

REFERENCE TITLE: **military affairs commission**

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

## **SB 1618**

Introduced by  
Senator Gowan

AN ACT

AMENDING SECTIONS 26-261 AND 26-262, ARIZONA REVISED STATUTES; AMENDING TITLE 26, CHAPTER 1, ARTICLE 7, ARIZONA REVISED STATUTES, BY ADDING SECTION 26-264; RELATING TO THE MILITARY AFFAIRS COMMISSION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 26-261, Arizona Revised Statutes, is amended to  
3 read:

4 26-261. Military affairs commission; confidential discussions  
5 and information; definition

6 A. The military affairs commission is established. The commission  
7 membership consists of:

8 1. ~~Sixteen~~ **THE FOLLOWING** members who are appointed by the governor  
9 ~~and who include the following:~~

10 ~~(a) Twelve members who reside in a community in which a military~~  
11 ~~installation is located. Of this group, six members shall have expertise~~  
12 ~~in military affairs and six members shall be local elected officials.~~

13 ~~(b) Four members who represent private property interests in the~~  
14 ~~territory in the vicinity as defined in section 28-8461 or in a community~~  
15 ~~in which a military installation is located.~~

16 ~~2. One member who represents private property interests in the~~  
17 ~~territory in the vicinity as defined in section 28-8461 or in a community~~  
18 ~~in which a military installation is located and who is appointed by the~~  
19 ~~president of the senate.~~

20 ~~3. One member who represents private property interests in the~~  
21 ~~territory in the vicinity as defined in section 28-8461 or in a community~~  
22 ~~in which a military installation is located and who is appointed by the~~  
23 ~~speaker of the house of representatives.~~

24 (a) **FOUR MEMBERS WHO ARE CURRENTLY SERVING IN OR, WITHIN THREE**  
25 **YEARS PRECEDING THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION,**  
26 **RETIRED FROM THE UNITED STATES ARMED FORCES OR THE NATIONAL GUARD, WHO ARE**  
27 **EXPERIENCED IN WORKING WITH THE UNITED STATES DEPARTMENT OF DEFENSE**  
28 **PLANNING, PROGRAMMING, BUDGETING AND EXECUTION PROCESSES, OR SUCCESSOR**  
29 **PROCESSES, AND WHO ARE AT LEAST THE FOLLOWING RANKS:**

30 (i) **IF A COMMISSIONED OFFICER, A LIEUTENANT OR CAPTAIN.**

31 (ii) **IF A WARRANT OFFICER, A CHIEF WARRANT OFFICER TWO.**

32 (iii) **IF AN ENLISTED NONCOMMISSIONED OFFICER, A MASTER SERGEANT,**  
33 **FIRST SERGEANT, SENIOR CHIEF PETTY OFFICER OR SENIOR MASTER SERGEANT.**

34 (iv) **SENIOR EXECUTIVE SERVICE.**

35 (b) **FIVE MEMBERS WHO REPRESENT EACH COMMUNITY MILITARY SUPPORT**  
36 **ORGANIZATION RECOGNIZED BY A MILITARY INSTALLATION IN THIS STATE OR THE**  
37 **NATIONAL GUARD.**

38 (c) **TWO MEMBERS WHO HAVE CONGRESSIONAL EXPERIENCE AND EXPERTISE ON**  
39 **MILITARY AND DEFENSE POLICY.**

40 (d) **TWO MEMBERS WHO ARE FROM ORGANIZATIONS THAT REPRESENT MEMBERS**  
41 **OF THE NATIONAL DEFENSE AND ACADEMIC RESEARCH AND DEVELOPMENT INDUSTRIES.**

42 (e) **TWO MEMBERS WHO ARE FROM ORGANIZATIONS THAT REPRESENT MEMBERS**  
43 **WITHIN THE NATIONAL DEFENSE AND AEROSPACE INDUSTRIES.**

44 2. **THE PRESIDENT OF THE SENATE OR THE PRESIDENT'S DESIGNEE.**

1           3. THE SPEAKER OF THE HOUSE OF REPRESENTATIVES OR THE SPEAKER'S  
2           DESIGNEE.

3           4. ~~Four~~ THE FOLLOWING nonvoting advisory members who are not  
4           counted for the purpose of determining a quorum, consisting of:

5           (a) The adjutant general or a designee of the adjutant general.

6           ~~(b) A representative of a military installation commander who is  
7           appointed by the governor.~~

8           (b) THE CHAIRPERSON OR COCHAIRPERSON OF THE ARIZONA COMMANDERS  
9           SUMMIT SUCCESSOR ORGANIZATION THAT REGULARLY CONVENES ALL MILITARY  
10           INSTALLATION COMMANDERS IN THIS STATE.

11           (c) A representative from a federal agency involved in land use  
12           issues who is appointed by the governor.

13           (d) The state land commissioner or a designee of the commissioner.

14           (e) THE CHIEF EXECUTIVE OFFICER OF THE ARIZONA COMMERCE AUTHORITY  
15           OR THE CHIEF EXECUTIVE OFFICER'S DESIGNEE.

16           (f) THE CHAIRPERSON OF THE ARIZONA BOARD OF REGENTS OR THE  
17           CHAIRPERSON'S DESIGNEE.

18           (g) THE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION OR THE  
19           DIRECTOR'S DESIGNEE.

20           B. The military affairs commission shall have geographic diversity  
21           in its membership. The governor shall designate two of the governor's  
22           appointees as cochairpersons of the commission. **UNLESS OTHERWISE**  
23           **PROVIDED, MEMBERS** or designees of the commission shall not send alternates  
24           to represent them at commission meetings. The voting members shall serve  
25           six-year terms.

26           C. The department of emergency and military affairs **AND THE OFFICE**  
27           **OF DEFENSE INNOVATION** shall **JOINTLY** staff the commission.

28           D. The commission shall:

29           1. Meet at least annually.

30           2. Meet on a regular basis with the governor, the president of the  
31           senate and the speaker of the house of representatives, either  
32           individually or collectively, to provide recommendations on military  
33           issues **AND INDUSTRIES RELATED TO NATIONAL DEFENSE** and report on the  
34           progress of the military affairs commission.

35           3. Annually meet with the appropriate legislative committees that  
36           have jurisdiction over military installations.

37           4. Advise the governor and the legislature on matters affecting the  
38           operational viability of Arizona military facilities, including military  
39           installations, military training routes, military restricted airspace,  
40           military ranges or areas under the jurisdiction of ~~an active unit of the~~  
41           **ANY** uniformed armed services of the United States or any ~~reserve or~~  
42           national guard component ~~of the uniformed armed services of the United~~  
43           ~~States~~ **OF THIS STATE.**

1           5. Develop criteria, including accountability requirements, for  
2 awarding monies from the military installation fund established by section  
3 26-262.

4           6. **SUBJECT TO LEGISLATIVE APPROPRIATION, DO ALL OF THE FOLLOWING:**

5           (a) Review applications for monies to be awarded from the military  
6 installation fund.

7           ~~7.~~ (b) Annually recommend to the department of emergency and  
8 military affairs a priority listing of monies with available resources.

9           ~~8.~~ (c) Recommend to the department of emergency and military  
10 affairs how the monies in the military installation fund should be  
11 awarded.

12           ~~9.~~ 7. Proactively assist with coordination among the United States  
13 military operating in Arizona, the congressional delegation, the governor,  
14 the state legislature and state and local leaders.

15           ~~10.~~ 8. **PROACTIVELY** recommend executive, legislative and federal  
16 actions necessary to sustain military operations and enhance ~~the~~ **THIS**  
17 state's preparedness to ~~respond to potential~~ **ATTRACT** new missions and  
18 prevent military facilities from closure or downsizing.

19           ~~11.~~ 9. Study issues relating to veterans, active duty, national  
20 guard, ~~and~~ reserve members of the United States armed forces **AND MILITARY**  
21 **FAMILIES** and other military quality of life issues.

22           **10. RECOMMEND TO THE ARIZONA FINANCE AUTHORITY AND THE ARIZONA**  
23 **INDUSTRIAL DEVELOPMENT AUTHORITY PROJECTS IN THIS STATE THAT REQUIRE**  
24 **FUNDING AND THAT DO ALL OF THE FOLLOWING:**

25           (a) **ENHANCE THE MILITARY VALUE OF AREA MILITARY INSTALLATIONS AND**  
26 **DEFENSE FACILITIES.**

27           (b) **PROVIDE ASSISTANCE TO COMMUNITIES THAT ARE NEGATIVELY IMPACTED**  
28 **BY BASE REALIGNMENTS OR CLOSURE OR BY LOSS OF A MISSION FOR AN ECONOMIC**  
29 **DEVELOPMENT PROJECT.**

30           (c) **PROVIDE ASSISTANCE TO COMMUNITIES THAT ARE POSITIVELY IMPACTED**  
31 **BY BASE REALIGNMENTS OR CLOSURE FOR AN INFRASTRUCTURE PROJECT.**

32           (d) **SUPPLEMENT THE COMMUNITY ECONOMIC REDEVELOPMENT VALUE OF A**  
33 **CLOSED MILITARY INSTALLATION OR DEFENSE FACILITY.**

34           11. **SUBMIT A REPORT ON OR BEFORE SEPTEMBER 1 OF EACH EVEN-NUMBERED**  
35 **YEAR TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE**  
36 **HOUSE OF REPRESENTATIVES ABOUT MILITARY INSTALLATIONS AND DEFENSE-RELATED**  
37 **BUSINESSES IN THIS STATE. THE REPORT MUST INCLUDE ALL OF THE FOLLOWING:**

38           (a) **AN ECONOMIC IMPACT STATEMENT DESCRIBING IN DETAIL THE EFFECT OF**  
39 **THE MILITARY AND DEFENSE INDUSTRY ON THE ECONOMY OF THIS STATE.**

40           (b) **A STATEWIDE ASSESSMENT OF FEDERAL AND NATIONAL GUARD MILITARY**  
41 **INSTALLATIONS AND CURRENT MISSIONS.**

42           (c) **A STATEWIDE STRATEGY TO ATTRACT NEW MILITARY MISSIONS AND**  
43 **DEFENSE-RELATED BUSINESS, INCLUDING SPECIFIC ACTIONS THAT ADD MILITARY**  
44 **VALUE TO EXISTING MILITARY INSTALLATIONS.**

1 (d) A LIST OF STATE AND FEDERAL ACTIVITIES THAT HAVE A SIGNIFICANT  
2 IMPACT ON ACTIVE MILITARY INSTALLATIONS AND CURRENT MISSIONS.

3 (e) A STATEMENT IDENTIFYING ALL OF THE FOLLOWING:

4 (i) THE STATE AND FEDERAL PROGRAMS AND SERVICES THAT ASSIST  
5 COMMUNITIES IMPACTED BY MILITARY BASE CLOSURES OR REALIGNMENTS AND THE  
6 EFFORTS TO COORDINATE THOSE PROGRAMS.

7 (ii) THE EFFORTS TO COORDINATE STATE AGENCY PROGRAMS AND SERVICES  
8 THAT ASSIST COMMUNITIES IN RETAINING ACTIVE MILITARY INSTALLATIONS AND  
9 CURRENT MISSIONS.

10 (iii) AN EVALUATION OF INITIATIVES TO RETAIN EXISTING AND ATTRACT  
11 NEW DEFENSE-RELATED BUSINESSES.

12 E. STATE AGENCIES SHALL COOPERATE WITH AND ASSIST THE COMMISSION  
13 WITH THE FOLLOWING:

14 1. PREPARING THE REPORT REQUIRED BY SUBSECTION D, PARAGRAPH 11 OF  
15 THIS SECTION, INCLUDING PROVIDING INFORMATION ABOUT REGULATIONS, POLICIES,  
16 PROGRAMS AND SERVICES THAT MAY IMPACT COMMUNITIES DEPENDENT ON MILITARY  
17 INSTALLATIONS, DEFENSE-RELATED BUSINESSES AND THE VIABILITY OF EXISTING  
18 MILITARY MISSIONS IN THIS STATE.

19 2. SUPPORTING AN INSTALLATION COMMANDER WHO REQUESTS ASSISTANCE IN  
20 PREPARING AN EVALUATION OF THAT INSTALLATION BASED ON CRITERIA FOR THE  
21 INSTALLATION BY THE UNITED STATES DEPARTMENT OF DEFENSE FOR MISSION  
22 RETENTION OR ASSIGNMENT OR THE BASE REALIGNMENT AND CLOSURE PROCESS.

23 ~~F.~~ F. Discussions that are related to the federal government's  
24 process to determine the closure, realignment, relocation, expansion or  
25 forced structure reduction of military installations and to proprietary  
26 alternatives to this state's military base closure or realignment  
27 strategies are not subject to title 38, chapter 3, article 3.1.

28 ~~F.~~ G. Information that is developed or obtained by the commission  
29 AND that pertains to proprietary strategies of the commission or that is  
30 related to the relocation of military units is confidential and is not  
31 subject to title 39, chapter 1, including documents related to the federal  
32 government's process to determine the closure, realignment, relocation,  
33 expansion or forced structure reduction of military installations until  
34 the federal government has issued a final, unappealable decision in that  
35 process or, in the event of litigation, a court of competent jurisdiction  
36 has entered a final, unappealable order regarding the closure,  
37 realignment, relocation, expansion or forced structure reduction of the  
38 military installations. If the commission enters into a confidentiality  
39 agreement with a third party, the commission may disclose information that  
40 is deemed confidential pursuant to this subsection to that third party.

41 ~~G.~~ H. For the purposes of this section, "military installation"  
42 means a military airport or ancillary military facility as defined in  
43 section 28-8461 or any real property that services, supports or is used by  
44 the military.

1           Sec. 2. Section 26-262, Arizona Revised Statutes, is amended to  
2 read:

3           26-262. Military installation fund; rules; application  
4                                   review; award and use of monies; reporting  
5                                   requirements; definitions

6           A. The military installation fund is established consisting of  
7 revenues made available to the fund from any lawful source. The adjutant  
8 general shall administer the fund. On notice from the adjutant general,  
9 the state treasurer shall invest and divest monies in the fund as provided  
10 by section 35-313, and monies earned from investment shall be credited to  
11 the fund. The fund is exempt from the provisions of section 35-190  
12 relating to lapsing of appropriations.

13           B. Monies in the fund are continuously appropriated for the  
14 purposes of this section.

15           C. The department, in conjunction with the military affairs  
16 commission established by section 26-261, shall adopt by rule procedures  
17 for **ACQUIRING PROPERTY AND FOR** receiving and evaluating applications and  
18 awarding the monies as provided by subsection G of this section. If  
19 **ACQUISITION PROPOSALS AND** applications for monies exceed the amount  
20 available in the fund, the department may request applicants to reduce the  
21 amount of **MONIES REQUESTED IN** the applications or deny or award reduced  
22 amounts.

23           D. The department shall **PREPARE EACH ACQUISITION PROPOSAL AND**  
24 receive each application for fund monies and shall forward each  
25 **ACQUISITION PROPOSAL AND** application to the military affairs commission.  
26 The military affairs commission shall review each **ACQUISITION PROPOSAL AND**  
27 application and recommend to the department ~~both~~ **ALL** of the following:

- 28           1. Each applicant that should be awarded monies from the fund.
- 29           2. The dollar amount that each applicant pursuant to paragraph 1 of  
30 this subsection should be awarded from the fund.

31           3. **EACH ACQUISITION, IN THE NAME OF THIS STATE, BY GIFT, GRANT,**  
32 **PURCHASE OR ANY OTHER LAWFUL MANNER, OF REAL PROPERTY, PROPERTY RIGHTS AND**  
33 **RELATED BUILDINGS AND INFRASTRUCTURE THAT IS VITAL TO THE PRESERVATION OR**  
34 **ENHANCEMENT OF A MILITARY INSTALLATION IN A HIGH NOISE OR ACCIDENT**  
35 **POTENTIAL ZONE AS DEFINED IN SECTION 28-8461 OR IN AN AREA THAT IS VITAL**  
36 **TO THE OPERATION AND SUPPORT OF A MILITARY INSTALLATION IN ACCORDANCE WITH**  
37 **SUBSECTION G, PARAGRAPH 1 OF THIS SECTION.**

38           E. The department shall consider the military affairs commission's  
39 recommendations and shall decide how the monies in the fund ~~shall~~ **WILL** be  
40 ~~awarded~~ **DISBURSED** among the **ACQUISITION PROPOSALS AND FUND**  
41 applicants. The department, after reviewing the recommendations by the  
42 military affairs commission, shall make the monies in the fund available  
43 for the purpose of military installation preservation and enhancement  
44 projects. Except as provided in subsection F of this section, after the

1 department makes ~~an award~~ A decision the department shall ~~award~~ DISBURSE  
2 the monies.

3 F. If the department does not comply with the military affairs  
4 commission's recommendation for the ~~awards~~ DISBURSEMENTS, within five days  
5 after the department's decision the department shall report in writing to  
6 the military affairs commission, the president of the senate, the speaker  
7 of the house of representatives and the governor. The report shall  
8 include the ~~award~~ DISBURSEMENT decision of the department and the  
9 recommendation of the military affairs commission. The department shall  
10 not distribute monies from the fund to the applicants for at least sixty  
11 days after the report is received.

12 G. The department shall:

13 1. Award UP TO eighty percent of the monies in the fund for the  
14 following purposes, except that up to twenty percent of this amount may be  
15 ~~awarded~~ DISBURSED to cities, towns and counties for the purpose of  
16 acquiring private land ~~for the purposes~~ AS prescribed in paragraph 2 of  
17 this subsection:

18 (a) Acquisition of private property for the purpose of preserving a  
19 military installation.

20 (b) Acquisition of real estate and rights to real estate and  
21 otherwise preserving real estate from development or mitigating impacts on  
22 development in high noise or accident potential zones as defined in  
23 section 28-8461 ~~and~~ OR in areas as required to support a military  
24 installation.

25 (c) Acquisition of real estate, property rights and related  
26 infrastructure that are vital to ~~the preservation~~ PRESERVING or  
27 ~~enhancement of~~ ENHANCING a military installation.

28 (d) Structural renovations or construction of building  
29 modifications or improvements that mitigate or attenuate impacts in high  
30 noise or accident potential zones.

31 (e) Removal of structures or improvements that are necessary ~~for~~  
32 ~~acquisition of~~ TO ACQUIRE private property for the purpose of preserving a  
33 military installation.

34 (f) Management of acquired property that is necessary to preserve  
35 and enhance military missions and military installations.

36 2. Except as provided by subsection M of this section, ~~award~~  
37 DISBURSE twenty percent of the monies in the fund to cities, towns and  
38 counties for:

39 (a) Military installation preservation and enhancement projects or  
40 analytical reports or studies that are requested by federal or state  
41 agencies or military facilities in this state.

42 (b) Investment in or construction of capital improvements or  
43 infrastructure for the purpose of preserving a military installation.

1 (c) Structural renovations or construction of building  
2 modifications or improvements that mitigate or attenuate impacts in high  
3 noise or accident potential zones.

4 (d) Removal of structures or improvements that are necessary ~~for~~  
5 ~~acquisition of~~ TO ACQUIRE private property for the purpose of preserving a  
6 military installation.

7 (e) Management of acquired property that is necessary to preserve  
8 and enhance military missions and military installations.

9 H. Before ~~awarding~~ DISBURSING monies pursuant to subsection G of  
10 this section, the department shall submit a report of the proposed ~~awards~~  
11 DISBURSEMENTS to the joint committee on capital review for review. The  
12 legislature shall review the distribution formula prescribed in subsection  
13 G of this section at least once every four years.

14 I. Monies in the fund may be ~~awarded~~ DISBURSED for debt service on  
15 bonds issued by a political subdivision for the purpose of acquisition of  
16 private property for the purpose of preserving a military airport or  
17 ancillary military facility as defined in section 28-8461 if the land  
18 acquisition occurs after December 31, 2004.

19 J. The department shall annually report the ~~awards~~ DISBURSEMENTS  
20 made pursuant to this section. The report shall be in writing and shall  
21 be sent to the president of the senate, the speaker of the house of  
22 representatives and the governor. The department shall send a copy of  
23 this report to the secretary of state.

24 K. The department may:

25 1. NOTWITHSTANDING SECTION 37-803, transfer any real estate,  
26 property rights and related infrastructure that are acquired pursuant to  
27 this section to any other governmental agency for the purposes of  
28 preserving or enhancing military installations in this state.

29 2. Sell or otherwise dispose of any real estate, property rights  
30 and related infrastructure THAT ARE acquired pursuant to this  
31 section. The conveyance shall be made to the highest and most responsible  
32 bidder at a public sale held for that purpose.

33 3. After establishing, laying out or substantially completing an  
34 improvement to real property, convey the real property or any interest in  
35 the real property that the department determines is not necessary, useful  
36 or convenient for the use of the improvement by the department. The  
37 conveyance shall be made to the highest and most responsible bidder at a  
38 public sale held for that purpose.

39 4. Lease or sublease at fair rental value any real estate or  
40 related infrastructure that is acquired pursuant to this section. A lease  
41 or sublease that is granted pursuant to this paragraph is exempt from  
42 section 41-2752.

43 L. Before any conveyance, lease or sublease pursuant to subsection  
44 K, paragraph 2, 3 or 4 of this section, the department shall ensure that  
45 the use or development of any real estate, property rights and related

1 infrastructure, real property or improvements to real property complies  
2 with section 28-8481.

3 M. If monies remain after the ~~award~~ DISBURSEMENT of monies pursuant  
4 to subsection G, paragraph 2 of this section, the department may use the  
5 remaining monies and any monies received pursuant to subsection K,  
6 paragraphs 2, 3 and 4 of this section for either of the following:

7 1. The purposes prescribed in subsection G, paragraph 1 of this  
8 section.

9 2. Projects or studies necessary to preserve or enhance military  
10 missions and military installments in this state.

11 N. NOTWITHSTANDING SECTION 37-803, any agency of this state may  
12 accept title to and manage real estate, property rights and related  
13 infrastructure that are acquired pursuant to this section.

14 O. For the purposes of this section:

15 1. "Department" means the department of emergency and military  
16 affairs.

17 2. "Military installation" has the same meaning prescribed in  
18 section 26-261.

19 Sec. 3. Title 26, chapter 1, article 7, Arizona Revised Statutes,  
20 is amended by adding section 26-264, to read:

21 26-264. Military affairs commission fund

22 THE MILITARY AFFAIRS COMMISSION FUND IS ESTABLISHED CONSISTING OF  
23 LEGISLATIVE APPROPRIATIONS, GIFTS, DONATIONS, CONTRIBUTIONS, GRANTS AND  
24 MONIES MADE AVAILABLE TO THE FUND FROM ANY LAWFUL SOURCE TO SUPPORT THE  
25 ACTIVITIES OF THE MILITARY AFFAIRS COMMISSION. THE DEPARTMENT OF  
26 EMERGENCY AND MILITARY AFFAIRS SHALL ADMINISTER THE FUND. MONIES IN THE  
27 FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF  
28 SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS. ON NOTICE FROM THE  
29 ADJUTANT GENERAL, THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN  
30 THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM INVESTMENT  
31 SHALL BE CREDITED TO THE FUND.

32 Sec. 4. Retention of members

33 Notwithstanding section 26-261, Arizona Revised Statutes, as amended  
34 by this act, all persons serving as members of the military affairs  
35 commission on the effective date of this act may continue to serve until  
36 the expiration of their normal terms. All subsequent appointments shall be  
37 made as prescribed by statute.