

REFERENCE TITLE: trust lands; universities; designated trustee

State of Arizona
Senate
Fifty-second Legislature
First Regular Session
2015

SB 1268

Introduced by
Senator Dial

AN ACT

AMENDING SECTION 37-101, ARIZONA REVISED STATUTES; AMENDING TITLE 37, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 37-206; AMENDING SECTIONS 37-522, 37-523 AND 37-524, ARIZONA REVISED STATUTES; RELATING TO STATE TRUST LANDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 37-101, Arizona Revised Statutes, is amended to
3 read:

4 37-101. Definitions

5 In this title, unless the context otherwise requires:

6 1. "Agricultural lands" means lands ~~which~~ THAT are used or can be used
7 principally for:

8 (a) Raising crops, fruits, grains and similar farm products.

9 (b) Algaculture. For the purposes of this subdivision, "algaculture"
10 means the controlled propagation, growth and harvest of algae.

11 2. "Amortized value" means the value for improvements established
12 pursuant to section 37-281.02, subsection G.

13 3. "Commercial lands" means lands ~~which~~ THAT can be used principally
14 for business, institutional, religious, charitable, governmental or
15 recreational purposes, or any general purpose other than agricultural,
16 grazing, mining, oil, homesite or rights-of-way.

17 4. "Commissioner" means EITHER OF THE FOLLOWING:

18 (a) The state land commissioner.

19 (b) THE ARIZONA BOARD OF REGENTS, ONLY FOR THE PURPOSES OF THE SALE,
20 LEASE, MANAGEMENT AND ADMINISTRATION OF TRUST LANDS IN WHICH A UNIVERSITY HAS
21 DESIGNATED THE ARIZONA BOARD OF REGENTS AS TRUSTEE.

22 5. "Community identity package" means a design theme, including such
23 elements as architecture, landscape, lighting, street furniture, walls and
24 signage.

25 6. "Department" means the state land department.

26 7. "Grazing lands" means lands ~~which~~ THAT can be used only for the
27 ranging of livestock.

28 8. "Holding lease" means a commercial lease issued solely to grant a
29 limited use leasehold interest in state land in anticipation of future
30 development.

31 9. "Homesite lands" means lands ~~which~~ THAT are suitable for
32 residential purposes.

33 10. "Improvements" means anything permanent in character ~~which~~ THAT is
34 the result of labor or capital expended by the lessee or ~~his~~ THE LESSEE'S
35 predecessors in interest on state land in its reclamation or development, and
36 the appropriation of water thereon, and ~~which~~ THAT has enhanced the value of
37 the land.

38 11. "Infrastructure" means facilities or amenities, ~~—~~ such as streets,
39 utilities, landscaping and open space, ~~which~~ THAT are constructed or located
40 on state lands and ~~which~~ THAT are intended to benefit more than the land on
41 which they are immediately located by enhancing the development potential and
42 value of the state lands impacted by the facility or amenities.

43 12. "Leapfrog development" means the development of lands in a manner
44 requiring the extension of public facilities and services from their existing
45 terminal point through intervening undeveloped areas that are scheduled for

1 development at a later time, according to the plans of the local governing
2 body ~~having~~ THAT HAS jurisdiction for the area and ~~which~~ THAT is responsible
3 for the provision of these facilities and services.

4 13. "Leased school or university land" means school or university land
5 for which a lease has been issued by the state, or the territory of Arizona,
6 AND under which the lessee retains rights.

7 14. "Master developer" means a person who assumes, as a condition of a
8 land disposition, the responsibilities prescribed by the department for
9 infrastructure or community identity package amenities, or both, or for
10 implementing a development plan containing a master plan area.

11 15. "Participation contract" means a contract arising out of a sale
12 together with other rights and obligations in trust lands whereby the
13 department receives a share of the revenues generated by subsequent sales or
14 leases.

15 16. "Section of land" means an area of land consisting of six hundred
16 forty acres.

17 17. "State lands" means any land owned or held in trust, or otherwise,
18 by the state, including leased school or university land.

19 18. "Sublease" means an agreement in which the lessee relinquishes
20 control of the leased land to another party for the purposes authorized in
21 the lease.

22 19. "Urban lands" means any state lands ~~which~~ THAT are adjoining
23 existing commercially or homesite developed lands and ~~which~~ THAT are either:

24 (a) Within the corporate boundaries of a city or town.

25 (b) Adjacent to the corporate boundaries of a city or town.

26 (c) Lands for which the designation as urban lands is requested
27 pursuant to section 37-331.01.

28 20. "Urban sprawl" means the development of lands in a manner requiring
29 the extension of public facilities and services on the periphery of an
30 existing urbanized area where such extension is not provided for in the
31 existing plans of the local governing body having the responsibility for the
32 provision of these facilities and services to the lands in question.

33 Sec. 2. Title 37, chapter 2, article 1, Arizona Revised Statutes, is
34 amended by adding section 37-206, to read:

35 37-206. Arizona board of regents; trustee; universities

36 A. FOR THE PURPOSES OF THE SALE, LEASE, MANAGEMENT AND ADMINISTRATION
37 OF THE TRUST LANDS FOR WHICH A UNIVERSITY IN THIS STATE IS A BENEFICIARY, THE
38 UNIVERSITY MAY DESIGNATE THE ARIZONA BOARD OF REGENTS AS TRUSTEE.

39 B. IF A UNIVERSITY DESIGNATES THE ARIZONA BOARD OF REGENTS AS TRUSTEE
40 OF THE TRUST LANDS IN WHICH THE UNIVERSITY IS A BENEFICIARY, THE UNIVERSITY
41 SHALL NOTIFY THE DEPARTMENT.

42 C. AS TRUSTEE, THE ARIZONA BOARD OF REGENTS SHALL PROVIDE FOR THE
43 SALE, LEASE, MANAGEMENT AND ADMINISTRATION OF THE TRUST LANDS AS PRESCRIBED
44 BY LAW.

1 Sec. 3. Section 37-522, Arizona Revised Statutes, is amended to read:

2 37-522. Universities land fund; composition; use

3 A. After any appropriation pursuant to section 37-527, the
4 universities land fund shall consist of:

5 1. The proceeds of all lands granted to ~~the~~ THIS state by the United
6 States for university purposes.

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

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

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

17 C. IF A UNIVERSITY DESIGNATES THE ARIZONA BOARD OF REGENTS AS TRUSTEE
18 OF THE LANDS FOR WHICH THE UNIVERSITY IS A BENEFICIARY PURSUANT TO SECTION
19 37-206, THE ARIZONA BOARD OF REGENTS SHALL DEPOSIT MONIES INTO THE
20 UNIVERSITIES LAND FUND PURSUANT TO SUBSECTION A OF THIS SECTION.

21 Sec. 4. Section 37-523, Arizona Revised Statutes, is amended to read:

22 37-523. Normal schools land fund; composition; use

23 A. After any appropriation pursuant to section 37-527, the normal
24 schools land fund shall consist of:

25 1. The proceeds of all lands granted to ~~the~~ THIS state by the United
26 States for normal schools for the purpose of training teachers.

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

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

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

38 C. IF A UNIVERSITY DESIGNATES THE ARIZONA BOARD OF REGENTS AS TRUSTEE
39 OF THE LANDS FOR WHICH THE UNIVERSITY IS A BENEFICIARY PURSUANT TO SECTION
40 37-206, THE ARIZONA BOARD OF REGENTS SHALL DEPOSIT MONIES INTO THE NORMAL
41 SCHOOLS LAND FUND PURSUANT TO SUBSECTION A OF THIS SECTION.

1 Sec. 5. Section 37-524, Arizona Revised Statutes, is amended to read:
2 37-524. Agricultural and mechanical colleges land fund and
3 school of mines land fund; composition; use

4 A. After any appropriation pursuant to section 37-527, the
5 agricultural and mechanical colleges land fund, and the school of mines land
6 fund, shall separately consist of the proceeds of:

7 1. All lands granted to ~~the~~ THIS state by the United States for the
8 respective purposes named.

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

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

13 B. The funds provided for in this section shall be and remain
14 perpetual funds for the benefit and support of the agricultural and
15 mechanical colleges and the schools of mines at the universities, and
16 distributions from the funds pursuant to article X, section 7, Constitution
17 of Arizona, together with the money derived from the rental of the lands and
18 property, including interest and accrued rent for that year credited pursuant
19 to section 37-295, shall be used.

20 C. IF A UNIVERSITY DESIGNATES THE ARIZONA BOARD OF REGENTS AS TRUSTEE
21 OF THE LANDS FOR WHICH THE UNIVERSITY IS A BENEFICIARY PURSUANT TO SECTION
22 37-206, THE ARIZONA BOARD OF REGENTS SHALL DEPOSIT MONIES INTO THE
23 AGRICULTURAL AND MECHANICAL COLLEGES LAND FUND AND THE SCHOOL OF MINES LAND
24 FUND PURSUANT TO SUBSECTION A OF THIS SECTION.

25 Sec. 6. Conforming legislation

26 The legislative council staff shall prepare proposed legislation
27 conforming the Arizona Revised Statutes to the provisions of this act for
28 consideration in the fifty-second legislature, second regular session.