
31 subleasing, management, operation or maintenance, or any
32 combination thereof, of the Major League Baseball stadium project
33 or any portion thereof, or the provision of materials or services for
34 the project are exempt from any law:

35 (1) Requiring competitive bidding or otherwise specifying
36 procedures for the award of agreements of a type described in this
37 paragraph;

38 (2) Specifying procedures for the procurement of goods or
39 services; or

40 (3) Limiting the term of any agreement of a type described in
41 this paragraph.

42 (b) The provisions of chapter 341 of NRS do not apply to the
43 Major League Baseball stadium project financed in whole or in part
44 pursuant to sections 18 to 35, inclusive, of this act or to any
45 agreement of a type described in paragraph (a).



1 (c) The provisions of chapter 338 of NRS do not apply to the
2 Major League Baseball stadium project financed in whole or in part
3 pursuant to sections 18 to 35, inclusive, of this act or to any
4 agreement of a type described in paragraph (a), except that:

5 (1) The provisions of NRS 338.013 to 338.090, inclusive,
6 apply to any construction work to be performed under any contract
7 or other agreement pertaining to the project even if the estimated
8 cost of the construction work is not greater than \$250,000 or the
9 construction work does not qualify as a public work, as defined in
10 NRS 338.010;

11 (2) Any person or entity that executes one or more contracts
12 or agreements for the actual construction, alteration, repair or
13 remodeling of the project shall include in such a contract or
14 agreement the contractual provisions and stipulations that are
15 required to be included in a contract for a public work pursuant to
16 the provisions of NRS 338.013 to 338.090, inclusive; and

17 (3) The Stadium Authority, any contractor who is awarded a
18 contract or enters into an agreement to perform the construction,
19 alteration, repair or remodeling of such an undertaking and any
20 subcontractor on the undertaking shall comply with the provisions
21 of NRS 338.013 to 338.090, inclusive, in the same manner as if the
22 County had undertaken the project or had awarded the contract.

23 2. The Stadium Authority and any prime contractor,
24 construction manager or project manager selected by the Stadium
25 Authority or a developer partner shall competitively bid all
26 subcontracts involving construction which the Stadium Authority
27 determines can be competitively bid without affecting the quality of
28 the Major League Baseball stadium project. Any determination by
29 the Stadium Authority that such a subcontract can or cannot be
30 competitively bid without affecting the quality of the Major League
31 Baseball stadium project is conclusive in the absence of fraud or a
32 gross abuse of discretion. The Stadium Authority shall establish one
33 or more procedures for competitive bidding which:

34 (a) Must prohibit bidders from engaging in bid-shopping;

35 (b) Must not permit subcontractors to avoid or circumvent the
36 provisions of paragraph (c) of subsection 1; and

37 (c) Must, in addition to the requirements of section 26 of this
38 act, provide a preference for Nevada subcontractors in a manner that
39 is similar to, and with a preference that is equivalent to, the
40 preference provided in NRS 338.1389.

41 3. Any determination by the Stadium Authority regarding the
42 establishment of one or more procedures for competitive bidding,
43 and any determination by a developer partner or its prime
44 contractor, construction manager or project manager regarding the



1 award of a contract to any bidder, is conclusive in the absence of
2 fraud or a gross abuse of discretion.

3 **Sec. 26.** 1. In addition to any other requirements set forth in
4 sections 18 to 35, inclusive, of this act, and except as otherwise
5 provided in subsection 8, a development agreement entered into
6 pursuant to section 22 of this act, a lease agreement entered into
7 pursuant to that section, a combined development agreement and
8 lease agreement entered into pursuant to that section and any other
9 agreement of any kind entered into by the Stadium Authority with a
10 developer partner, must include provisions which require that any
11 contract or other agreement entered into by a prime contractor
12 selected by the Stadium Authority or a developer partner for the
13 construction of the Major League Baseball stadium project must
14 include a provision requiring that at least 15 percent of the Major
15 League Baseball stadium project must be subcontracted to small
16 local businesses.

17 2. A business shall be deemed to be a small local business for
18 the purposes of this section if:

19 (a) The business is financially and operationally independent
20 from any other business;

21 (b) The business is not temporary and has operated for at least 4
22 years before entering into the contract or agreement;

23 (c) The business maintains its principal place of business in a
24 fixed location within this State;

25 (d) The business has obtained all necessary licenses and
26 registration within this State; and

27 (e) The annual revenues of the business for each of the
28 immediately preceding 3 fiscal years has not exceeded:

29 (1) For public works projects, \$20,000,000;

30 (2) For any other construction projects, \$10,000,000;

31 (3) For any goods, materials, equipment and general services
32 contracts, \$10,000,000;

33 (4) For professional services including, without limitation,
34 architectural and engineering services, \$2,500,000; and

35 (5) For trucking services, \$3,500,000.

36 3. A contractor that subcontracts work to a small local business
37 pursuant to a contract or other agreement described in subsection 1
38 shall allow the small local business to be covered by any bond or
39 insurance of the contractor and may require the subcontractor to pay
40 a proportionate share of the cost for such coverage by the bond or
41 insurance.

42 4. A small local business to which work is subcontracted by a
43 contractor pursuant to a contract or other agreement described in
44 subsection 1 must ensure that its employees are hired in a manner
45 that does not discriminate against any person on any basis



1 prohibited by law. Such a contractor that subcontracts such work
2 shall not impose any requirements on the small local business
3 relating to the employees selected by the small local business to
4 perform the subcontracted work.

5 5. A contractor that subcontracts work to a small local business
6 pursuant to a contract or agreement described in subsection 1 shall
7 provide a mentorship program to assist the small local business to
8 develop the skills necessary to carry out the work that is
9 subcontracted.

10 6. A prime contractor and each contractor that subcontracts
11 work to a small local business pursuant to a contract or other
12 agreement described in subsection 1 shall submit information to the
13 Stadium Authority verifying that the contractor has complied with
14 the provisions of this section, and shall maintain all records,
15 including, without limitation, any information required by the
16 Stadium Authority, to ensure compliance with this section for not
17 less than 5 years after the expiration of the subcontract. Such
18 records must be made available for inspection to the Stadium
19 Authority upon request.

20 7. Unless the requirements of subsection 1 are waived by the
21 Stadium Authority pursuant to subsection 8, the failure of a prime
22 contractor to comply with the requirements of subsection 1 shall be
23 deemed a material breach of contract.

24 8. The Stadium Authority may waive the requirements of
25 subsection 1 if a prime contractor presents proof satisfactory to the
26 Stadium Authority that there is an insufficient number of small local
27 businesses available and qualified to subcontract for the work to be
28 performed. Such proof must include, without limitation, evidence
29 that:

30 (a) Reasonable efforts were made to notify small local
31 businesses of the availability of work to be performed under a
32 contract or other agreement described in subsection 1, which must
33 include evidence of public advertisement calling for bids for a
34 period of not less than 20 days before the date on which such bids
35 must be submitted; and

36 (b) In considering the availability and qualifications of a small
37 local business to perform work under a contract or other agreement
38 described in subsection 1, a contractor reasonably considered the
39 work experience, safety history and financial stability of the small
40 local business.

41 **Sec. 27.** 1. The Stadium Authority shall retain the sole and
42 exclusive right to enter into agreements to provide for the sale,
43 license or transfer of personal seat licenses, stadium builder's
44 licenses or other similar instruments for any and all seats in the



1 Major League Baseball stadium project to generate revenues used
2 for construction of the Major League Baseball stadium project.

3 2. The Stadium Authority may not grant any other person the
4 right to enter into such agreements, but it may in the development
5 agreement entered into pursuant to subsection 2 of section 22 of this
6 act or a combined development and lease agreement entered into
7 pursuant to subsection 4 of section 22 of this act, agree that any
8 agreements regarding personal seat licenses or similar instruments
9 will be made only in consultation with the developer partner or, if
10 applicable, the Baseball Stadium Events Company and the Major
11 League Baseball team. Such personal seat licenses or similar
12 instruments may contain priority purchase rights to ticketed events
13 in the Major League Baseball stadium project, including the home
14 games of the Major League Baseball team.

15 3. Proceeds from the sale of personal seat licenses or similar
16 instruments must be collected by or on behalf of the Stadium
17 Authority for the benefit of the Major League Baseball stadium
18 project and are a payment by purchasers to the owner of the Major
19 League Baseball stadium project for special rights of access to
20 events at the Major League Baseball stadium project.

21 4. With the consent of the Baseball Stadium Events Company
22 and the Major League Baseball team, the Stadium Authority shall
23 have the power to enter into one or more agreements with third
24 parties pursuant to which it sells to each such third party, the right to
25 receive and own the proceeds from the sale, license or transfer of
26 personal seat licenses, stadium builder's licenses or other similar
27 instruments as described in subsection 1, for cash and such other
28 consideration as it deems appropriate to be paid upon sale or over
29 time. Any financing or similar transaction by any such third party to
30 effect such sale:

31 (a) Shall not be deemed a debt of the Stadium Authority for any
32 purpose;

33 (b) Must not provide for recourse for monetary damages against
34 the Stadium Authority for any reason, including any actual or
35 alleged nonperformance by any person;

36 (c) Shall not give rise to any obligation or liability for monetary
37 damages of the Stadium Authority to any person, including the third
38 party or anyone purchasing a personal seat license or providing
39 financing based on personal seat licenses through such third party or
40 otherwise, but may, with the approval of the Baseball Stadium
41 Events Company, provide remedies against the Baseball Stadium
42 Events Company; and

43 (d) May allow for an action for specific performance against the
44 Stadium Authority.



1 **Sec. 28.** 1. The Board of Directors shall notify the Board of
2 County Commissioners if the Board of Directors has made the
3 determinations pursuant to paragraph (a) of subsection 1 of section
4 34 of this act, whereupon the Board of County Commissioners shall
5 create a sports and entertainment improvement district for the
6 purpose of assisting in the financing or refinancing of the Major
7 League Baseball stadium project. The sports and entertainment
8 improvement district must be:

9 (a) Located entirely within the County and outside the
10 boundaries of any incorporated city; and

11 (b) Include only the land on which the Major League Baseball
12 stadium project is or will be located and any surrounding or adjacent
13 properties necessary for the operation of the Major League Baseball
14 stadium project.

15 2. The Board of County Commissioners may from time to time
16 amend or modify the geographic boundaries of the sports and
17 entertainment improvement district by ordinance, but any such
18 amendment or modification:

19 (a) Must not impair any outstanding bonds or any revenues
20 pledged to their payment; or

21 (b) Exclude from the sports and entertainment improvement
22 district land on which the Major League Baseball stadium project is
23 or will be located or any surrounding or adjacent property necessary
24 for the operation of the Major League Baseball stadium project.

25 3. With respect to any parcel that is split by the boundary of the
26 sports and entertainment improvement district established pursuant
27 to this section, the County Treasurer or County Assessor shall
28 determine the apportionment of the proceeds of taxes collected
29 within such a parcel for the purposes of section 29 of this act. All
30 determinations of the County Treasurer or County Assessor
31 pursuant to this section shall be deemed to be conclusive, absent
32 fraud or a gross abuse of discretion.

33 **Sec. 29.** 1. The Board of County Commissioners shall, to
34 pay the principal of and interest on bonds issued by the County
35 pursuant to section 34 of this act and the Local Government
36 Securities Law, whether funded, refunded or otherwise, incurred by
37 the County to finance or refinance, in whole or in part, the Major
38 League Baseball stadium project and to pay for other amounts
39 described in subsection 4 of section 32 of this act, pledge the
40 proceeds of:

41 (a) The taxes imposed pursuant to:

42 (1) NRS 372.105 and 372.185 with regard to tangible
43 personal property sold at retail, or stored, used or otherwise
44 consumed, in the sports and entertainment improvement district
45 during a fiscal year.



1 (2) The Clark County Sales and Use Tax Act of 2005, with
2 regard to tangible personal property sold at retail, or stored, used or
3 otherwise consumed, in the sports and entertainment improvement
4 district during a fiscal year.

5 (3) The Clark County Crime Prevention Act of 2016, with
6 regard to tangible personal property sold at retail, or stored, used or
7 otherwise consumed, in the sports and entertainment improvement
8 district during a fiscal year.

9 (4) Chapter 377D of NRS, with regard to tangible personal
10 property sold at retail, or stored, used or otherwise consumed, in the
11 sports and entertainment improvement district during a fiscal year.

12 (5) NRS 374.110 and 374.111 or 374.190 and 374.191 with
13 regard to tangible personal property sold at retail, or stored, used or
14 otherwise consumed, in the sports and entertainment improvement
15 district during a fiscal year.

16 (6) Chapter 377 of NRS with regard to tangible personal
17 property sold at retail or stored, used or otherwise consumed, in the
18 sports and entertainment improvement district during a fiscal year.

19 (7) NRS 363A.130 or 363B.110 with regard to wages earned
20 by employees located within the sports and entertainment
21 improvement district during a fiscal year.

22 (8) NRS 680B.027 and 680B.030 with regard to insurance
23 premiums earned from policies on businesses or assets within the
24 sports and entertainment improvement district during a fiscal year.

25 (9) NRS 694C.450 with regard to insurance premiums earned
26 from policies on businesses or assets within the sports and
27 entertainment improvement district during a fiscal year.

28 (10) NRS 363C.200 with regard to gross revenues generated
29 within the sports and entertainment improvement district during a
30 fiscal year.

31 (11) NRS 368A.200 with regard to admission to any facility
32 where live entertainment is provided within the sports and
33 entertainment improvement district during a fiscal year.

34 (12) NRS 369.330 with regard to any liquor purchased or
35 otherwise consumed within the sports and entertainment
36 improvement district during a fiscal year.

37 (13) NRS 372B.140 with regard to fares charged for
38 transportation services for which the point of origin or the
39 destination is in the sports and entertainment improvement district.

40 (14) Chapter 361 of NRS with regard to personal property, as
41 defined in NRS 361.030, located in the sports and entertainment
42 improvement district during a fiscal year.

43 (b) The fee provided for in NRS 360.787 with regard to the
44 operating of a facility at which exhibitions are held within the sports
45 and entertainment improvement district during a fiscal year.



1 (c) A franchise fee imposed pursuant to chapter 354, 709 or 711
2 of NRS for the provision of electricity, gas telecommunications or
3 video services in the sports and entertainment improvement district.

4 (d) A business license fee imposed pursuant to chapter 354 of
5 NRS for a business located in the sports and entertainment
6 improvement district.

7 (e) With the approval of the Stadium Authority and the County,
8 any other taxes, fees and charges imposed at the time the sports and
9 entertainment improvement district is created or which are later
10 imposed by the County during the term of the development
11 agreement, lease agreement or non-relocation agreement entered
12 into pursuant to section 22 of this act, not including:

13 (1) Any tax, fee or charge that, if transferred to the baseball
14 stadium tax account, would violate the United States Constitution or
15 the Nevada Constitution;

16 (2) Any tax, fee or charge that is irrevocably pledged to the
17 repayment of a bond issued before the effective date of this act and
18 is not otherwise available to satisfy obligations of the County
19 pursuant to this section following the release of such tax, fee or
20 charge from such prior pledge;

21 (3) Any tax, fee or charge for services provided by any
22 publicly owned and operated utility; and

23 (4) Any ad valorem tax on real property exempted pursuant
24 to paragraph (c) of subsection 1 of section 33 of this act.

25 2. The provisions of this act must not be applied to modify,
26 directly or indirectly, any taxes levied or revenues pledged in such a
27 manner as to impair adversely any outstanding obligations of any
28 local government or the State, including, without limitation, bonds,
29 notes, medium-term financing, letters of credit and any other
30 financial obligation, until all such obligations have been discharged
31 in full or provision for their payment and redemption has been fully
32 made.

33 3. The Department of Taxation and the Division of Insurance
34 of the Department of Business and Industry may adopt regulations
35 regarding procedures for the identification and collection of the
36 taxes, fees and charges pledged pursuant to subsection 1 which the
37 Department is responsible for administering.

38 4. The state and each local government or other public body to
39 which taxes are paid shall provide commercially reasonable
40 procedures by which taxes, fees and charges that are paid by any
41 business operating in the sports and entertainment improvement
42 district are to be identified and segmented such that they can be
43 directed to the baseball stadium tax account and allocated in a
44 manner consistent with subsection 1 of section 32 of this act. All
45 persons and businesses operating in the sports and entertainment



1 improvement district shall be obligated to follow the established
2 commercially reasonable procedures.

3 5. For purposes of the taxes, fees and charges described in
4 subsection 1, the Major League Baseball team shall be considered
5 an employer within the sports and entertainment improvement
6 district and any tax, fee or charge imposed upon or passed-through
7 to the Major League Baseball team, the Major League Baseball
8 stadium project or any affiliated or unaffiliated business operating
9 within the sports and entertainment improvement district shall be
10 deemed to occur within the sport and entertainment district and
11 therefor inure to the benefit of the sports and entertainment
12 improvement district.

13 6. The pledge of all or a portion of the taxes, fees and charges
14 described in subsection 1 shall be deemed "pledged revenues" as
15 that term is defined in NRS 350.550 and as that term is used in
16 NRS 350.580.

17 7. Following the adoption of an ordinance creating a sports and
18 entertainment improvement district pursuant to section 28 of this
19 act, the Board of County Commissioners, the Department of
20 Taxation and the Division of Insurance of the Department of
21 Business and Industry shall enter into an agreement establishing the
22 procedures, including any deadlines, for the distribution to the
23 County of any money pledged pursuant to this section. Such
24 distributions:

25 (a) Must be made not less frequently than once each calendar
26 quarter; and

27 (b) Must:

28 (1) Cease with respect to 90 percent of the taxes, fees and
29 charges collected in a fiscal year commencing in the fiscal year
30 immediately following the later of:

31 (I) The end of the fiscal year in which the 30th
32 anniversary of the County's issuance of any bonds pursuant to
33 section 34 of this act and the Local Government Securities Law
34 occurs;

35 (II) The date on which any bonds issued by the County
36 pursuant to section 34 of this act and the Local Government
37 Securities Law are fully repaid; or

38 (III) The date on which all refundable transferrable tax
39 credits have been repaid to the State pursuant to paragraph (d) of
40 subsection 8 of section 31 of this act.

41 (2) Continue after the dates set forth in subparagraph (1) with
42 respect to the remaining 10 percent of the taxes, fees and charges
43 collected in a fiscal year so long as the Major League stadium
44 project is owned by the Stadium Authority.



1 **Sec. 30.** 1. The State Treasurer shall provide a credit
2 enhancement of not less than 0.5 times the anticipated average
3 annual debt service for each fiscal year of the term of bonds issued
4 to finance the construction of the Major League Baseball stadium
5 project pursuant to section 34 of this act from funds appropriated for
6 the initial deposit or other funds available for that purpose. The
7 credit enhancement may take the form of a guarantee, insurance,
8 letter of credit or other financial instrument or structure, as
9 reasonably determined by the State Treasurer.

10 2. The term of any authorized credit enhancement provided
11 pursuant to subsection 1 shall be for a period equal to that of the
12 term of any bonds issued to finance the construction of the Major
13 League Baseball stadium project, including any refunding of those
14 bonds, as set forth in section 34 of this act and shall be backed by
15 the full faith and credit of the State.

16 3. The credit enhancement provided pursuant to subsection 1
17 may take the form of other financial assistance from the State
18 Infrastructure Bank, to the extent authorized by NRS 408.55061.

19 4. Notwithstanding the provisions of subsection 1, the form of
20 the credit enhancement utilized shall be subject to approval by the
21 Board of Directors of the Stadium Authority and the chief financial
22 officer of the County, neither of which shall unreasonably withhold
23 their approval of the form of credit enhancement proposed by the
24 State Treasurer.

25 5. To the extent the debt service coverage ratio on any bonds
26 issued to finance the construction of the Major League Baseball
27 stadium project pursuant to section 34 of this act:

28 (a) Exceeds 3.0 times the anticipated annual debt service for any
29 year of the term of such bonds, the State Treasurer may submit a
30 written request to the Board of Directors of the Stadium Authority
31 and the chief financial officer of the County to cease the provision
32 of the credit enhancement provided pursuant to subsection 1 by 50
33 percent.

34 (b) Exceeds 4.0 times the anticipated annual debt service for any
35 year of the term of such bonds, the State Treasurer may submit a
36 written request to the Stadium Authority Board and the chief
37 financial officer of the County to cease the provision of the credit
38 enhancement provided pursuant to subsection 1.

39 (c) Falls below 2.0 times the anticipated annual debt service for
40 any year of the term of such bonds, the State Treasurer shall
41 reinstate the credit enhancement using one or more of the sources of
42 funding specified in paragraph (b) of subsection 7, in an amount not
43 less than 50 percent of the debt service due on the bonds in each of
44 the next two successive fiscal years. Such reinstatement of the credit
45 enhancement shall not prohibit the State Treasurer from



1 subsequently making a written request to the Stadium Authority and
2 chief financial officer of the County for a reduction or cessation of
3 the credit enhancement pursuant to paragraphs (a) or (b), as
4 applicable, of this subsection.

5 6. Approval for any request made by the State Treasurer
6 pursuant to paragraph (a) or (b) of subsection 5 shall not be
7 unreasonably withheld by either the Board of Directors of the
8 Stadium Authority or the chief financial officer of the County.

9 7. The terms of any credit enhancement provided by the State
10 pursuant to subsection 1 must be set forth in an agreement entered
11 into by the Stadium Authority, the County and the State relating to
12 the financing of the Major League Baseball stadium project. Such an
13 agreement must contain notice and administrative terms with respect
14 to the credit enhancement as agreed to by the Stadium Authority, the
15 County and the State. A credit enhancement provided by the State
16 pursuant to subsection 1 may be pledged as additional security for
17 bonds or other securities issued pursuant to section 34 of this act and
18 must provide that:

19 (a) The State Treasurer shall deposit into a designated fund
20 securing such credit enhancement an amount of funds to secure the
21 obligations of the State under this section equal to 50 percent of the
22 debt service due on the bonds in each of the next two successive
23 fiscal years; and

24 (b) If the amount on deposit in the designated fund is drawn
25 upon to pay debt service on the bonds or if such amount is less than
26 the minimum required amount described in paragraph (a), the State
27 Treasurer shall gather funds sufficient to replenish the designated
28 fund to the minimum required amount from one or more of the
29 following sources:

30 (1) Unreserved fund balance in the general fund of the State;

31 (2) Funds on deposit in the Consolidated Bond Interest and
32 Redemption Fund pursuant to NRS 349.110;

33 (3) Funds on deposit in the Account to Stabilize the
34 Operation of the State Government in the State General Fund
35 pursuant to NRS 353.288;

36 (4) Legally available funds in the Nevada State Infrastructure
37 Bank Fund created by NRS 408.55073, including, without
38 limitation, from the proceeds of bonds, notes or other obligations
39 and appropriations made to the Nevada State Infrastructure Bank;

40 (5) Interest earned on amounts on deposit in the designated
41 fund securing such credit enhancement; and

42 (6) The amount of any Legislative appropriation to replenish
43 the designated fund to the minimum required amount.

44 8. Any draw upon the designated fund securing the credit
45 enhancement provided by the State under this section shall be



1 deemed a loan from such designated fund to the County which shall
2 be a special obligation of the County payable solely from moneys
3 deposited in the baseball stadium tax account and available to
4 reimburse the State pursuant to paragraph (d) of subsection 4 of
5 section 32 of this act. A failure to make payments of any amounts
6 due under the special obligation of the County because of any
7 insufficiency in the amount of money in the baseball stadium tax
8 account and available to reimburse the State pursuant to paragraph
9 (d) of subsection 4 of section 32 of this act to make those payments
10 shall be deemed not to constitute a default on the special obligation
11 of the County. Any such loan from the designated fund to the
12 County shall not be considered as a general obligation of the County
13 for any purpose, including, without limitation, when determining
14 any limit on the debt of the County, and if there are insufficient
15 funds pursuant to section 32 of this act to repay the State, the State
16 Treasurer shall not withhold the payments of any other money that
17 would otherwise be distributed to the County from any source.

18 9. Moneys deposited by the State Treasurer into the designated
19 fund pursuant to paragraph (c) of subsection 5 and subsection 7 are
20 a continuing appropriation solely for the purpose of authorizing the
21 expenditure of the transferred money for the purposes set forth in
22 this section.

23 **Sec. 31.** 1. On behalf of a qualified project, the developer
24 partner in such qualified project may apply to the Stadium Authority
25 for a certificate of eligibility for transferable tax credits which may
26 be applied to:

27 (a) Any tax imposed by chapters 363A and 363B of NRS, other
28 than taxes imposed pursuant to NRS 363A.130 and 363B.110 with
29 regard to the wages earned by employees located within the sports
30 and entertainment improvement district;

31 (b) The gaming license fees imposed by the provisions of
32 NRS 463.370;

33 (c) Any tax imposed by chapter 680B of NRS, other than taxes
34 imposed pursuant to NRS 680B.027 and 680B.030 with regard to
35 insurance premiums earned from policies on business or assets
36 within the sports and entertainment improvement district; or

37 (d) Any combination of the fees and taxes described in
38 subparagraphs (a), (b) and (c).

39 2. For a project to be eligible for the transferable tax credits
40 described in paragraph (a), (b) or (c) of subsection 1:

41 (a) The project must be a qualified project;

42 (b) The Board of County Commissioners shall have issued
43 bonds to fund construction of the project pursuant to section 34 of
44 this act; and



1 (c) The developer partner must, on behalf of the project, submit
2 an application to the Stadium Authority demonstrating that the
3 requirements set forth in paragraphs (a) and (b) of this subsection
4 have been satisfied.

5 3. If the Stadium Authority receives an application pursuant to
6 subsection 2, the Stadium Authority shall approve such application
7 if the Stadium Authority finds that the project is a qualified project
8 and the requirements set forth in subsection 2 are otherwise
9 satisfied. The Stadium Authority shall issue a decision on the
10 application not later than 30 days after the Stadium Authority's
11 receipt of such application that the Stadium Authority deems
12 complete.

13 4. If the Stadium Authority approves an application for a
14 certificate of eligibility for transferable tax credits submitted
15 pursuant to subsection 2, the Stadium Authority shall immediately
16 forward a copy of the certificate of eligibility which identifies the
17 estimated amount of the tax credits available pursuant to this section
18 to:

- 19 (a) The developer partner;
- 20 (b) The Department of Taxation; and
- 21 (c) The Nevada Gaming Control Board.

22 5. A qualified project may be approved for a certificate of
23 eligibility for transferable tax credits up to an aggregate maximum
24 amount equal to the difference between \$380,000,000 and the
25 amount of the bonds issued by the County pursuant to section 34,
26 subject to the aggregate maximum limit on transferable tax credits
27 set forth in paragraph (b) of subsection 8.

28 6. For the purpose of computing the amount of transferable tax
29 credits for which a qualified project is eligible pursuant to
30 subsection 5, and subject to paragraph (f) of subsection 8, a
31 qualified project shall be entitled to transferable tax credits in an
32 amount equal to 20 percent of the total amount of transferable tax
33 credits available pursuant to subsection 5 per milestone upon the
34 achievement of each of the milestones listed below:

35 (a) The Board of County Commissioner shall have issued bonds
36 to fund construction of the qualified project pursuant to section 34
37 of this act;

38 (b) Monthly draws have been made in the aggregate amount of
39 not less than 33 percent of total project costs pursuant to the trust
40 agreement described in paragraph (c) of subsection 2 of section 33
41 of this act;

42 (c) Monthly draws have been made in the aggregate amount of
43 not less than 66 percent of total project costs pursuant to the trust
44 agreement described in paragraph (c) of subsection 2 of section 33
45 of this act;



1 (d) A certificate of occupancy or other governmental
2 authorization required in order to operate the qualified project has
3 been obtained within 36 months of the issuance by the Board of
4 County Commissioners of the bonds to fund construction of the
5 qualified project pursuant to section 34 of this act, as such 36-month
6 period may be extended:

7 (1) By the Board of Directors if the Board of Directors
8 determines that an extension of such period is necessary or
9 desirable; or

10 (2) As a result of force majeure as determined pursuant to the
11 development agreement; and

12 (e) The Major League Baseball team's completion of its first full
13 season of home Major League Baseball games held at the qualifying
14 project.

15 7. Within 30 days of achieving any of the milestones described
16 in subsection 6, the developer partner shall provide written notice to
17 the Stadium Authority describing the milestone that has been
18 achieved and setting forth the developer partner's irrevocable
19 declaration of the amount of transferable tax credits that will be
20 applied to each fee or tax set forth in paragraphs (a), (b) and (c) of
21 subsection 1, thereby accounting for all of the credits which will be
22 issued with respect to the relevant milestone. Upon receipt of such
23 written notice and accompanying declaration and the Stadium
24 Authority's confirmation that the relevant milestone has been
25 achieved, the Stadium Authority shall issue to the developer partner
26 a certificate of transferable tax credits in the amount approved by
27 the Stadium Authority for the fees or taxes included in the
28 declaration. The Stadium Authority shall notify the Department of
29 Taxation and the Nevada Gaming Control Board of all transferable
30 tax credits issued, segregated by each fee or tax set forth in
31 paragraphs (a), (b) and (c) of subsection 1, and the amount of any
32 transferable tax credits transferred.

33 8. Except as otherwise provided in this section:

34 (a) The Stadium Authority shall not approve an application for
35 transferable tax credits if approval of the application would cause
36 the total amount of transferable tax credits approved pursuant to this
37 section in any fiscal year to exceed \$36,000,000.

38 (b) The total amount of transferable tax credits issued pursuant
39 to this section to all qualified projects in this State must not exceed
40 \$180,000,000.

41 (c) If in any fiscal year the developer partner is entitled to an
42 amount of transferable tax credits in excess of the per-fiscal year
43 limitation set forth in paragraph (a), the amount of transferable tax
44 credits in excess of such per-fiscal year limitation to which the
45 developer partner is entitled must be carried forward and made



1 available for approval by the Stadium Authority during subsequent
2 fiscal years, subject to the aggregate cap on transferable tax credits
3 set forth in paragraph (b).

4 (d) If and to the extent that the total amount of transferable tax
5 credits made available to a developer partner pursuant to subsection
6 5 exceeds \$90,000,000, the amount of transferable tax credits in
7 excess of \$90,000,000 will be refunded to the State by the Stadium
8 Authority using money in the baseball stadium tax account pursuant
9 to subsection 4 of section 32 of this act.

10 (e) Each transferable tax credit issued pursuant to this section
11 expires 5 years after the date on which the transferable tax credit is
12 issued to the developer partner. A transferable tax credit issued
13 pursuant to this section may be transferred only once.

14 (f) The developer partner shall be required to pay to the State an
15 amount equal to the total amount of transferrable tax credits issued
16 to the developer partner pursuant to this section if a certificate of
17 occupancy or other governmental authorization required in order to
18 operate the qualified project has not been obtained within 60 months
19 of the issuance by the Board of County Commissioners of the bonds
20 to fund construction of the qualified project pursuant to section 32
21 of this act, or a longer period if the 60 month period is extended:

22 (1) By the Board of Directors upon a determination by the
23 Board of Directors that an extension of such period is necessary or
24 desirable; or

25 (2) As a result of force majeure as determined pursuant to the
26 development agreement.

27 **Sec. 32.** 1. After paying any amounts needed to pay any
28 principal, interest or other costs due in connection with any bonds or
29 securities issued to finance or refinance the Major League Baseball
30 stadium project and to establish a reserve fund to secure the
31 payment of such bonds, the County Treasurer shall transfer the
32 amounts pledged pursuant to section 29 of this act to the Stadium
33 Authority. The Stadium Authority shall deposit such proceeds into
34 the baseball stadium tax account created pursuant to section 19 of
35 this act.

36 2. Except as otherwise provided in subsection 3, before the
37 issuance of bonds pursuant to section 34 of this act, the Stadium
38 Authority shall use the money in the baseball stadium tax account
39 created pursuant to section 19 of this act only for one or more of the
40 following purposes:

41 (a) To pay all or part of the cost to acquire, construct, design,
42 entitle, lease, improve, equip, operate or maintain, or any
43 combination thereof, within the boundaries of the sports and
44 entertainment improvement district the Major League Baseball
45 stadium project.



1 (b) To establish a bond reserve fund and other reserves for the
2 payment of the principal of bonds issued pursuant to section 34 of
3 this act or of the sinking fund payments with respect to such bonds,
4 the purchase or redemption of such bonds, the payment of interest
5 on such bonds or the payment of any redemption premium required
6 to be paid when the bonds are redeemed before maturity.

7 (c) To pay the costs incurred by the Stadium Authority to carry
8 out the provisions of sections 18 to 35, inclusive, of this act in an
9 amount not to exceed \$2,000,000.

10 3. The Stadium Authority shall not expend any proceeds of the
11 taxes, fees and charges described in section 29 of this act to pay any
12 costs to acquire, construct, design, entitle, lease, improve, equip,
13 operate or maintain, or any combination thereof, the Major League
14 Baseball stadium project unless:

15 (a) The costs are costs described in paragraph (c) of subsection
16 2; or

17 (b) The conditions set forth in paragraphs (a) to (d), inclusive, of
18 subsection 1 of section 22 of this act have been satisfied.

19 4. Except as otherwise provided in subsection 5, after the
20 issuance of bonds pursuant to section 34 of this act, the Stadium
21 Authority shall use money in the baseball stadium tax account
22 created pursuant to section 19 of this act only for the following uses:

23 (a) To pay the administrative costs of the Stadium Authority in
24 an amount not to exceed \$1,000,000 each fiscal year, as adjusted
25 annually pursuant to subsection 7.

26 (b) From the proceeds remaining after the payments required by
27 paragraph (a), to supplement the cost of operating and maintaining
28 the Major League Baseball stadium project if the Board of Directors
29 determines such payments are necessary because the Baseball
30 Stadium Events Company has failed to perform or breached the
31 lease agreement entered into pursuant to subsection 3 of section 22
32 of this act or a combined development and lease agreement entered
33 into pursuant to subsection 4 of section 22 of this act.

34 (c) From the proceeds remaining after the payments required by
35 paragraphs (a) and (b), to create and make contributions to a debt
36 service reserve fund:

37 (1) Until the start of the fiscal year immediately following
38 the date on which a certificate of occupancy or other governmental
39 authorization required in order to operate the Major League Baseball
40 stadium project is issued or obtained, in an amount equal to such
41 remaining proceeds until the debt service reserve level on the bonds
42 or other securities issued pursuant to section 34 of this act is two
43 times the average annual debt service on such bonds or other
44 securities; and



1 (2) After such date, in an amount not to exceed \$5,000,000
2 each fiscal year until the maximum debt service reserve level on the
3 bonds or other securities issued pursuant to section 34 of this act is
4 two times the average annual debt service on such bonds or other
5 securities.

6 (d) From the proceeds remaining after the payments required by
7 paragraphs (a), (b) and (c), to repay any amounts drawn under a
8 credit enhancement provided pursuant to section 30 of this act.

9 (e) From the proceeds remaining after the payments required by
10 paragraphs (a) to (d), inclusive, to replenish any draws on the debt
11 service reserve funds for the bonds in an amount equal to the total
12 aggregate amount of any such draws.

13 (f) From the proceeds remaining after the payments required by
14 paragraph (a) to (e), inclusive, and upon completion of the Major
15 League Baseball stadium project, to make contributions to the
16 baseball stadium capital projects fund created pursuant to section 19
17 of this act in an amount equal to at least \$5,000,000 per fiscal year,
18 as adjusted annually pursuant to subsection 7.

19 (g) From the proceeds remaining after the payments required by
20 paragraphs (a) to (f), inclusive, to refund to the State any amount of
21 transferrable tax credits made available to a developer partner
22 pursuant to section 31 of this act in excess of \$90,000,000.

23 (h) From the proceeds remaining after the payments required by
24 paragraphs (a) to (g), inclusive, and upon completion of the Major
25 League Baseball stadium project, to make contributions to the resort
26 corridor homelessness prevention and assistance fund in an amount
27 equal to at least \$5,000,000 per fiscal year, as adjusted annually
28 pursuant to subsection 7.

29 (i) From the proceeds remaining after the payments required by
30 paragraphs (a) to (h), inclusive, to make payments to a fund to
31 provide early debt retirement in an amount determined by the
32 Stadium Authority, a fund to make capital improvements to the
33 Major League Baseball stadium project in an amount determined by
34 the Stadium Authority and, subject to the provisions of subsection
35 10, a fund to pay for any infrastructure the Stadium Authority
36 determines is required on or around the project, except that no
37 payment pursuant to this paragraph may violate any covenant made
38 in connection with bonds issued pursuant to section 34 of this act
39 and, if any payment would violate such a covenant, the amount of
40 the payment must be used for such purpose as specified in the
41 ordinance or other instrument under which the bond or other
42 security is issued.

43 5. Upon the later to occur of the dates set forth in subparagraph
44 (1) of paragraph (b) of subsection 7 of section 29 of this act, the
45 Stadium Authority may use an amount not to exceed 10 percent of



1 the proceeds of the taxes, fees and charges described in section 29 of
2 this act generated in a fiscal year:

3 (a) To pay the operating expenses of the Stadium Authority; and

4 (b) To pay for capital improvements to the Major League
5 Baseball stadium project in an amount determined by the Stadium
6 Authority and, subject to the provisions of subsection 10, any
7 infrastructure the Stadium Authority determines is required on or
8 around the Major League Baseball stadium project.

9 6. The proceeds of the taxes, fees and charges described in
10 section 29 of this act, less the amount otherwise allocated to the
11 Stadium Authority pursuant to subsection 5, shall be returned to the
12 taxing entity or other entity that collected such taxes, fees and
13 charges for use by such taxing entity or other entity in accordance
14 with law once:

15 (a) The bonds issued pursuant to section 34 of this act have been
16 fully repaid and retired; and

17 (b) All refundable transferrable tax credits issued pursuant to
18 section 31 of this act have been repaid to the State pursuant to
19 paragraph (d) of subsection 8 of section 31 of this act.

20 7. The monetary amounts specified in paragraphs (a), (f) and
21 (h) of subsection 4 must be adjusted for each fiscal year by adding
22 to the amount the product of the amount multiplied by the
23 percentage increase in the consumer price inflation index between
24 the calendar year ending on December 31, 2023, and the calendar
25 year immediately preceding the fiscal year for which the adjustment
26 is made.

27 8. Any debt service reserve fund described in this section to
28 secure the payment of bonds or securities issued pursuant to section
29 34 of this act must be held by the County or a trustee for the bonds.
30 The debt service reserve fund must be funded with cash and
31 investments permitted by the bond ordinance and NRS 355.170.
32 Interest on money in the debt service reserve fund must remain in
33 the fund and be used for the purposes for which the fund was
34 created. In addition to the uses of the debt service reserve fund in
35 paragraph (b) of subsection 2, money in the debt service reserve
36 fund may be:

37 (a) Allocated to pay the final years' debt service on the bonds
38 secured by the reserve funds if the money in the fund is fully
39 sufficient to retire all outstanding bonds secured thereby;

40 (b) When all bonds or other securities issued pursuant to section
41 34 of this act and any special obligations of the County under
42 section 30 of this act are no longer outstanding, transferred to the
43 baseball stadium capital projects fund created pursuant to section 19
44 of this act; or



1 (c) A combination of the purposes set forth in paragraphs (a)
2 and (b).

3 9. Any allocation of money in the debt service reserve fund
4 pursuant to paragraph (a), (b) or (c) of subsection 8 requires the
5 approval of the Stadium Authority, except that the County may, in
6 its sole discretion, allocate money in the debt service reserve fund to
7 pay scheduled principal and interest payments on bonds or other
8 securities issued pursuant to section 34 of this act.

9 10. For purposes of determining the infrastructure required on
10 or around the Major League Baseball stadium project to be funded
11 as provided in paragraph (i) of subsection 4 and paragraph (b) of
12 subsection 5, upon completion of the Major League Baseball
13 stadium project and continuing each year thereafter, the County
14 shall provide to the Stadium Authority a list of infrastructure on or
15 around the Major League Baseball stadium project that the County
16 proposes to be funded as provided in paragraph (i) of subsection 4
17 and paragraph (b) of subsection 5. The Stadium Authority shall
18 consider such list when determining which infrastructure will be
19 funded as provided in paragraph (i) of subsection 4 and paragraph
20 (b) of subsection 5.

21 11. As used in this section, "consumer price inflation index"
22 means the Consumer Price Index for All Urban Consumers, U.S.
23 City Average, West Urban (All Items), as published by the Bureau
24 of Labor Statistics of the United States Department of Labor or, if
25 that index ceases to be published by the United States Department of
26 Labor, the published index that most closely resembles that index,
27 as determined by the Stadium Authority.

28 **Sec. 33.** 1. In addition to the requirements set forth in section
29 22 of this act, a development agreement, lease agreement or a
30 combined development agreement and lease agreement entered into
31 pursuant to section 22 of this act and any other agreement of any
32 kind entered into by the Stadium Authority with a developer partner,
33 the Baseball Stadium Events Company or the Major League
34 Baseball team, or any affiliate, subsidiary or entity related to such a
35 person, must provide that:

36 (a) The contribution of the Stadium Authority to the costs of
37 construction of the Major League Baseball stadium project,
38 excluding debt service on the bonds issued pursuant to section 34 of
39 this act and the proceeds from the sale, transfer or license of
40 personal seat licenses, stadium builder's licenses or other similar
41 instruments pursuant to section 27 of this act and the sale of other
42 assets of the project which must be used to pay the costs of the
43 project and capital improvements thereto and including the
44 transferrable tax credits described in section 31 of this act, must not
45 exceed the lesser of:



1 (1) The amount of \$380,000,000; or

2 (2) The amount of money generated and contributed to the
3 construction fund by the taxes, fees and charges described in section
4 29 of this act before the issuance of bonds pursuant to section 34 of
5 this act, plus the amount of \$25,000,000 as provided in subsection 3
6 and the maximum amount that may be raised and contributed to the
7 construction fund from the issuance of bonds and other securities
8 pursuant to section 34 of this act that are secured by the proceeds of
9 the taxes, fees and charges described in section 29 of this act, as
10 reasonably determined by the chief financial officer of the County
11 and the State Treasurer, after payment of issuance costs, including
12 capitalized interest, if applicable, and the cost of funding the debt
13 service reserve fund, plus the amount of transferrable tax credits
14 described in section 31 of this act.

15 (b) The total debt undertaken by the Board of County
16 Commissioners at the request of the Stadium Authority must not at
17 any time exceed the amount required to satisfy the amount set forth
18 in paragraph (a), minus:

19 (1) The amount generated by the taxes, fees and charges
20 described in section 29 of this act before the issuance of bonds
21 pursuant to section 34 of this act; and

22 (2) The amount of any transferrable tax credits described in
23 section 31 of this act.

24 ➤ Any bonds issued to refund bonds issued pursuant to section 34
25 of this act must not be taken into account in calculating compliance
26 with the debt limit set forth in this paragraph.

27 (c) Except as otherwise provided in this paragraph, all land,
28 improvements and other property of any kind included in the total
29 cost of the Major League Baseball stadium project pursuant to
30 paragraph (h) of subsection 1 of section 34 of this act shall be the
31 sole and exclusive property of the Stadium Authority and shall be
32 exempt from ad valorem property taxes in this State. The provisions
33 of this paragraph do not apply to:

34 (1) Any leasehold improvements that the Stadium Authority
35 and the Baseball Stadium Events Company or the Major League
36 Baseball team agree are made solely by the Stadium Events
37 Company or the Major League Baseball team; or

38 (2) Any personal property owned by the Major League
39 Baseball team.

40 ➤ If any such leasehold improvements remain in existence at the
41 expiration of the lease, such leasehold improvements must be
42 transferred to the Stadium Authority at the expiration of the lease
43 agreement and, at that time, becomes the sole and exclusive
44 property of the Stadium Authority, unless otherwise provided in an
45 agreement between the Stadium Authority and the Baseball Stadium



1 Events Company or the Major League Baseball team. The ad
2 valorem property tax exemption provided in this paragraph shall be
3 terminated if the Stadium Authority, or any successor governmental
4 entity, ceases to be the owner of the Major League Baseball stadium
5 project.

6 (d) A developer partner and the Major League Baseball team
7 must ensure that any required transfer of land, improvements or
8 property occurs before the issuance of bonds or other securities
9 pursuant to section 34 of this act or simultaneously with the
10 issuance of those bonds or other securities, provided, however, that
11 the Major League Baseball team may have the option to repurchase
12 the Major League Baseball stadium project at the end of the lease
13 period, including any extensions, at a cost reasonably determined
14 through a third-party appraisal obtained by the Board of Directors.

15 (e) The land on which the Major League Baseball stadium
16 project is to be located must be dedicated to the Stadium Authority
17 at no cost to the Stadium Authority before the issuance of bonds
18 pursuant to section 34 of this act or simultaneously with the
19 issuance of those bonds, provided, however, that the Major League
20 Baseball team may have the option to repurchase the Major League
21 Baseball stadium project at the end of the lease period, including
22 any extensions, at a cost reasonably determined by the Board of
23 Directors.

24 2. Except as otherwise provided in this act, the contribution of
25 the Stadium Authority to the cost of the development and
26 construction of the Major League Baseball stadium project must be
27 proportional in terms of amount, contemporaneous in terms of
28 timing and similar in terms of risk profile to the contribution to the
29 cost of the development and construction of the project by the
30 developer partner and:

31 (a) The developer partner shall pay the initial \$100,000,000 of
32 the costs of the Major League Baseball stadium project.

33 (b) Payments after the initial payment described in paragraph (a)
34 will be pro-rata based on the percentage of the total cost of the
35 project described in paragraph (h) of subsection 1 of section 34 of
36 this act to be paid from money derived from the proceeds of the
37 bonds issued pursuant to section 34 of this act and the taxes, fees
38 and charges described in section 29 of this act, excluding the
39 proceeds of the tax, fee or charge used to pay principal and interest
40 on the bonds issued pursuant to section 34 of this act, and the
41 proceeds generated from the transfer of the transferable tax credits
42 described in section 31 of this act, compared to the costs to be paid
43 from other sources, as adjusted to reflect that money derived from
44 the proceeds of the bonds issued pursuant to section 34 of this act
45 and the taxes, fees and charges described in section 29 of this act,



1 excluding the proceeds of the tax used to pay principal and interest
2 on the bonds issued pursuant to section 34 of this act, together with
3 the proceeds generated from the transfer of the transferable tax
4 credits described in section 31 of this act, will be used to pay the last
5 \$50,000,000 of the cost of the project.

6 (c) The procedures for making monthly draws for the cost of the
7 project will be delineated in a trust agreement, which will ensure
8 that no money derived from the proceeds of the bonds issued
9 pursuant to section 34 of this act, the taxes, fees and charges
10 described in section 29 of this act and the proceeds generated from
11 the transfer of the transferable tax credits described in section 31 of
12 this act are expended unless money of the developer partner is
13 simultaneously expended and that no funds of the developer partner
14 are expended unless money derived from the proceeds of the bonds
15 issued pursuant to section 34 of this act, the taxes, fees and charges
16 described in section 29 of this act and the proceeds generated from
17 the transfer of the transferable tax credits described in section 31 of
18 this act are simultaneously expended, except for the initial payment
19 described in paragraph (a) and the last payment described in
20 paragraph (b).

21 (d) A trust agreement governing the draw of money for the costs
22 of the project will detail the evidence required to be provided before
23 a draw can be made and the requirements for an independent
24 engineer to review all work before the draw of money.

25 (e) The independent engineer described in paragraph (d) will
26 review the project sources and uses of money each month and, if the
27 independent engineer determines that there is a need for additional
28 money for the project because of a cost overrun, no payment may be
29 made from money derived from the proceeds of the bonds issued
30 pursuant to section 34 of this act or the taxes, fees and charges
31 described in section 29 of this act until the cost overrun is paid from
32 a source or combination of sources described in subparagraphs (1)
33 to (3), inclusive, of paragraph (f) of subsection 1 of section 34 of
34 this act.

35 3. Any development agreement entered into between the
36 development partner and the County or any municipality in which
37 the project is located, including, without limitation, any agreement
38 required to be entered into with a local government pursuant to
39 paragraph (h) of subsection 2 of section 22 of this act, shall provide
40 that the County or any other municipality in which the project is
41 located shall provide a credit in an amount not less than \$25,000,000
42 for any costs, expenses or charges imposed upon, assessed to or
43 otherwise required to be incurred by the development partner as part
44 of such agreement.



1 **Sec. 34.** 1. The Board of Directors shall request that the
2 Board of County Commissioners issue bonds of the County
3 pursuant to subsection 2 if the Board of Directors determines that:

4 (a) The Stadium Authority has:

5 (1) Entered into a development agreement, a lease agreement
6 and a non-relocation agreement pursuant to subsections 2, 3 and 5 of
7 section 22 of this act or a combined development and lease
8 agreement pursuant to subsection 4 of section 22 of this act and a
9 non-relocation agreement pursuant to subsection 5 of section 22 of
10 this act; and

11 (2) Approved a community benefits agreement pursuant to
12 section 23 of this act.

13 (b) The proceeds of the taxes, fees and charges described in
14 section 29 of this act that will be pledged to the payment of the
15 bonds issued by the County pursuant to this section and the Local
16 Government Securities Law, when combined with any credit
17 enhancement provided by the State pursuant to section 30 of this
18 act, will reasonably generate sufficient revenue to meet or exceed
19 the debt service coverage ratio of 2.0 times the anticipated annual
20 debt service for each year of the term of the bonds.

21 (c) The Board of County Commissioners has enacted the
22 ordinance creating the sports and entertainment improvement
23 district and pledging the taxes, fees and charges described in section
24 29 of this act.

25 (d) The contract for the construction of the Major League
26 Baseball stadium project is a guaranteed maximum price contract
27 with a contingency amount of 10 percent of the estimated hard costs
28 of the Major League Baseball stadium project or such lesser
29 percentage as is determined to be adequate by the Board of
30 Directors but not less than 5 percent of the estimated hard costs of
31 Major League Baseball stadium project.

32 (e) The prime contractor for the construction of the Major
33 League Baseball stadium project has provided adequate security to
34 guarantee timely performance of the construction of the project and
35 liquidated damages related thereto.

36 (f) A developer partner has provided a financing commitment
37 that the Board of Directors finds is sufficient to pay the portion of
38 the estimated cost of the Major League Baseball stadium project that
39 is to be paid from sources other than money derived from the
40 proceeds of the bonds issued pursuant to this section, plus the
41 contingency amount approved by the Board pursuant to paragraph
42 (d), and is secured by any combination of the following:

43 (1) An irrevocable deposit of cash into a stadium project
44 construction fund held in trust by a commercial bank with trust
45 powers, which is established by a developer partner and the Stadium



1 Authority and which cannot be used for any purpose other than
2 payment of the cost of the project until those costs have been paid in
3 full.

4 (2) Closed construction debt financing, from a lender or
5 lenders rated "BBB+" or better by Standard and Poor's Rating
6 Services or "Baa1" or better by Moody's Investor Services, Inc., or
7 their equivalent as determined by the Board of Directors, which
8 allows draws for the costs of construction of the project, interest
9 during construction and any costs of issuance. A draw under the
10 closed construction debt financing may be subject to conditions
11 precedent, including, without limitation, a condition that there has
12 been delivery of proof of the availability of County money, a
13 condition that there has been delivery of satisfactory reports from an
14 independent engineer that certifies work being paid for under the
15 closed construction debt financing has been completed and that
16 stored materials have been verified, any condition required by state
17 or federal regulations or regulators governing banks and any
18 condition that relates to confirmation of insurance for the project.
19 Such conditions precedent may also be required by the Board of
20 County Commissioners or the Stadium Authority to allow a draw on
21 the proceeds of the bonds issued pursuant to this section which are
22 held in trust by a commercial bank with trust powers.

23 (3) Irrevocable letters of credit or commitments to pay the
24 costs of construction of the project, which irrevocably and
25 unconditionally allow draws for the costs of construction of the
26 project and no other purpose until those costs have been paid in full,
27 which is provided by a bank with at least \$1 billion in assets that is
28 rated "BBB+" or better by Standard and Poor's Rating Services or
29 "Baa1" or better by Moody's Investor Services, Inc., or their
30 equivalent as determined by the Board of Directors.

31 (g) A developer partner and the required state or local
32 government counterparty have executed any development
33 agreements required by state or local governments relative to
34 providing adequate offsite infrastructure improvements for the
35 Major League Baseball stadium project.

36 (h) The Stadium Authority and a developer partner have agreed
37 on an estimate of the total cost of the Major League Baseball
38 stadium project.

39 2. Except as otherwise provided in subsection 3, upon the
40 request of the Board of Directors pursuant to subsection 1, the
41 Board of County Commissioners shall issue bonds of the County in
42 an amount that can be supported by the proceeds of the taxes, fees
43 and charges described in section 29 of this act, together, if
44 necessary, with the State credit enhancement described in section 30
45 of this act, while also meeting the debt service coverage ratio



1 required pursuant to subsection 1. After payment of the costs of
2 issuing the bonds and making provisions for any required debt
3 service reserve fund, the proceeds of any bonds issued pursuant to
4 this subsection must be allocated to the Stadium Authority to be
5 used for the Major League Baseball stadium project.

6 3. The Board of County Commissioners shall not issue bonds
7 pursuant to subsection 2 unless the Board of County Commissioners
8 finds that:

9 (a) The requirements of subsection 1 have been satisfied; and

10 (b) Payment of the costs of construction of the Major League
11 Baseball stadium project will be made over time by both the
12 Stadium Authority and a developer partner in accordance with
13 subsection 2 of section 33 of this act.

14 4. The securities required to be issued pursuant to this section
15 must be issued pursuant to the Local Government Securities Law,
16 and any bonds issued pursuant to this section may be refunded by
17 the County as provided in the Local Government Securities Law.

18 5. If the Board of County Commissioners issues bonds of the
19 County pursuant to subsection 2 and the Board of County
20 Commissioners has made the findings set forth in subsection 3:

21 (a) The bonds may be issued without complying with the
22 requirements of NRS 350.011 to 350.0165, inclusive, and 350.020,
23 pursuant to an ordinance of the Board of County Commissioners as
24 provided in the Local Government Securities Law, and no other
25 approval by a governmental entity or otherwise is required for the
26 issuance of the bonds under the laws of this State.

27 (b) The bonds are exempt from the limitation on indebtedness
28 set forth in NRS 244A.059, and must not be included in the
29 calculation of the indebtedness of the County under that section, but
30 the County shall not become indebted by the issuance of the bonds
31 for the purposes set forth in sections 18 to 35, inclusive, of this act
32 in an amount exceeding 5 percent of the total last assessed valuation
33 of taxable property of the County.

34 (c) The bonds must be treated as if the finding described in
35 subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727
36 had been made by the Board of County Commissioners and
37 approved by the debt management commission of the County under
38 subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

39 6. Any determination or finding by the Board of Directors or
40 the Board of County Commissioners pursuant to this section is
41 conclusive, absent fraud.

42 7. The Board of County Commissioners shall notify the
43 Department of Taxation following the repayment in full of bonds
44 issued by the County pursuant to this section.



1 **Sec. 35.** 1. The authority of the Board of Directors to
2 undertake the Major League Baseball stadium project shall expire if
3 the Board makes any of the following determinations:

4 (a) Within 12 months after the effective date of sections 18 to
5 35, inclusive, of this act or, if the Board determines that an
6 extension of this period is necessary or desirable, within 18 months
7 after the effective date of those sections, Major League Baseball has
8 not authorized the Major League Baseball team to locate or relocate
9 within the sports and entertainment improvement district.

10 (b) Within 12 months after the effective date of sections 18 to
11 35, inclusive, of this act or, if the Board determines that an
12 extension of this period is necessary or desirable, within 18 months
13 after the effective date of those sections, the Major League Baseball
14 team has not committed to locate or relocate within the sports and
15 entertainment improvement district.

16 (c) Within 18 months after the effective date of sections 18 to
17 35, the Stadium Authority has not approved and entered into a
18 development agreement pursuant to subsection 2 of section 22 of
19 this act.

20 (d) Within 18 months after Major League Baseball has
21 authorized the Major League Baseball team to locate or relocate
22 within the sports and entertainment improvement district, the
23 Stadium Authority has not approved and entered into a lease
24 agreement pursuant to subsection 3 of section 22 of this act.

25 (e) In lieu of the agreements described in paragraphs (c) and (d),
26 within 18 months after Major League Baseball has authorized the
27 Major League Baseball team to locate or relocate within the sports
28 and entertainment improvement district, the Stadium Authority has
29 not approved and entered into a combined development and lease
30 agreement pursuant to subsection 4 of section 22 of this act.

31 (f) Within 18 months after Major League Baseball has
32 authorized the Major League Baseball team to locate or relocate
33 within the sports and entertainment improvement district, the
34 Stadium Authority has not:

35 (1) Approved and entered into a non-relocation agreement
36 pursuant to subsection 5 of section 22 of this act.

37 (2) Approved a community benefits agreement pursuant to
38 section 23 of this act.

39 2. Upon the expiration of the Board of Directors' authority to
40 undertake the Major League Baseball stadium project pursuant to
41 this section, the proceeds of the taxes, fees and charges described in
42 section 29 of this act shall be returned to the taxing entity or other
43 entity that collected such taxes, fees and charges for use by such
44 taxing entity or other entity in accordance with law.



1 **Sec. 36.** Section 22 of the Southern Nevada Tourism
2 Improvements Act, being chapter 2, Statutes of Nevada 2016, 30th
3 Special Session, at page 20, is hereby amended to read as follows:

4 Sec. 22. 1. The Stadium Authority must be governed
5 by a Board of Directors consisting of the County Treasurer ~~[,]~~
6 *and State Treasurer*, who ~~[is-a]~~ *are* nonvoting, ex officio
7 ~~[member]~~ *members* of the Board, and nine members to be
8 appointed as follows:

9 (a) Three members appointed by the Governor, at least
10 one of which must be appointed in the manner set forth in
11 subsection 2.

12 (b) Three members appointed by the Board of County
13 Commissioners, at least one of which must be appointed in
14 the manner set forth in subsection 2.

15 (c) One member appointed by the President of the
16 University who must be the executive director in charge of
17 managing events for the University or, if that position ceases
18 to exist, another officer or employee of the University who
19 has experience in the management of events.

20 (d) Two members representing the public elected by the
21 members appointed pursuant to paragraphs (a), (b) and (c) ~~[~~
22 ~~In electing members pursuant to this paragraph, the members~~
23 ~~appointed pursuant to paragraphs (a), (b) and (c) shall~~
24 ~~consider the recommendations of:~~

25 ~~—— (1) A National Football League team that has:~~

26 ~~—— (I) Demonstrated to those members that it is~~
27 ~~interested in locating or relocating within the stadium district;~~
28 ~~or~~

29 ~~—— (II) Committed to locate or relocate within the~~
30 ~~stadium district; and~~

31 ~~—— (2) The person or persons who have:~~

32 ~~—— (I) Demonstrated to those members that the person~~
33 ~~or persons are interested in and capable of entering into a~~
34 ~~lease with the Stadium Authority to operate the National~~
35 ~~Football League stadium project; or~~

36 ~~—— (II) Entered into such a lease.] and appointed in~~
37 *the manner set forth in subsection 3.*

38 2. One member appointed pursuant to paragraph (a) of
39 subsection 1 and one member appointed pursuant to
40 paragraph (b) of subsection 1 must be selected from a list of
41 nominees submitted to the appointing authority by the two
42 companies who, either directly or through subsidiaries,
43 affiliates or any related entity under common control with the
44 companies, own or manage the businesses within the County,
45 which in the aggregate generate the greatest amount of taxes



1 on the rental of transient lodging in the County. If the
2 appointing authority reasonably determines that the nominees
3 on any such list of nominees submitted by a nominating
4 company are unacceptable, the companies must submit a new
5 list of nominees. If the appointing authority has determined
6 that no nominee on the first four lists of nominees offered by
7 a nominating company is acceptable, all additional
8 nominations for appointment to the Board must be made by
9 the association of resort hotels whose membership
10 collectively paid the greatest amount of taxes on the rental of
11 transient lodging to the Fund for the Promotion of Tourism
12 pursuant to paragraph (a) of subsection 1 of NRS 244.3354
13 and paragraph (a) of subsection 1 of NRS 268.0962 in the
14 fiscal year immediately preceding the fiscal year in which the
15 appointment is made and whose members include the two
16 nominating companies or could include those companies if
17 those companies chose to be members of that association. For
18 purposes of this subsection, "affiliate" includes any company
19 in which a nominating company owns fifty percent or more of
20 the ownership interests.

21 3. *Except as otherwise provided in subsection 4 of*
22 *section 23 of this act, in electing members pursuant to*
23 *paragraph (d) of subsection 1, the members appointed*
24 *pursuant to paragraphs (a), (b) and (c) shall:*

25 (a) *For one of the two members, consider the*
26 *recommendations of:*

27 (I) *A National Football League team that has:*

28 (I) *Demonstrated to those members that it is*
29 *interested in locating or relocating within the stadium*
30 *district; or*

31 (II) *Committed to locate or relocate within the*
32 *stadium district; and*

33 (2) *The person or persons who have:*

34 (I) *Demonstrated to those members that the*
35 *person or persons are interested in and capable of entering*
36 *into a lease with the Stadium Authority to operate the*
37 *National Football League stadium project; or*

38 (II) *Entered into such a lease.*

39 (b) *For the other of the two members, consider the*
40 *recommendation of:*

41 (I) *A Major League Baseball team that has:*

42 (I) *Demonstrated to those members that it is*
43 *interested in locating or relocating within the sports and*
44 *entertainment improvement district created pursuant to*



1 *section 28 of the Southern Nevada Tourism Innovation Act;*
2 *or*

3 *(II) Committed to locate or relocate within that*
4 *district; and*

5 *(2) The person or persons who have:*

6 *(I) Demonstrated to those members that the*
7 *person or persons are interested in and capable of entering*
8 *into a lease with the Stadium Authority to operate the Major*
9 *League Baseball stadium project; or*

10 *(II) Entered into such a lease.*

11 4. Each member of the Board of Directors must reside
12 within the stadium district and must:

13 (a) Have experience in the design, engineering and
14 construction of major commercial projects and estimating the
15 costs of the construction of major commercial projects;

16 (b) Have experience in the financing of capital projects in
17 this State;

18 (c) Have experience in the field of stadium, arena or event
19 management;

20 (d) Have experience in workforce development, training,
21 diversity or supplier engagement; or

22 (e) Be representatives of the private sector and have the
23 education, experience and skills necessary to effectively
24 execute the duties and responsibilities of a member of the
25 Board of Directors.

26 ~~[4.]~~ 5. A member of the Board of Directors may not be
27 employed by the same person as another member of the
28 Board or by an affiliate of such a person.

29 ~~[5.]~~ 6. A vacancy on the Board of Directors occurs
30 when a member:

31 (a) Dies or resigns; or

32 (b) Is removed, with or without cause, by the appointing
33 authority.

34 ~~[6.]~~ 7. A vacancy on the Board of Directors must be
35 filled for the remainder of the unexpired term in the same
36 manner as the original appointment pursuant to subsection 1.

37 ~~[7.]~~ 8. A member of the Board of Directors is not
38 entitled to receive any compensation for serving as a member
39 of the Board or as an officer or employee of the Stadium
40 Authority.

41 ~~[8.]~~ 9. The members of the Board of Directors are
42 public officers for the purposes of chapter 281A of NRS.



1 **Sec. 37.** Section 23 of the Southern Nevada Tourism
2 Improvements Act, being chapter 2, Statutes of Nevada 2016, 30th
3 Special Session, at page 21, is hereby amended to read as follows:

4 Sec. 23. 1. Not later than 30 days after the effective
5 date of sections 21 to 37, inclusive, of this act:

6 (a) The Governor shall appoint:

7 (1) One member of the Board of Directors pursuant to
8 paragraph (a) of subsection 1 of section 22 of this act to an
9 initial term that commences on the date of the appointment
10 and expires on December 31, 2018; and

11 (2) Two members of the Board of Directors pursuant
12 to paragraph (a) of subsection 1 of section 22 of this act to an
13 initial term that commences on the date of the appointment
14 and expires on December 31, 2019.

15 (b) The Board of County Commissioners shall appoint:

16 (1) One member of the Board of Directors pursuant to
17 paragraph (b) of subsection 1 of section 22 of this act to an
18 initial term that commences on the date of the appointment,
19 and expires on December 31, 2018; and

20 (2) Two members of the Board of Directors pursuant
21 to paragraph (b) of subsection 1 of section 22 of this act to an
22 initial term that commences on the date of the appointment,
23 and expires on December 31, 2019.

24 (c) The President of the University shall appoint the
25 member of the Board of Directors appointed pursuant to
26 paragraph (c) of subsection 1 of section 22 of this act.

27 2. Not later than 90 days after the organizational meeting
28 held pursuant to subsection 2 of section 24 of this act, the
29 members of the Board of Directors appointed pursuant to
30 paragraphs (a), (b) and (c) of subsection 1 shall elect:

31 (a) One member of the Board pursuant to paragraph (d) of
32 subsection 1 of section 22 of this act to an initial term that
33 commences on the date of his or her election, and expires on
34 December 31, 2018; and

35 (b) One member of the Board pursuant to paragraph (d) of
36 subsection 1 of section 22 of this act to an initial term that
37 commences on the date of his or her election, and expires on
38 December 31, 2019.

39 3. ~~After~~ *Except as otherwise provided in this section,*
40 *after* the initial terms, each member of the Board of Directors
41 must be appointed for a 4-year term that begins on the day
42 following the day on which the immediately preceding term
43 expires. A member of the Board of Directors may be
44 reappointed.



1 **4. If the County issues bonds pursuant to section 34 of**
2 **the Southern Nevada Tourism Innovation Act, within 30**
3 **days of the date following the issuance of such bonds on**
4 **which a vacancy occurs in the membership of the Board of**
5 **Directors with respect to one of the two members described**
6 **in paragraph (d) of subsection 1 of section 22 of this act or**
7 **the term of one of the two members described in paragraph**
8 **(d) of subsection 1 of section 22 of this act expires, the**
9 **members of the Board of Directors appointed pursuant to**
10 **paragraphs (a), (b) and (c) of subsection 1 of section 22 of**
11 **this act shall elect a member of the Board pursuant to**
12 **paragraph (d) of subsection 1 of section 22 of this act to an**
13 **initial 4 year term that commences on the date of his or her**
14 **election. In electing a member pursuant to this subsection,**
15 **the members of the Board of Directors appointed pursuant**
16 **to paragraphs (a), (b) and (c) of subsection 1 of section 22**
17 **of this act shall comply with the provisions of paragraph (b)**
18 **of subsection 3 of section 22 of this act.**

19 **Sec. 38.** There is hereby appropriated from the State General
20 Fund to the Nevada State Infrastructure Bank Fund the sum of
21 \$25,000,000 for the credit enhancement described in section 30 of
22 this act.

23 **Sec. 39.** Notwithstanding the provisions of NRS 218D.430 and
24 218D.435, a committee may vote on this act before the expiration of
25 the period prescribed for the return of a fiscal note in NRS
26 218D.475. This section applies retroactively from and after May 24,
27 2023.

28 **Sec. 40.** 1. This section and sections 1 to 35, inclusive, of
29 this act become effective upon passage and approval.

30 2. Sections 36 and 37 of this act become effective on the date
31 that the Board of Directors of the Clark County Stadium Authority
32 determines that Major League Baseball has authorized a Major
33 League Baseball team to locate or relocate within the sports and
34 entertainment improvement district created pursuant to section 28 of
35 this act and that a Major League Baseball team has committed to
36 locate or relocate within the sports and entertainment improvement
37 district.

38 3. Section 38 of this act becomes effective on July 1, 2024.

