Committee on Appropriations

House of Representatives Amendments to H.B. 2176

(Reference to printed bill)

1 Strike everything after the enacting clause and insert:
2 "Section 1. Title 37, chapter 5, article 1, Arizona Revised Statutes,
3 is amended by adding section 37-910, to read:
4 37-910. Relinquishment of nonenumerated federal land; payments
5 in lieu of taxes

A. The commissioner shall request the United States to relinquish all
7 constitutionally nonenumerated federal land within this state to the state
8 land trust on or before December 31, 2025.
9 B. Beginning January 1, 2026, the attorney general shall initiate
10 proceedings against the United States in order to force the relinquishment of
11 all remaining constitutionally nonenumerated federal land within this state
12 to the state land trust.
13 C. This state has not agreed to the provisions of the Payments in Lieu
14 of Taxes Act of 1976. The receipt of payments by this state or a political
15 subdivision of this state pursuant to the act does not constitute:
16 1. An acceptance of the validity or authority of the act.
17 2. The relinquishment of any taxing authority by this state or a
18 political subdivision of this state.
19 3. The relinquishment of any other rights by this state or a political
20 subdivision of this state.
21 D. This state and the political subdivisions of this state shall
22 assess property taxes as provided by law on all constitutionally
23 nonenumerated federal land within this state. Any payments in lieu of taxes
24 made by the federal government on the constitutionally nonenumerated federal
25 land shall be applied toward the property tax assessed but are not accepted
26 in lieu of the payment for the taxes assessed. The attorney general shall
27 initiate proceedings against the United States to collect delinquent tax
28 assessment payments.

Sec. 2. Legislative findings

A. The 42.1% of Arizona land (approximately 30,700,000 acres) under
the control of the United States:
1. Was not constitutionally conveyed to the United States.
2. Is typically not being used for constitutionally enumerated uses.
3. Has been held since Arizona's 1912 statehood, which is an unreasonable length of time.

4. Is grossly disproportionate to similar federal land holdings within the eastern states, which constitutes a violation of the Equal Footing Doctrine and the principle of basic fairness across sovereign states.

B. In comparison to eastern states, the large presence of the United States as a landholder within this state clearly dilutes state sovereignty, impedes this state's ability to govern (for example, to lay and collect taxes, fund education, fund first responders, fund and maintain infrastructure and exercise policing powers), and begs the question as to whether those lands in question actually comprise a portion of the current state of Arizona or whether they have not fundamentally changed disposition from the territorial status that existed before 1912.

C. According to Professor Robert Natelson of the Independence Institute, the United States Constitution grants the federal government no plenary power to hold land, only to dispose of and to acquire real estate and other property to carry out any enumerated purpose, either in the exercise of a core power or through the implied powers memorialized in the Necessary and Proper Clause. Land acquired or held by the federal government within states may be held only for enumerated purposes, and all federal holdings not being used or needed for enumerated purposes must be disposed of within a reasonable time. Nonenclave federal land held under the Property Clause should be held only for enumerated purposes. The land is subject to state law, and the federal government must be treated like any other landowner. States must respect the discharge of legitimate federal functions associated with federally held lands."

Amend title to conform

and, as so amended, it do pass

JUSTIN OLSON
Chairman

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C: meb