

Senate Engrossed

conservation districts; water; invasive vegetation.

State of Arizona  
Senate  
Fifty-fifth Legislature  
First Regular Session  
2021

# **SENATE BILL 1222**

AN ACT

AMENDING SECTIONS 37-1054 AND 43-1084, ARIZONA REVISED STATUTES; RELATING  
TO NATURAL RESOURCE CONSERVATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 37-1054, Arizona Revised Statutes, is amended to  
3 read:

4 37-1054. Powers of district

5 A. This state recognizes the special expertise of the districts in  
6 the fields of land, soil, water and natural resources management within  
7 the boundaries of the district. A district is empowered to:

8 1. Conduct surveys, investigations and research relating to the  
9 character of the soil, soil erosion prevention within a farm or ranch,  
10 methods of cultivation, farm and range practices, seeding, ~~eradication of~~  
11 ~~ERADICATING~~ noxious growths ~~AND INVASIVE VEGETATION~~ and any other measures  
12 that will aid farm and range operations, disseminate information  
13 pertaining thereto, and carry on research programs with or without the  
14 cooperation of this state or its agencies or the United States or its  
15 agencies.

16 2. Conduct demonstration projects within the district on lands  
17 owned or controlled by the state or any of its agencies with the consent  
18 and cooperation of the agency having jurisdiction of the land, and on any  
19 other lands within the district on obtaining the consent of the landowner  
20 or the necessary rights or interests in the land, in order to demonstrate  
21 by example the means, methods and measures by which water, soil and soil  
22 resources may be conserved and soil erosion and soil washing may be  
23 prevented and controlled.

24 3. Cooperate and enter into agreements with a landowner, an  
25 operator or any agency or subdivision of the state or federal government  
26 to carry on programs of watershed improvement, soil erosion prevention,  
27 methods of cultivation, cropping practices, land leveling and improvement  
28 on agricultural lands, and programs limited to methods of proper range  
29 use, reseeding and ~~the eradication of~~ ~~ERADICATING~~ noxious growth ~~AND~~  
30 ~~INVASIVE VEGETATION~~ on grazing lands, all within the limits of an  
31 individual farm or ranch and subject to the conditions the supervisors  
32 deem necessary.

33 4. Acquire, by purchase, exchange, lease or otherwise, any  
34 property, real or personal, or rights or interest in any property,  
35 maintain, administer and improve any properties acquired, receive income  
36 from any property or right or interest in property and expend it in  
37 carrying out the purposes of this chapter, and sell, lease or otherwise  
38 dispose of any property or interest in property in furtherance of the  
39 purposes of this chapter.

40 5. Make available, on the terms it prescribes to landowners within  
41 the district, agricultural and engineering machinery and equipment,  
42 fertilizer, seed and other material or equipment as will assist the  
43 landowners to carry on operations on their lands for the purposes and  
44 programs authorized by this chapter.

45 6. Develop, publish and bring to the attention of landowners within  
46 the district comprehensive plans for ~~the conservation of~~ ~~CONSERVING~~ soil

1 and water resources within the district that specify in such detail as may  
2 be feasible the acts, procedures, performances and avoidances necessary or  
3 desirable ~~for the effectuation of~~ TO EFFECT the plans.

4 7. Apply for, receive and spend monies from the Arizona water  
5 protection fund pursuant to title 45, chapter 12 to be used in individual  
6 districts or in cooperation with other districts, persons, cities, towns,  
7 counties, special districts and Indian communities for projects consistent  
8 with title 45, chapter 12.

9 8. Employ agents, engineers, attorneys or other employees not  
10 readily available from existing state agencies.

11 9. Sue and be sued in the name of the district, have a seal, which  
12 shall be judicially noticed, have perpetual succession unless terminated  
13 as provided in this chapter, make and execute contracts and other  
14 instruments necessary or convenient to ~~the~~ exercise ~~of~~ its powers and  
15 make, amend and repeal rules not inconsistent with this chapter to ~~carry~~  
16 ~~into~~ effect its purposes and powers.

17 10. Accept donations, gifts and contributions in ~~money~~ MONIES,  
18 services, materials or otherwise, and use or expend them in carrying on  
19 its operations.

20 11. Organize and establish an education center to increase the  
21 knowledge of natural resources in this state through the following  
22 methods:

23 (a) Offering technical guidance and training to agricultural  
24 producers.

25 (b) Publishing scholarly materials.

26 (c) Providing educational and training opportunities, both inside  
27 and outside of the district.

28 (d) Conducting or sponsoring scientific studies that affect natural  
29 resources in this state.

30 (e) INCREASING PUBLIC AWARENESS OF WATER CONSERVATION STATEWIDE,  
31 INCLUDING WATER CONSERVATION METHODS AND BEST MANAGEMENT PRACTICES.

32 B. A provision of law with respect to ~~the acquisition~~ ACQUIRING,  
33 ~~operation~~ OPERATING or ~~disposition~~ DISPOSING of property by other public  
34 bodies ~~shall~~ IS not ~~be~~ applicable to a district organized under this  
35 chapter unless specifically stated therein.

36 C. After the formation of any district under this chapter, all  
37 participation thereunder shall be voluntary, notwithstanding any provision  
38 of this chapter to the contrary.

39 D. A district may send to the Arizona water protection fund  
40 commission established by title 45, chapter 12 written recommendations for  
41 geographic areas to be emphasized, issues of concern and measures to  
42 implement title 45, chapter 12. A district that sends written  
43 recommendations to the commission shall request information from at least  
44 the following:

45 1. The director of the department of water resources and the state  
46 land commissioner.

1           2. The federal and state fish, wildlife, recreation and natural  
2 resource agencies.

3           3. County and municipal entities.

4           4. The public.

5           E. The district shall develop procedures to ensure adequate  
6 participation in the public involvement process prescribed by subsection D  
7 of this section.

8           Sec. 2. Section 43-1084, Arizona Revised Statutes, is amended to  
9 read:

10          43-1084. Credit for agricultural water conservation system

11          A. A credit is allowed against the taxes imposed by this title for  
12 expenses that the taxpayer incurred during the taxable year to purchase  
13 and install an agricultural water conservation system in this state. The  
14 amount of the credit is equal to seventy-five ~~per cent~~ PERCENT of the  
15 qualifying expenses.

16          B. To qualify for the credit under this section:

17           1. The agricultural water conservation system must be primarily  
18 designed to substantially conserve water on land that is used by the  
19 taxpayer or the taxpayer's tenant to:

20           (a) Produce crops, fruits or other agricultural products.

21           (b) Raise, harvest or grow trees.

22           (c) Sustain livestock.

23           2. The expense must be consistent with a conservation plan that the  
24 taxpayer has filed ~~and that is in effect~~ with the United States department  
25 of agriculture, ~~soit~~ NATURAL RESOURCES conservation service, OR A NATURAL  
26 RESOURCE CONSERVATION DISTRICT IN THIS STATE ESTABLISHED PURSUANT TO TITLE  
27 37, CHAPTER 6.

28          C. Co-owners of the land on which the water conservation system is  
29 installed, including partners in a partnership and shareholders of an S  
30 corporation, as defined in section 1361 of the internal revenue code, may  
31 each claim only the pro rata share of the credit allowed under this  
32 section based on the ownership interest. The total of the credits allowed  
33 all such owners may not exceed the amount that would have been allowed a  
34 sole owner.

35          D. If the allowable tax credit exceeds the taxes otherwise due  
36 under this title on the claimant's income, or if there are no taxes due  
37 under this title, the taxpayer may carry the amount of the claim not used  
38 to offset the taxes under this title forward for not more than five  
39 taxable years' income tax liability.

40          E. The credit allowed by this section is in lieu of any deduction  
41 for such expenses allowed by the internal revenue code and included under  
42 section 43-1042 in computing taxable income.