

Senate Engrossed

~~technical correction; self-service storage; notice~~
(now: department of natural resources)

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SENATE BILL 1278

AN ACT

AMENDING SECTION 37-101, ARIZONA REVISED STATUTES; AMENDING TITLE 41,
CHAPTER 4, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 8; RELATING TO
NATURAL RESOURCES.

(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
7 used principally for:

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

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

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

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

18 4. "Commissioner" means the state land commissioner.

19 5. "Community identity package" means a design theme including such
20 elements as architecture, landscape, lighting, street furniture, walls and
21 signage.

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

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

25 8. "Holding lease" means a commercial lease issued solely to grant
26 a limited use leasehold interest in state land in anticipation of future
27 development.

28 9. "Homesite lands" means lands ~~which~~ THAT are suitable for
29 residential purposes.

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

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

41 12. "Leapfrog development" means the development of lands in a
42 manner requiring the extension of public facilities and services from
43 their existing terminal point through intervening undeveloped areas that
44 are scheduled for development at a later time, according to the plans of

1 the local governing body having jurisdiction for the area and ~~which~~ THAT
2 is responsible for the provision of these facilities and services.

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

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

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

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

16 17. "State lands":

17 (a) Means any land owned or held in trust, or otherwise, by ~~the~~
18 THIS state, including leased school or university land.

19 (b) DOES NOT INCLUDE LANDS THAT ARE NOT HELD IN TRUST AND THAT ARE
20 ACQUIRED AFTER THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION.

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

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

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

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

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

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

37 Sec. 2. Title 41, chapter 4, Arizona Revised Statutes, is amended
38 by adding article 8, to read:

39 ARTICLE 8. DEPARTMENT OF NATURAL RESOURCES

40 41-811. Definitions

41 FOR THE PURPOSES OF THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE
42 REQUIRES:

43 1. "COMMISSION" MEANS THE COMMISSION ON NATURAL RESOURCES
44 ESTABLISHED PURSUANT TO SECTION 41-812.

1 2. "DEPARTMENT" MEANS THE DEPARTMENT OF NATURAL RESOURCES.
2 3. "DIRECTOR" MEANS THE EXECUTIVE OFFICER OF THE DEPARTMENT OF
3 NATURAL RESOURCES WHO IS APPOINTED BY THE COMMISSION PURSUANT TO
4 SECTION 41-812.
5 4. "STATE LANDS":
6 (a) MEANS ALL LANDS THAT ARE OWNED BY THIS STATE THAT ARE NOT STATE
7 TRUST LANDS AND THAT ARE ACQUIRED AFTER THE EFFECTIVE DATE OF THIS
8 SECTION.
9 (b) DOES NOT INCLUDE LANDS ACQUIRED BY:
10 (i) A UNIVERSITY UNDER THE ARIZONA BOARD OF REGENTS.
11 (ii) THE DEPARTMENT OF TRANSPORTATION.
12 41-812. Commission on natural resources; appointment;
13 removal; meetings
14 A. THE LAWS OF THIS STATE RELATING TO NATURAL RESOURCES SHALL BE
15 ADMINISTERED BY THE DEPARTMENT OF NATURAL RESOURCES. CONTROL OF THE
16 DEPARTMENT IS VESTED IN THE COMMISSION ON NATURAL RESOURCES. THE
17 COMMISSION IS ESTABLISHED AND SHALL APPOINT A DIRECTOR TO ASSIST IN
18 FULFILLING THE PURPOSES OF THIS ARTICLE. THE COMMISSION SHALL CONSIST OF
19 FIVE MEMBERS APPOINTED AS PROVIDED IN SUBSECTION B OF THIS SECTION.
20 APPOINTMENTS SHALL BE FOR A TERM OF FIVE YEARS AND EXPIRE ON THE THIRD
21 MONDAY IN JANUARY OF THE APPROPRIATE YEAR.
22 B. THE COMMISSION SHALL CONSIST OF THE FOLLOWING MEMBERS:
23 1. THREE MEMBERS WHO ARE APPOINTED BY THE GOVERNOR.
24 2. ONE MEMBER WHO IS APPOINTED BY THE PRESIDENT OF THE SENATE.
25 3. ONE MEMBER WHO IS APPOINTED BY THE SPEAKER OF THE HOUSE OF
26 REPRESENTATIVES.
27 C. THE GOVERNOR, AFTER PUBLIC HEARING, MAY REMOVE A MEMBER FOR
28 INEFFICIENCY, NEGLECT OF DUTY OR MISCONDUCT IN OFFICE. ON REMOVAL OF A
29 MEMBER, THE GOVERNOR SHALL FILE IN THE OFFICE OF THE SECRETARY OF STATE A
30 COMPLETE STATEMENT OF ALL CHARGES MADE AGAINST THE MEMBER AND THE FINDINGS
31 ON THOSE CHARGES, TOGETHER WITH A COMPLETE RECORD OF THE PROCEEDINGS.
32 D. EACH MEMBER OF THE COMMISSION, WHILE ATTENDING GENERAL OR
33 SPECIFIC MEETINGS OF THE COMMISSION OR WHILE PERFORMING OFFICIAL DUTIES
34 FOR THE COMMISSION, SHALL RECEIVE COMPENSATION AS DETERMINED PURSUANT TO
35 SECTION 38-611. A COMMISSION MEMBER WHO IS OTHERWISE EMPLOYED AS A PUBLIC
36 OFFICER MAY NOT RECEIVE SUCH PAYMENT IF IT IS PROHIBITED BY LAW.
37 COMPENSATION AND EXPENSES SHALL BE PAID FROM THE STATE GENERAL FUND.
38 E. THE COMMISSION SHALL HAVE ITS PRINCIPAL OFFICE AT THE STATE
39 CAPITOL BUT MEETINGS MAY BE HELD AT ANY TIME OR PLACE WITHIN THIS STATE.
40 THE COMMISSION SHALL MEET AT LEAST ONCE QUARTERLY. MEETINGS MAY BE HELD
41 AT THE CALL OF THE CHAIRPERSON OR MAJORITY OF THE COMMISSION. A MAJORITY
42 OF THE COMMISSION SHALL CONSTITUTE A QUORUM TO TRANSACT BUSINESS.

1 41-813. Department of natural resources; establishment; land
2 acquisition and management; powers and duties;
3 definition

4 A. THE DEPARTMENT OF NATURAL RESOURCES IS ESTABLISHED.

5 B. NOTWITHSTANDING ANY OTHER LAW, INCLUDING SECTIONS 37-104 AND
6 37-203, THE DEPARTMENT SHALL OVERSEE THE ACQUISITION AND MANAGEMENT OF ALL
7 STATE LANDS. THE DEPARTMENT MAY HOLD OR CONVEY STATE LANDS AS OTHERWISE
8 PROVIDED BY THE LAWS OF THIS STATE. THE DEPARTMENT MAY OPEN STATE LANDS
9 FOR RECREATION, AGRICULTURE, RESOURCE EXTRACTION OR FOR OTHER PURPOSES AS
10 DETERMINED BY THE DEPARTMENT.

11 C. NOTWITHSTANDING ANY OTHER LAW, THE DIRECTOR MAY ISSUE, DENY OR
12 MODIFY ANY PERMIT OR PERMITTING DECISION MADE BY AN AGENCY OF THIS STATE
13 REGARDING THE EXTRACTION OF NATURAL RESOURCES.

14 D. FOR THE PURPOSES OF THIS SECTION, "AGENCY" HAS THE SAME MEANING
15 PRESCRIBED IN SECTION 41-1001.