

REFERENCE TITLE: agricultural lessees; energy projects; compensation

State of Arizona
House of Representatives
Fifty-seventh Legislature
First Regular Session
2025

HB 2543

Introduced by
Representative Diaz

AN ACT

AMENDING TITLE 44, CHAPTER 11, ARTICLE 11, ARIZONA REVISED STATUTES, BY
ADDING SECTION 44-1765; RELATING TO SOLAR ENERGY DEVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Heading change

3 The article heading of title 44, chapter 11, article 11, Arizona
4 Revised Statutes, is changed from "SOLAR ENERGY DEVICES" to "SOLAR AND
5 WIND ENERGY DEVICES".

6 Sec. 2. Title 44, chapter 11, article 11, Arizona Revised Statutes,
7 is amended by adding section 44-1765, to read:

8 44-1765. Solar or wind energy projects; agricultural
9 operations; compensation; definition

10 A. A BUSINESS MAY NOT CONTRACT OR SUBCONTRACT WITH A RESIDENT OF OR
11 A BUSINESS IN THIS STATE TO CONSTRUCT A SOLAR OR WIND ENERGY PROJECT THAT
12 REDUCES THE SIZE OF AN AGRICULTURAL LESSEE'S AGRICULTURAL OPERATION UNLESS
13 THE BUSINESS COMPENSATES THE AGRICULTURAL LESSEE FOR ALL OF THE FOLLOWING:

14 1. THE AGRICULTURAL LESSEE'S LOSS OF PROFITS.

15 2. THE VALUE OF EXECUTED CONSERVATION MEASURES.

16 3. THE LOSS IN VALUE OF THE AGRICULTURAL LESSEE'S AGRICULTURAL
17 OPERATION.

18 4. THE COST TO RELOCATE THE AGRICULTURAL LESSEE'S AGRICULTURAL
19 OPERATION.

20 5. THE COST TO MITIGATE LOSSES CAUSED BY THE REDUCTION OF THE
21 AGRICULTURAL LESSEE'S AGRICULTURAL OPERATION.

22 B. BEFORE A BUSINESS COMPENSATES AN AGRICULTURAL LESSEE AS
23 PRESCRIBED IN SUBSECTION A OF THIS SECTION, THE AGRICULTURAL LESSEE SHALL
24 PROVIDE THE BUSINESS WITH CREDIBLE EVIDENCE THAT CERTIFIES THE AMOUNTS
25 PRESCRIBED IN SUBSECTION A OF THIS SECTION.

26 C. IN ADDITION TO THE COMPENSATION PRESCRIBED IN SUBSECTION A OF
27 THIS SECTION, THE BUSINESS SHALL SECURE A NEW LEASE THAT IS OF EQUAL OR
28 GREATER VALUE FOR THE AGRICULTURAL LESSEE.

29 D. A BUSINESS IS NOT REQUIRED TO COMPENSATE AN AGRICULTURAL LESSEE
30 AS PRESCRIBED IN SUBSECTION A OF THIS SECTION IF THE BUSINESS CONSTRUCTS
31 THE SOLAR OR WIND ENERGY PROJECT IN SUCH A WAY THAT ALLOWS THE
32 AGRICULTURAL LESSEE TO CONTINUE THE AGRICULTURAL LESSEE'S CURRENT
33 AGRICULTURAL OPERATION.

34 E. FOR THE PURPOSES OF THIS SECTION, "AGRICULTURAL LESSEE" MEANS A
35 LESSEE OF STATE LANDS THAT ARE LEASED FOR AGRICULTURAL PURPOSES PURSUANT
36 TO TITLE 37, CHAPTER 2, ARTICLE 4 OR A LESSEE OF FEDERAL LANDS THAT ARE
37 LEASED FOR AGRICULTURAL PURPOSES.