

PROPOSED AMENDMENT  
SENATE AMENDMENTS TO S.B. 1028  
(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 3-1332, Arizona Revised Statutes, is amended to  
3 read:

4 3-1332. Method, place and time of inspecting livestock

5 A. Livestock officers and inspectors shall inspect livestock, other  
6 than equine and livestock subject to authorized self-inspection, for health,  
7 marks and brands at loading stations, at places of exit from the state and at  
8 places where livestock are gathered to be sold, slaughtered, transported,  
9 conveyed, shipped or driven from their range for any purpose whatever except  
10 when livestock are being moved from pasture to a destination in this state  
11 and no change of ownership, slaughter or other disposition is involved and  
12 the owner is utilizing self-inspection approved by the division under section  
13 3-1203. Livestock officers and inspectors need not inspect outgoing  
14 livestock from feed lots, dairies and producers utilizing self-inspection  
15 pursuant to section 3-1203 but may conduct periodic inspections to ascertain  
16 compliance with this article.

17 B. Feed lots, dairies and producers utilizing self-inspection approved  
18 by the division under section 3-1203 shall comply with the applicable  
19 provisions of this section and procedures established by the division.

20 C. Brand inspections shall be made by daylight and in a manner that  
21 enables the livestock officer or inspector personally to see, inspect and  
22 record each and every mark and brand. Inspections of livestock for health at  
23 a slaughterhouse may be made by other than daylight if adequate artificial  
24 light is provided.

1           D. Upon being advised that livestock is subject to inspection,  
2 livestock officers and inspectors shall arrange for the inspection of the  
3 livestock and inspect such livestock within ~~twelve~~ FORTY-EIGHT hours.

4           E. The animal services division, the plant services division and the  
5 office of inspections shall cooperate to provide livestock inspections at  
6 border inspection stations or department offices and to train appropriate  
7 personnel to perform these inspections. Employees of the plant services  
8 division acting under this subsection do not have enforcement powers  
9 otherwise granted to livestock officers. In the case of an apparent  
10 discrepancy, disease or other problem a livestock officer or inspector  
11 employed by the animal services division shall be called on to make a final  
12 inspection and determination. The associate director of the animal services  
13 division shall assign at least one livestock officer or inspector to be on  
14 call from each office operated by the plant services division under this  
15 subsection.

16           Sec. 2. Section 15-1662, Arizona Revised Statutes, is amended to read:  
17 15-1662. Universities; funds and accounts

18           A. The state treasurer shall maintain the following separate permanent  
19 funds and accounts:

20           1. Universities land fund ESTABLISHED BY SECTION 37-522.  
21 Distributions from the fund pursuant to article X, section 7, Constitution of  
22 Arizona, and ~~all~~ monies derived from the lease, sale or other disposition of  
23 lands granted by the United States for the use and benefit of the  
24 universities shall be deposited in the universities land fund as provided in  
25 this section and section 37-522. Monies accruing to the universities under  
26 the laws of the United States pertaining to timber lands shall be deposited  
27 in the universities timber land account established by section 37-482,  
28 subsection B and may be used for the payment of expenditures which the state  
29 land department incurs for the conservation, sale and other administration of  
30 timber or timber products as provided in this section and sections 37-482 and  
31 37-522.

1           2. Normal schools land fund ESTABLISHED BY SECTION 37-523.  
2           Distributions from the fund pursuant to article X, section 7, Constitution of  
3           Arizona, and ~~all~~ monies derived from the lease, sale or other disposition of  
4           lands granted by the United States for the use and benefit of normal schools  
5           shall be deposited in the normal schools land fund as provided in this  
6           section and section 37-523.

7           3. Agricultural and mechanical colleges land fund ESTABLISHED BY  
8           SECTION 37-524. Distributions from the fund pursuant to article X, section  
9           7, Constitution of Arizona, and ~~all~~ monies derived from the lease, sale or  
10          other disposition of lands granted by the United States for the use and  
11          benefit of agricultural and mechanical colleges shall be deposited in the  
12          agricultural and mechanical colleges land fund as provided in this section  
13          and section 37-524.

14          4. School of mines land fund ESTABLISHED BY SECTION 37-524.  
15          Distributions from the fund pursuant to article X, section 7, Constitution of  
16          Arizona, and ~~all~~ monies derived from the lease, sale or other disposition of  
17          lands granted by the United States for the use and benefit of schools of  
18          mines shall be deposited in the school of mines land fund as provided in this  
19          section and section 37-524.

20          5. Military institutes land fund ESTABLISHED PURSUANT TO SECTION  
21          37-525. Distributions from the fund pursuant to article X, section 7,  
22          Constitution of Arizona, and ~~all~~ monies derived from the lease, sale or other  
23          disposition of lands granted by the United States for the use and benefit of  
24          military institutes shall be deposited in the military institutes land fund  
25          as provided in this section and section 37-525.

26          B. The Arizona board of regents shall maintain a separate permanent  
27          fund to be known as the universities fund. All monies other than those  
28          specified in subsection A OF THIS SECTION which are derived from the lease,  
29          sale or other disposition of lands or property which are given by any person  
30          or by law as a trust fund to be administered by the board in conformity with  
31          the terms of the gift shall be deposited in the universities fund. Such  
32          monies shall be invested and administered as designated for the use of the

1 universities except such monies as are appropriated for specific purposes  
2 from the general fund of this state for the use of the universities.

3 C. The state treasurer shall keep the monies of the land funds  
4 invested in safe interest bearing securities and prudent equity pursuant to  
5 article X, section 7, Constitution of Arizona, and as provided by sections  
6 35-313 and 35-314.01, and monies earned from investment shall be credited to  
7 the funds.

8 D. Monies shall not be taken from one fund or deposited in any other  
9 fund nor shall any fund or the income from the fund be taken or expended for  
10 any object other than ~~that of~~ AS PROVIDED BY SECTION 37-527 OR AS PROVIDED BY  
11 the original gift or appropriation.

12 Sec. 3. Section 37-247, Arizona Revised Statutes, is amended to read:

13 37-247. Purchaser's default; forfeiture and cancellation of  
14 certificate of purchase; extension of time for  
15 payments

16 A. When a purchaser defaults in a payment of principal or interest, as  
17 provided in the certificate of purchase, or fails to comply with a condition,  
18 covenant or requirement thereof, the certificate shall be declared subject to  
19 forfeiture. Within sixty days after default or failure the department shall  
20 give notice of the default or failure by certified mail to the purchaser's  
21 last known address of record in the department.

22 B. If the payment is not made, or the condition, covenant or  
23 requirement is not complied with, within sixty days from the date of notice,  
24 the certificate of purchase and all rights of the purchaser to the land and  
25 improvements thereon may be canceled. In the event of cancellation, the  
26 commissioner shall make a formal order canceling the certificate of purchase  
27 and a copy of the order shall be mailed to the last known post-office address  
28 of the holder of the certificate of purchase. If no appeal is made within  
29 thirty days from the date a copy of the order is mailed to the holder of the  
30 certificate of purchase, the order shall become final and the certificate of  
31 purchase shall be canceled on the records of the department, and the  
32 improvements and all payments made on the purchase price DEPOSITED IN THE

1           RESPECTIVE PERMANENT FUND UNDER ARTICLE 13 OF THIS CHAPTER shall be deemed  
2           rental for the land.

3           C. On the purchaser's written request, the commissioner may extend the  
4           time for payment of the amount delinquent for a period of not more than five  
5           years on terms that the commissioner considers to be appropriate as follows:

6           1. The commissioner may grant an extension in response to a request  
7           made within sixty days before the due date of the payment. An extension  
8           under this paragraph begins on the date the payment was due and continues for  
9           the period stated in a written notice to the purchaser.

10          2. The commissioner may grant an extension in response to a request  
11          made within sixty days after the date of the default or failure notice  
12          provided in subsection A. An extension under this paragraph begins on the  
13          date of the notice and continues for the period stated in a written notice to  
14          the purchaser.

15          3. If the department does not act on a request for extension within  
16          thirty days after receiving the request, the request is considered to be  
17          denied. If the purchaser fails during the period of the extension to  
18          complete all delinquent payments, including principal and interest, the  
19          certificate of purchase shall automatically be canceled and noted on the  
20          records of the department.

21          Sec. 4. Section 37-521, Arizona Revised Statutes, is amended to read:

22          37-521. Permanent state school fund; composition; use

23          A. AFTER ANY APPROPRIATION PURSUANT TO SECTION 37-527, the permanent  
24          state school fund shall consist of:

25          1. The proceeds of all lands granted to the state by the United States  
26          for the support of common schools.

27          2. All property which accrues to the state by escheat or forfeiture.

28          3. All property donated for the benefit of the common schools, unless  
29          the terms of the donation otherwise provide.

30          4. All unclaimed shares and dividends of any corporation incorporated  
31          under the laws of this state.

1           5. The proceeds of sale of timber, mineral, gravel or other natural  
2 products or property from school lands and state lands other than those  
3 granted for specific purposes.

4           6. The residue of the lands granted for payment of the bonds and  
5 accrued interest issued by Maricopa, Pima, Yavapai and Coconino counties,  
6 after the purpose of the grant has been satisfied, and the five per cent of  
7 the proceeds of sales of public lands lying within this state sold by the  
8 United States subsequent to admission of this state into the union, as  
9 granted by the enabling act.

10           B. The fund shall be and remain a perpetual fund and distributions  
11 from the fund pursuant to article X, section 7, Constitution of Arizona, plus  
12 monies derived from the rental of the lands and property, interest and  
13 accrued rent for that year credited pursuant to section 37-295 and interest  
14 paid on installment sales, shall be used as follows:

15           1. If there are outstanding state school facilities revenue bonds  
16 pursuant to title 15, chapter 16, article 6, outstanding qualified zone  
17 academy bonds pursuant to title 15, chapter 16, article 7 or outstanding  
18 state school trust revenue bonds issued to correct existing deficiencies  
19 ~~prescribed by section 15-2021~~, the state treasurer and the state land  
20 department shall annually transfer to the state school facilities revenue  
21 bond debt service fund established in section 15-2054, the state school  
22 improvement revenue bond debt service fund established in section 15-2084 and  
23 the state school trust revenue bond debt service fund the amount that is  
24 necessary to pay that fiscal year's debt service on outstanding state school  
25 facilities revenue bonds, qualified zone academy bonds and state school trust  
26 revenue bonds, before transferring amounts for any other uses.

27           2. If there are no outstanding state school facilities revenue bonds  
28 pursuant to title 15, chapter 16, article 6 or if the amount of monies  
29 available under this subsection exceeds the amount required under paragraph 1  
30 of this subsection, the monies are subject to legislative appropriation to  
31 the new school facilities fund established by section 15-2041.

1           3. If the amount of monies available under this subsection exceeds the  
2 amount required under paragraphs 1 and 2 of this subsection, the legislature  
3 may annually appropriate an amount to be used as provided in section 15-971,  
4 subsection H, except that the amount appropriated may not exceed the amount  
5 appropriated from the permanent state school fund and from the rent and  
6 interest paid on installment sales for this purpose in fiscal year 2000-2001.

7           4. Notwithstanding paragraphs 1, 2 and 3 of this subsection, from and  
8 after June 30, 2001, any expendable earnings under this subsection that  
9 exceed the fiscal year 2000-2001 expendable earnings shall be deposited in  
10 the classroom site fund established by section 15-977.

11           Sec. 5. Section 37-522, Arizona Revised Statutes, is amended to read:

12           37-522. Universities land fund; composition; use

13           A. AFTER ANY APPROPRIATION PURSUANT TO SECTION 37-527, the  
14 universities land fund shall consist of:

15           1. The proceeds of all lands granted to the state by the United States  
16 for university purposes.

17           2. All property donated by individuals for university purposes, unless  
18 the terms of the donation otherwise provide.

19           3. The sale of timber, mineral, gravel or other natural products or  
20 property from lands granted or given for university purposes.

21           B. The fund is and shall remain a perpetual fund for the benefit and  
22 support of the universities of this state and distributions from the fund  
23 pursuant to article X, section 7, Constitution of Arizona together with the  
24 monies derived from the sales of timber or timber products and the rental of  
25 the lands and property, including interest and accrued rent for that year  
26 credited pursuant to section 37-295, shall be used.

27           Sec. 6. Section 37-523, Arizona Revised Statutes, is amended to read:

28           37-523. Normal schools land fund; composition; use

29           A. AFTER ANY APPROPRIATION PURSUANT TO SECTION 37-527, the normal  
30 schools land fund shall consist of:

31           1. The proceeds of all lands granted to the state by the United States  
32 for normal schools for the purpose of training teachers.

1           2. All property donated for normal schools, teacher colleges or  
2 colleges of education for the purpose of training teachers, unless the terms  
3 of the donation otherwise provide.

4           3. The sale of timber, mineral, gravel or other natural products of  
5 property granted or donated for such purposes.

6           B. The fund shall be and remain a perpetual fund for the benefit and  
7 support equally of the universities for the purpose of training teachers and  
8 distributions from the fund pursuant to article X, section 7, Constitution of  
9 Arizona together with the monies derived from the rental of the lands and  
10 property, including interest and accrued rent for that year credited pursuant  
11 to section 37-295, shall be used.

12           Sec. 7. Section 37-524, Arizona Revised Statutes, is amended to read:

13           37-524. Agricultural and mechanical colleges land fund and  
14                                   school of mines land fund; composition; use

15           A. AFTER ANY APPROPRIATION PURSUANT TO SECTION 37-527, the  
16 agricultural and mechanical colleges land fund, and the school of mines land  
17 fund, shall separately consist of the proceeds of:

18           1. All lands granted to the state by the United States for the  
19 respective purposes named.

20           2. All property donated by individuals for like purposes, unless the  
21 terms of the donation otherwise provide.

22           3. The sale of timber, mineral, gravel or other natural products or  
23 property from lands granted or donated for such purposes.

24           B. The funds provided for in this section shall be and remain  
25 perpetual funds for the benefit and support of the agricultural and  
26 mechanical colleges and the schools of mines at the universities and  
27 distributions from the funds pursuant to article X, section 7, Constitution  
28 of Arizona together with the money derived from the rental of the lands and  
29 property, including interest and accrued rent for that year credited pursuant  
30 to section 37-295, shall be used.

1           Sec. 8. Section 37-525, Arizona Revised Statutes, is amended to read:

2           37-525. Other land funds; composition; use

3           A. AFTER ANY APPROPRIATION PURSUANT TO SECTION 37-527, the  
4 legislative, executive and judicial public buildings land fund, the  
5 penitentiary land fund, the Arizona state hospital land fund, the state  
6 charitable, penal and reformatory institutions land fund, the schools and  
7 asylum for the deaf, dumb and blind land fund, the miners' hospital for  
8 disabled miners land fund and the military institutes land fund shall  
9 separately consist of:

10           1. The proceeds of all lands granted to this state by the United  
11 States for the respective purposes named.

12           2. All property donated by individuals for like purposes, unless the  
13 terms of the donation otherwise provide.

14           3. The sale of timber, mineral, gravel or other natural products or  
15 property from lands granted or donated for such purposes.

16           B. The funds shall be and remain perpetual funds for the benefit and  
17 support of institutions corresponding to the purposes for which the funds are  
18 established, except as otherwise provided in the enabling act and section  
19 37-295 and distributions from the funds pursuant to article X, section 7,  
20 Constitution of Arizona together with the monies derived from the rental of  
21 the lands and property, ~~shall~~ shall be used. Monies in the state charitable,  
22 penal and reformatory institutions land fund are subject to legislative  
23 appropriation.

24           Sec. 9. Title 37, chapter 2, article 13, Arizona Revised Statutes, is  
25 amended by adding section 37-527, to read:

26           37-527. Trust land management fund

27           A. THE TRUST LAND MANAGEMENT FUND IS ESTABLISHED. THE FUND CONSISTS  
28 OF UP TO TEN PER CENT OF THE ANNUAL PROCEEDS OF:

29           1. EACH BENEFICIARY'S TRUST LANDS GRANTED TO THIS STATE BY THE UNITED  
30 STATES.

1           2. ALL SALES OF TIMBER, MINERAL, GRAVEL OR OTHER NATURAL PRODUCTS OR  
2 PROPERTY FROM EACH BENEFICIARY'S TRUST LANDS GRANTED TO THIS STATE BY THE  
3 UNITED STATES.

4           B. THE COMMISSIONER SHALL DETERMINE THE PERCENTAGE OF TRUST LAND  
5 PROCEEDS TO BE DEPOSITED IN THE FUND EACH FISCAL YEAR. THE PERCENTAGE SHALL  
6 BE THE SAME FOR ALL BENEFICIARIES. THE COMMISSIONER SHALL NOTIFY THE JOINT  
7 LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE OF STRATEGIC PLANNING  
8 AND BUDGETING OF THE DETERMINATION ON OR BEFORE SEPTEMBER 1 OF THE PRECEDING  
9 FISCAL YEAR.

10          C. THE MONIES IN THE FUND:

11           1. ARE SUBJECT TO LEGISLATIVE APPROPRIATION.

12           2. SHALL BE USED EXCLUSIVELY TO MANAGE TRUST LANDS AS PRESCRIBED BY  
13 LAW.

14          D. THE COMMISSIONER SHALL ADMINISTER THE FUND. ON NOTICE FROM THE  
15 COMMISSIONER, THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND  
16 AS PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE  
17 CREDITED TO THE FUND.

18          E. MONIES IN THE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190  
19 RELATING TO LAPSING OF APPROPRIATIONS, BUT IF THE BALANCE IN THE FUND AT THE  
20 END OF ANY FISCAL YEAR EXCEEDS TWO TIMES THE BUDGET OF THE DEPARTMENT FOR THE  
21 MANAGEMENT OF TRUST LANDS FOR THE NEXT FISCAL YEAR, THE EXCESS AMOUNT SHALL  
22 BE CREDITED PROPORTIONATELY TO THE SEVERAL PERMANENT FUNDS BASED ON THE LAST  
23 FISCAL YEAR'S DEPOSITS.

24          F. THIS SECTION DOES NOT PREVENT THE LEGISLATURE FROM APPROPRIATING  
25 STATE GENERAL FUND MONIES FOR THE PURPOSES DESCRIBED IN THIS SECTION.

26          Sec. 10. Section 41-511.23, Arizona Revised Statutes, is amended to  
27 read:

28           41-511.23. Conservation acquisition board; land conservation  
29                           fund; conservation donation and public conservation  
30                           accounts; livestock and crop conservation fund

31          A. The conservation acquisition board is established, as an advisory  
32 body to the Arizona state parks board, consisting of the following members

1 who are appointed by the governor, at least one of whom shall be experienced  
2 in soliciting money from private sources:

3 1. One state land lessee.

4 2. One member who is qualified by experience in managing large  
5 holdings of private land for income production or conservation purposes.

6 3. One member of the state bar of Arizona who is experienced in the  
7 practice of private real estate law.

8 4. One real estate appraiser who is licensed or certified under title  
9 32, chapter 36.

10 5. One member who is qualified by experience in marketing real estate.

11 6. One representative of a conservation organization.

12 7. One representative of a state public educational institution.

13 B. The governor shall designate a presiding member of the board. The  
14 term of office is five years except that initial members shall assign  
15 themselves by lot to terms of one, two, three, two members for four and two  
16 members for five years in office.

17 C. The conservation acquisition board shall:

18 1. Solicit donations to the conservation donation account.

19 2. Consult with entities such as private land trusts, state land  
20 lessees, the state land department, the Arizona state parks board and others  
21 to identify conservation areas that are reclassified pursuant to section  
22 37-312 and that are suitable for funding.

23 3. Recommend to the Arizona state parks board appropriate grants from  
24 the land conservation fund.

25 D. The land conservation fund is established consisting of the  
26 following accounts:

27 1. The conservation donation account consisting of monies received as  
28 donations. Donations to the account are subject to any lawful conditions the  
29 donor may prescribe, including any conditions on the use of the money or  
30 reversion to the donor. Monies in the account are exempt from the provisions  
31 of section 35-190 relating to lapsing of appropriations.

1           2. The public conservation account consisting of monies appropriated  
2 to the account from the state general fund and monies from any other  
3 designated source. In fiscal years 2000-2001 through 2010-2011, the sum of  
4 twenty million dollars is appropriated each fiscal year from the state  
5 general fund to the public conservation account in the land conservation fund  
6 for the purposes of this section. Monies in the account are appropriated for  
7 the purposes of this section, and the Arizona state parks board may spend  
8 monies in the account without further legislative authorization. Each  
9 expenditure of monies from the public conservation account for purposes  
10 listed under subsection G, paragraph 2 of this section shall be matched by an  
11 equal expenditure of monies from the conservation donation account or from  
12 other private or governmental sources.

13           E. If the legislature fails to appropriate monies to the public  
14 conservation account in a fiscal year, and if there are no other monies in  
15 the public conservation account, the Arizona state parks board may either  
16 grant nothing from the fund in that year or, on recommendation by the  
17 conservation acquisition board, may grant available monies in the  
18 conservation donation account for purposes authorized in subsection G of this  
19 section.

20           F. The monies in the fund are exempt from the provisions of section  
21 35-190 relating to lapsing of appropriations.

22           G. Monies in the public conservation account, with matching monies  
23 from the conservation donation account, are appropriated as follows:

24           1. A total of two million dollars each fiscal year to the livestock  
25 and crop conservation fund. The fund is established for the purposes of this  
26 paragraph. Monies in the fund are continuously appropriated to the Arizona  
27 department of agriculture for the exclusive purpose of granting monies to  
28 individual landowners and grazing and agricultural lessees of state or  
29 federal land who contract with the Arizona department of agriculture to  
30 implement conservation based management alternatives using livestock or crop  
31 production practices, or reduce livestock or crop production, to provide  
32 wildlife habitat or other public benefits that preserve open space and for

1 administrative expenses as provided by this paragraph. The department shall  
2 administer the fund. On notice from the director of the department, the  
3 state treasurer shall invest and divest monies in the fund as provided by  
4 section 35-313, and monies earned from investment shall be credited to the  
5 fund. Monies in the fund are exempt from the provisions of section 35-190  
6 relating to lapsing of appropriations. For the purposes of granting monies  
7 from the fund pursuant to this paragraph, the department:

8 (a) Shall develop guidelines and criteria for implementation of this  
9 program that shall include requiring as part of the application a letter  
10 describing the intended use for the grant money.

11 (b) Shall give priority to lessees of state or federal land who reduce  
12 livestock production to provide public benefits such as wildlife species  
13 conservation or wildlife habitat.

14 (c) Shall not grant more than fifty per cent of the monies in the fund  
15 with respect to land in one county in any fiscal year.

16 (d) Is exempt from chapter 6 of this title with respect to adopting  
17 rules, except that the department shall provide for public notice and sixty  
18 days for public comment on the annual grant guidelines and criteria,  
19 including public hearings.

20 (e) Shall award all grants pursuant to chapter 24, article 1 of this  
21 title.

22 (f) Shall require each grantee to submit to the department, within  
23 twelve months after receiving the grant, a written report detailing how grant  
24 monies were used to achieve the project described in the letter submitted as  
25 part of the application. If the project is longer than one year, a written  
26 report shall be submitted to the department on an annual basis until the  
27 project is complete.

28 (g) May use not more than ten per cent of the monies appropriated to  
29 the fund in any fiscal year for the purposes of administering the program.

30 (h) Shall prepare a report of the disposition of monies appropriated  
31 to the fund each fiscal year and provide a copy of the report to the

1 governor, to the Arizona state parks board and to any person who requests a  
2 copy.

3 2. The remainder of the monies to the Arizona state parks board for  
4 the exclusive purpose of granting monies to the state or any of its political  
5 subdivisions, or to a nonprofit organization that is exempt from federal  
6 income taxation under section 501(c) of the internal revenue code and that  
7 has the purpose of preserving open space, for the following purposes only:

8 (a) To purchase or lease state trust lands that are classified as  
9 suitable for conservation purposes pursuant to title 37, chapter 2, article  
10 4.2. A grant of money under this subdivision to a nonprofit organization is  
11 conditioned on the organization providing reasonable public access to any  
12 land that is wholly or partly purchased with that money. The organization  
13 shall agree with the Arizona state parks board that it will impose a  
14 restrictive covenant, running with the title to the land, granting such  
15 access and providing for reversion to this state of any interest in the  
16 property acquired with money granted under this subdivision on the failure to  
17 comply with the terms of the covenant. The Arizona state parks board and the  
18 state land commissioner have standing to either enforce the covenant or  
19 recover the amount of the grant from the current owner, with interest from  
20 the date the grant was awarded to the nonprofit organization.

21 (b) To purchase the development rights of state trust lands throughout  
22 this state under the following conditions:

23 (i) The development rights shall be sold at public auction as provided  
24 in section 37-258.01.

25 (ii) The lessee of the state trust land at the time the development  
26 rights are purchased shall be notified of the purchase in writing.

27 (iii) The purchase of the development rights shall not result in  
28 cancellation or modification of the current lease.

29 (iv) The purchase of the development rights shall not affect the  
30 existing lessee's current economic use of the land and rights pursuant to  
31 title 37, chapter 2, article 4.2.

1 (v) As a condition of the sale of the development rights, the  
2 purchaser shall agree in perpetuity not to exercise the development rights  
3 and that the land shall remain as open space.

4 (vi) The state trust land shall retain any other rights and attributes  
5 as prescribed by law at the time of the purchase.

6 H. For the purposes of subsection G, paragraph 2 of this section:

7 1. The Arizona state parks board shall not grant more than fifty per  
8 cent of the monies with respect to land in one county in any fiscal year.

9 2. A grant of money is valid for eighteen months and may be extended  
10 one time for twelve additional months if a required public auction has not  
11 been held.

12 3. The Arizona state parks board may adopt rules to establish  
13 qualifications of nonprofit organizations for purposes of applying for and  
14 receiving money granted.

15 4. The owner of property that is wholly or partly acquired with money  
16 granted shall not restrict or unreasonably limit access to private lands.  
17 Any sale of land with money granted shall include a condition requiring that  
18 permanent access to private lands be allowed.

19 I. The Arizona state parks board shall administer the land  
20 conservation fund. On notice from the board, the state treasurer shall  
21 invest and divest monies in either account in the fund as provided by section  
22 35-313, and monies earned from investments shall be credited to a separate  
23 administration account to pay the board's expenses of administering the land  
24 conservation and acquisition program under subsection G, paragraph 2 of this  
25 section, which shall not exceed five per cent of the amount deposited in the  
26 public conservation account in any fiscal year or five hundred thousand  
27 dollars, whichever is less. ~~Any unobligated amount remaining in the~~  
28 ~~administration account at the end of the fiscal year shall be credited to the~~  
29 ~~public conservation account for purposes of subsection D of this~~  
30 ~~section.~~ INVESTMENT EARNINGS IN EXCESS OF FIVE HUNDRED THOUSAND DOLLARS ARE  
31 APPROPRIATED TO THE ARIZONA STATE PARKS BOARD FOR THE PURPOSE OF OPERATING  
32 STATE PARKS.

1 J. Members of the conservation acquisition board may be reimbursed for  
2 travel and lodging expenses and per diem subsistence allowances incurred  
3 while on public business for the board. Reimbursement amounts shall not  
4 exceed those allowed under title 38, chapter 4, article 2.

5 Sec. 11. Section 45-2473, Arizona Revised Statutes, is amended to  
6 read:

7 45-2473. Arizona water banking authority; interstate water  
8 banking; accounting

9 A. For each year during which the Arizona water banking authority is  
10 owed or receives monies pursuant to an interstate water banking agreement  
11 with the state of Nevada, or any agency or political subdivision of the state  
12 of Nevada, including the southern Nevada water authority, the Arizona water  
13 banking authority shall provide a full report to the joint legislative budget  
14 committee that accounts for all of the monies received through the interstate  
15 water banking agreement and shall account for all disbursements made with  
16 those monies, including monies used to purchase or store water or otherwise  
17 fulfill contractual obligations with the state of Nevada under that  
18 agreement. The Arizona water banking authority shall include in these  
19 reports any prepaid monies to the central Arizona project, any monies  
20 received under the agreement that are placed in an account with the state  
21 treasurer and any contract that obligates the Arizona water banking authority  
22 to pay or disburse these monies to any other entity, including the central  
23 Arizona project.

24 B. The Arizona water banking authority shall submit the report  
25 prescribed in subsection A OF THIS SECTION to the joint legislative budget  
26 committee on or before October 1 following the fiscal year for which the  
27 report is made. ~~The report submitted on or before October 1, 2006 shall~~  
28 ~~contain the information for both fiscal years 2004-2005 and 2005-2006.~~

29 C. PURSUANT TO SECTION 35-115, THE BUDGET REQUEST FOR THE DEPARTMENT  
30 OF WATER RESOURCES SHALL INCLUDE A SEPARATE ACCOUNTING OF THE NEVADA  
31 INTERSTATE WATER BANKING SUBACCOUNT. THIS INFORMATION SHALL APPEAR IN THE  
32 SAME FORMAT AND DETAIL AS REQUIRED FOR THE ARIZONA WATER BANKING FUND.

1           ~~C.~~ D. The Arizona water banking authority shall not spend, encumber,  
2           lend or in any other way use the monies received pursuant to the interstate  
3           water banking agreement except to pay the costs directly incurred in meeting  
4           the Arizona water banking authority's obligations pursuant to the agreement  
5           and section 45-2425.

6           Sec. 12. Laws 2009, first special session, chapter 3, section 5 is  
7           amended to read:

8           Sec. 5. Transfer of monies; fire suppression; 2008-2009

9           A. Notwithstanding section 37-623.02, subsection D, paragraph 1,  
10          Arizona Revised Statutes, the sum of \$3,000,000 is transferred from the  
11          Arizona state parks board heritage fund established by section 41-502,  
12          Arizona Revised Statutes, to the fire suppression revolving fund established  
13          by section 37-623.02, Arizona Revised Statutes, on ~~the effective date of this~~  
14          ~~act~~ JANUARY 31, 2009.

15          B. The monies transferred under subsection A of this section are in  
16          lieu of any other monies that are made available from the state general fund  
17          for fiscal year 2008-2009 for fire suppression by the state forester for the  
18          purposes of section 37-623.02, Arizona Revised Statutes. The state forester  
19          shall reimburse to the state general fund any amounts transferred from the  
20          state general fund in fiscal year 2008-2009.

21          C. NOTWITHSTANDING SECTION 37-623.02, SUBSECTION I, ARIZONA REVISED  
22          STATUTES, IF THE UNOBLIGATED BALANCE OF THE FIRE SUPPRESSION REVOLVING FUND  
23          EXCEEDS TWO MILLION DOLLARS AT THE END OF CALENDAR YEAR 2009, THE EXCESS  
24          SHALL BE TRANSFERRED TO THE ARIZONA STATE PARKS BOARD HERITAGE FUND.

25          Sec. 13. Transfer of monies; fire suppression; 2009-2010

26          A. Notwithstanding section 37-623.02, subsection D, paragraph 1,  
27          Arizona Revised Statutes, the sum of \$1,500,000 is transferred from the  
28          Arizona state parks board heritage fund established by section 41-502,  
29          Arizona Revised Statutes, to the fire suppression revolving fund established  
30          by section 37-623.02, Arizona Revised Statutes, on January 1, 2010 and April  
31          1, 2010.



1 quality may transfer \$6,531,000 from the assurance account of the underground  
2 storage tank revolving fund for administrative costs of the underground  
3 storage tank leak prevention program and for the used oil program.

4 Sec. 18. State land department; appropriation; reversion

5 A. The sum of \$9,773,500 is appropriated in fiscal year 2009-2010 from  
6 the trust land management fund established by section 37-527, Arizona Revised  
7 Statutes, as added by this act, to the state land department for the purpose  
8 of managing the state land trust.

9 B. On or before October 1, 2009, the state land department shall  
10 transfer the sum of \$3,819,700 to the state general fund.

11 C. In addition to the amount specified in subsection B of this  
12 section, on or before June 30, 2010, the state land department shall transfer  
13 the sum of \$3,257,800 to the state general fund.

14 D. This section is effective retroactively to from and after September  
15 30, 2009.

16 Sec. 19. Sanitary districts; cities and towns; loan agreements

17 A. Notwithstanding section 48-2011.01, Arizona Revised Statutes,  
18 during fiscal years 2009-2010 and 2010-2011, a sanitary district with a  
19 population of less than fifty thousand persons may enter into a financial  
20 assistance loan repayment agreement with the water infrastructure financing  
21 authority without submitting the question of entering and performing the  
22 financial assistance loan repayment agreement to the qualified electors of  
23 the district if the agreement is financed with funding made available to the  
24 water infrastructure finance authority of Arizona under division A of title  
25 VII of the American recovery and reinvestment act of 2009. This subsection  
26 also applies if the sanitary district is required to provide matching monies  
27 for the funding made available under division A of title VII of the American  
28 recovery and reinvestment act of 2009.

29 B. Notwithstanding section 9-571, Arizona Revised Statutes, during  
30 fiscal years 2009-2010 and 2010-2011, a city or town of any size may enter  
31 into a financial assistance loan repayment agreement with the water  
32 infrastructure financing authority without submitting the question of

1 entering and performing the financial assistance loan repayment agreement to  
2 the qualified electors of the city or town if the agreement is financed with  
3 funding made available to the water infrastructure finance authority of  
4 Arizona under division A of title VII of the American recovery and  
5 reinvestment act of 2009. This subsection also applies if the city or town  
6 is required to provide matching monies for the funding made available under  
7 division A of title VII of the American recovery and reinvestment act of  
8 2009.

9 C. Notwithstanding section 11-671, Arizona Revised Statutes, during  
10 fiscal years 2009-2010 and 2010-2011, a county of any size may enter into a  
11 financial assistance loan repayment agreement with the water infrastructure  
12 financing authority without submitting the question of entering and  
13 performing the financial assistance loan repayment agreement to the qualified  
14 electors of the county if the agreement is financed with funding made  
15 available to the water infrastructure finance authority of Arizona under  
16 division A of title VII of the American recovery and reinvestment act of  
17 2009. This subsection also applies if the county is required to provide  
18 matching monies for the funding made available under division A of title VII  
19 of the American recovery and reinvestment act of 2009.

20 Sec. 20. State land department; fee revenue; trust management  
21 fund deposit

22 Notwithstanding section 37-107, Arizona Revised Statutes, the sum of  
23 \$600,000 in fee revenue collected pursuant to section 37-108, Arizona Revised  
24 Statutes, shall be deposited in the trust land management fund established by  
25 section 37-527, Arizona Revised Statutes, as added by this act, in fiscal  
26 year 2009-2010.

27 Sec. 21. Reporting; trust land management fund

28 Notwithstanding section 37-527, subsection B, Arizona Revised Statutes,  
29 as added by this act, within thirty days after the effective date of this act  
30 the state land commissioner shall notify the joint legislative budget  
31 committee and the governor's office of strategic planning and budgeting of

1 the percentage of trust land proceeds to be deposited in the trust land  
2 management fund.

3 Sec. 22. Conforming legislation

4 The legislative council staff shall prepare proposed legislation  
5 conforming the Arizona Revised Statutes to the provisions of this act for  
6 consideration in the forty-ninth legislature, second regular session.

7 Sec. 23. Retroactivity

8 A. Sections 15-1662, 37-247, 37-521, 37-522, 37-523, 37-524 and  
9 37-525, Arizona Revised Statutes, as amended by this act, apply retroactively  
10 to from and after September 30, 2009.

11 B. Section 37-527, Arizona Revised Statutes, as added by this act, is  
12 effective retroactively to from and after September 30, 2009."

13 Amend title to conform

RUSSELL PEARCE

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07/29/2009  
4:10 PM  
C: mjh