



STATE OF ARIZONA

JANICE K. BREWER  
GOVERNOR

EXECUTIVE OFFICE

May 14, 2012

The Honorable Ken Bennett  
Secretary of State  
Capitol Executive Tower, 7<sup>th</sup> Floor  
1700 W. Washington Street  
Phoenix, AZ 85007

Re: Senate Bill 1332 (federal lands; conveyance)

Dear Secretary Bennett,

Today, I vetoed Senate Bill 1332. This bill demands the United States extinguish title to all public lands in Arizona and transfer title to the State of Arizona. The legislation does not identify an enforceable cause of action to force federal lands to be transferred to the state. Moreover, as a staunch advocate for state sovereignty, we still must be mindful and respectful of our federal system. The legislation appears to be in conflict or not reconcilable with U.S Constitution Article IV, Section 3, Clause 2 and Article VI, Clause 2, as well as the Enabling Act.

I also am concerned about the lack of certainty this legislation could create for individuals holding existing leases on federal lands. Given the difficult economic times, I do not believe this is the time to add to that uncertainty.

Furthermore, despite the claim that this bill has no fiscal impact, I believe there is a significant and unaccounted for fiscal impact associated with this legislation. For example, the general cost of managing Arizona's existing state lands is approximately \$1.00 per acre. If Arizona received the 23 million acres of federal lands contemplated by this legislation, the Arizona State Land Department (ASLD) would need approximately \$23 million in additional dollars and an untold increase in staff and resources. This does not include any potential liability costs the state could be assuming.

These lands also come with significant compliance costs associated with legislation such as the Clean Water Act and the Endangered Species Act. Yet, the legislation requires the state to pay the federal government 95% of the net proceeds (after transaction costs) if the state sells any of these lands and retain 5% of the net proceeds in the permanent state school fund, with nothing set aside for management and compliance costs.

The Honorable Ken Bennett

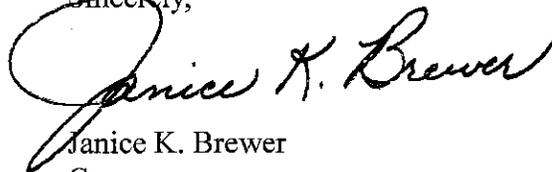
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At a time when we have reduced the size of government, the legislation imposes many new tasks upon the Public Lands Board of Review, which an already stretched ASLD is statutorily required to staff. The legislation also goes on to promote another layer of bureaucracy by encouraging the creation of a commission to administer the disposal of the public lands.

I understand and share Arizona's frustration in trying to manage our natural resources with our various partners; however, this legislation is not the answer. At a minimum, I believe it is premature to put fixed dates in place, as this legislation does, until the appropriate funding needs and revenue sources have been identified and accounted for in future budgets.

Sincerely,

A handwritten signature in cursive script that reads "Janice K. Brewer". The signature is written in black ink and is positioned above the printed name and title.

Janice K. Brewer  
Governor

cc: The Honorable Steve Pierce  
The Honorable Andy Tobin  
The Honorable Al Melvin