ARIZONA HOUSE OF REPRESENTATIVES



Fifty-sixth Legislature Second Regular Session

House: LARA DP 5-4-0-0 | 3rd Read 31-28-0-0-1 **Senate:** NREW DP 3-2-2-0 | 3rd Read 16-10-4-0-0

HB 2376: federal government; land acquisition; consent Sponsor: Representative Diaz, LD 19 Transmitted to the Governor

Overview

Requires consent of the Governor and State Legislature for the sale of any Arizona lands to a federal agency if the sale removes the property from state or local property tax rolls.

History

Statute reflects the constitutional authority for Arizona to consent to the acquisition of privately owned real property in Arizona by the federal government only through the joint resolution process. The joint resolution must state the legal description of the land and purposes for which it will be used (A.R.S. § 37-620.02).

A resolution is a declaration or expression of legislative opinion, will, intent or resolve in matters within the Legislature's purview. The joint resolution is processed through both houses of the Legislature and is signed by the Governor. It is used to provide for temporary measures having the effect of law, such as a contract or other official action (<u>Arizona Legislative Council Bill Drafting Manual</u>).

According to the State Land Department, land ownership in Arizona is categorized as follows: 17.6% Private; 42.1% Federal; 27.6% Indian Reservation; and 12.7% State Trust (<u>Arizona State Land Department</u>).

Provisions

- 1. States that the express, affirmative consent of the Governor and Legislature is required for the sale, gift, grant or other transfer of ownership of private property to a federal agency if that transfer would remove the property from state, county and municipal property tax rolls. (Sec. 1)
- 2. Specifies that any transfer requires the express, affirmative consent through the current joint resolution process. (Sec. 1)
- 3. Specifies that the legislative consent requirement does not:
 - a) limit the rights of any Indian tribe with respect to its lands, reservations and lands acquired as a settlement of land claim; or
 - b) affect any Congressionally approved land exchange. (Sec. 1)
- 4. Requires, for the sale of private property to the federal government or its agencies, the escrow agent or landowner to:
 - a) notify the Speaker of the House and the Senate President that a contract for the sale has been placed in escrow; and
 - b) request written approval from both officials. (Sec. 3)

- 5. Requires, for the sale of private property to the federal government or its agencies that is not processed through escrow, the landowner to:
 - a) notify the Speaker of the House and the Senate President of the sale; and
 - b) request written approval from both officials. (Sec. 3)
- 6. Directs the Senate President and Speaker of the House, upon receiving a request to approve the sale to the federal government, to appoint a joint legislative committee to consider the request. (Sec. 3)
- 7. Instructs the Legislature to prepare a joint resolution if the committee approves the request. (Sec. 3)
- 8. Specifies that if the committee does not approve the request, Arizona must exercise its right of first refusal to purchase the private property. (Sec. 3)
- 9. Requires any state agency that is notified by the U.S. Department of Interior about an effort to place private real property in Arizona in trust as part of an Indian tribe's settlement of a land claim to immediately notify the Speaker of the House and Senate President so that the Legislature can provide comment, file an administrative appeal or file an action with the appropriate court. (Sec. 3)
- 10. Assesses a minimum civil penalty of \$500 to a maximum penalty of \$1,000 for failing to properly notify the specified officials. (Sec. 3)
- 11. Specifies that the notification requirements do not apply to any Congressionally approved land exchange. (Sec. 3)
- 12. Declares that Arizona has the right of first refusal to purchase private real property that the federal government is contracting to acquire through a sale, gift or grant or any other transfer of an ownership interest. (Sec. 3)
- 13. Requires the purchase of private real property to occur in a timely manner. (Sec. 3)
- 14. Declares that this process does not apply to:
 - a) a trustee's deed or mortgage that is insured or held by the U.S. Department of Housing and Urban Development, the U.S. Veterans Affairs or the Federal Housing Administration; or
 - b) any Congressionally approved land exchange. (Sec. 3)
- 15. Contains legislative findings. (Sec. 4)
- 16. States that this law may be cited as the Tax Base Protection Act. (Sec. 5)
- 17. Makes technical and conforming changes. (Sec. 1, 2)

□ Prop 105 (45 votes)	□ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note