

STATE LAND DEPARTMENT

Michael Anable, Land Commissioner

A.R.S. § 37-102

JLBC Analyst: Tom Mikesell

General Fund and Other Appropriated Funds	FY 1999 Actual	FY 2000 Estimate	FY 2001 Approved
FTE Positions	181.0	183.0	183.0 ^{1/}
Personal Services	5,819,000	6,467,300	6,550,000
Employee Related Expenditures	1,255,200	1,326,800	1,380,700
Professional and Outside Services	587,500	1,529,300	781,300
Travel - In State	206,100	261,500	298,500
Travel - Out of State	19,800	3,100	3,100
Other Operating Expenditures	3,218,300	2,188,500	1,989,200
Equipment	689,400	318,900	301,200
Operating Subtotal	11,795,300	12,095,400	11,304,000
CAP User Fees	1,659,600	1,867,100	1,084,100 ^{2/}
Natural Resource Conservation Districts	460,000	460,000	460,000
Conservation Education	649,200	847,200	847,200
Streambed Ownership	183,900	188,400	189,300
Legal Assistance	201,900	204,100	207,700
Wild Land Fire Emergency	3,000,000	3,000,000	3,000,000 ^{3/}
Environmental Projects	0	250,000	250,000 ^{4/}
Total	17,949,900	18,912,200	17,342,300
Additional Appropriations - State Land; Emergency Management, Ch. 185	0	0	447,000
Total Appropriations	17,949,900	18,912,200 ^{5/}	17,789,300 ^{6/}
<u>Fund Summary</u>			
General Fund	17,262,000	18,007,200	16,436,100
Environmental Special Plate Fund	687,900	905,000	906,200
Fire Suppression Fund	0	0	447,000
Total Appropriations	17,949,900	18,912,200	17,789,300

Agency Description — *The agency manages the state's 9.3 million acres of trust land on behalf of its 14 beneficiaries. In order to generate revenue, the agency plans, leases, and sells trust land. The agency also generates revenue by collecting royalties from the operators of 2 copper mines on state land.*

CAP Water — The supplemental appropriation includes a General Appropriation Act footnote change affecting the CAP Water fee payments in FY 2000 and FY 2001. With the change, adequate funds will be available to meet the department's CAP Water fee payment responsibility in

FY 2001. The change will allow for \$248,400 to be retained for CAP fees instead of being reverted to the state General Fund.

^{1/} Includes 1 FTE Position funded from a Special Line Item in FY 2001.

^{2/} For every dollar received as reimbursement to the state in FY 2000 and FY 2001 from cities that assume their allocation of Central Arizona Project water for past Central Arizona Water Conservation District payments, one dollar reverts to the state General Fund from the CAP User Fees Special Line Item in the year that the reimbursement is collected. In addition, for every dollar above \$248,400 received as reimbursement to the state in FY 1999 from cities that assume their water allocation, one dollar reverts to the state General Fund in FY 2000 from the CAP User Fees Special Line Item. (General Appropriation Act footnote, as modified by Laws 2000, Chapter 3).

^{3/} Expenditures authorized by A.R.S. § 37-623, which states that up to \$3,000,000 may be spent on wildfire suppression. This amount is not included in the General Appropriation Act.

^{4/} Includes \$250,000 appropriated by Laws 1999, Chapter 312.

^{5/} Laws 1999, Chapter 5, 1st Special Session appropriated \$1,000,000 for the Grower Smarter Program. This appropriation was "triggered" due to the collection of excess FY 1999 revenues.

^{6/} General Appropriated Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

STATE LAND DEPARTMENT (Cont'd)

Additional Appropriations: State Land; Emergency Management (Chapter 185) — This bill appropriates \$447,000 from the State Fire Suppression Fund to the State Land Department for wild land fire program costs in FY 2001. The bill also creates the Cooperative Forestry Fund to receive and spend federal forestry and fire protection reimbursement monies.

Vetoed Appropriations: Appropriation; Resin Bush Eradication (H.B. 2053) — This bill appropriates \$185,000 from the state General Fund to the Land Department in FY 2001. The appropriated amount is for distribution to the Gila Valley National Resources Conservation District to aid in eliminating a noxious plant species from state trust land in southeastern Arizona. The Governor vetoed this bill.

Additional Legislation: Small Community Planning Assistance Program (Chapter 301) — This bill moves the Small Community Planning Assistance Program from the Land Department to the Department of Commerce. The Land Department allocated \$252,000 of the \$1,000,000 it received by Laws 1999, Chapter 5, 1st Special Session to fund small community assistance in FY 2000; however, no funds were provided by the Legislature to fund this program beyond this one-time “triggered” appropriation.

Growing Smarter Plus (Chapter 1, 4th Special Session) — In addition to changes related to local planning processes, this bill expands the allowed uses of state trust land holdings. Previously, state trust lands could only be sold or leased in order to generate revenue for the state trust beneficiaries. The changes in the bill allow up to 3% of state trust lands to be set aside for conservation purposes, allow donations of trust land to school districts for school building sites, and provide for exchanges of trust lands for lands owned by other public entities. Changes to the State Constitution and the State Enabling Act are necessary for these provisions to become law; therefore, Senate Concurrent Resolution 1001 was passed to allow the public to vote on the changes. The Enabling Act changes are the responsibility of the United States Congress, and will be pursued by Arizona’s congressional delegation (*see Growing Smarter Plus discussion below*).

Growing Smarter Plus (S.C.R. 1001, 4th Special Session) — This bill requests voter approval of the constitutional changes required to implement Growing Smarter Plus, and includes as part of the ballot question the conservation of 70,000 acres of state trust land and a provision that allows up to 5% of the income generated by sales and leases of state land to be used for non-personnel costs associated with trust land management.

Other Issues: Growing Smarter — Laws 1998, Chapter 204 (the Growing Smarter Act) requires the department to develop long-run land use plans. These plans are to be integrated with local land use plans. Included in these

plans is the identification of land suitable for open space preservation.

Laws 1999, Chapter 5, 1st Special Session, appropriated \$1,000,000 for Growing Smarter purposes in FY 2000. This amount was in addition to the \$600,000 that the department received for Growing Smarter in its FY 2000 operating appropriation. The \$600,000 in operating funds is continued for Growing Smarter purposes in FY 2001. Since FY 1999, the State Land Department has received a total of \$2,550,000 for the Growing Smarter program.

The statutory deadline for adoption of the plans required by the Growing Smarter Act is December 31, 2001 for the larger municipalities in Arizona.

[Click here for more information from the initial biennial appropriations report \(June 1999\)](#)