

REFERENCE TITLE: state-owned properties; review board

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SB 1615

Introduced by
Senator Fernandez

AN ACT

AMENDING TITLE 41, CHAPTER 4, ARTICLE 7, ARIZONA REVISED STATUTES, BY
ADDING SECTION 41-791.05; RELATING TO STATE PROPERTY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 41, chapter 4, article 7, Arizona Revised
3 Statutes, is amended by adding section 41-791.05, to read:

4 41-791.05. State property review board; membership; duties

5 A. THE STATE PROPERTY REVIEW BOARD IS ESTABLISHED CONSISTING OF:

6 1. TWO MEMBERS WITH EXPERIENCE IN COMMERCIAL REAL ESTATE WHO ARE
7 APPOINTED BY THE GOVERNOR.

8 2. ONE MEMBER WHO IS APPOINTED BY THE PRESIDENT OF THE SENATE.

9 3. ONE MEMBER WHO IS APPOINTED BY THE SPEAKER OF THE HOUSE OF
10 REPRESENTATIVES.

11 4. THE DIRECTOR OF THE DEPARTMENT OF ADMINISTRATION OR THE
12 DIRECTOR'S DESIGNEE AS A NONVOTING ADVISORY MEMBER.

13 B. BEGINNING JANUARY 1, 2027, THE STATE PROPERTY REVIEW BOARD SHALL
14 CONDUCT A COMPREHENSIVE UTILIZATION AUDIT OF ALL REAL PROPERTY TITLED TO
15 THE DEPARTMENT OF ADMINISTRATION OR ANY OTHER STATE AGENCY. THE AUDIT
16 SHALL EXCLUDE ANY LAND HELD IN TRUST BY THE STATE LAND DEPARTMENT.

17 C. ANY PROPERTY FOUND TO HAVE A USE RATE OF LESS THAN SIXTY PERCENT
18 OF ITS INTENDED CAPACITY SHALL BE DESIGNATED AS SURPLUS PROPERTY AND
19 PLACED ON A MANDATORY DISPOSAL LIST.

20 D. PROPERTIES PLACED ON THE MANDATORY DISPOSAL LIST PURSUANT TO
21 SUBSECTION C OF THIS SECTION SHALL BE SOLD AT PUBLIC AUCTION TO THE
22 HIGHEST BIDDER IN A COMPETITIVE BIDDING PROCESS WITHIN TWELVE MONTHS OF
23 BEING PLACED ON THE MANDATORY DISPOSAL LIST.

24 E. NOTWITHSTANDING ANY OTHER LAW, NET PROCEEDS FROM THE SALE OF
25 PROPERTIES PURSUANT TO THIS SECTION SHALL BE DEPOSITED, PURSUANT TO
26 SECTIONS 35-146 AND 35-147, IN THE STATE GENERAL FUND.

27 F. NO OTHER REQUIREMENTS SHALL INTERFERE WITH OR SUPERSEDE THE
28 REQUIREMENT TO SELL PROPERTY ON THE MANDATORY DISPOSAL LIST PURSUANT TO
29 THIS SECTION.

30 Sec. 2. Legislative findings

31 The legislature finds that:

32 1. The department of administration holds title to numerous parcels
33 of real property and improvements that are distinct from the state land
34 trust.

35 2. Changes in workforce dynamics have resulted in these state-owned
36 administrative facilities being significantly underused.

37 3. Maintaining vacant or underused property incurs unnecessary
38 liability and maintenance costs for taxpayers.

39 4. Converting these dormant assets into liquid capital to support
40 the state university system represents a fiscally responsible alternative
41 to tax increases.