



ARIZONA HOUSE OF REPRESENTATIVES

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Senate: NREW DP 4-3-0-0 | 3rd Read 16-14-0-0

HB 2444: natural resource conservation districts; revisions

Sponsor: Representative Griffin, LD 19

Transmitted to the Governor

Overview

Establishes the Natural Resource Conservation District Commission to provide grants to natural resource conservation districts and directs the State Natural Resource Conservation Commissioner to provide administrative support to this commission.

History

Farmers, ranchers and other agricultural producers can establish Natural Resource Conservation Districts (NRCs) to restore, conserve and protect natural resources, including lands, water and wildlife (A.R.S. §§ [37-1001](#) and [37-1031](#)). These districts can conduct surveys, investigations and research on soil character, soil erosion prevention, methods of cultivation, farm and range practices, seeding, eradicating noxious growths and any other measures that will aid farm and range operations. Further, NRCs can enter into agreements with landowners, operators or the state or federal government to carry out programs in these areas on lands within farms or ranches ([A.R.S. § 37-1054](#)).

Each NRC is governed by five supervisors. Three of these supervisors are elected by district landowners and serve six-year terms. The State Natural Resource Conservation Commissioner appoints the other two supervisors, who serve two-year terms ([A.R.S. § 37-1051](#)). The State Natural Resource Conservation Commissioner may remove a supervisor after a hearing if that supervisor is guilty of misfeasance, malfeasance or nonfeasance (such as failing to attend three district meetings in a row without a reasonable excuse ([A.R.S. § 37-1013](#))). In addition to appointing officers and advisory members, the supervisors can employ secretaries, staff and other professional experts (A.R.S. §§ [37-1052](#) and [37-1053](#)).

The State Natural Resource Conservation Commissioner (who is also the State Land Commissioner) is responsible for overseeing NRCs. In that role, this official may appoint an administrative officer of the Division of Natural Resource Conservation and other staff as well as determine the bond of any assistant responsible for handling funds or property ([A.R.S. § 37-1012](#)). The State Natural Resource Conservation Commissioner also provides assistance to the NRC supervisors, provides information to districts, coordinates programs and distributes funds to NRCs ([A.R.S. § 37-1013](#)).

Provisions

Commission Membership Requirements (Sec. 2)

1. Establishes the Natural Resource Fund Commission, membership requirements for this commission and a process for appointing voting members to this commission.
2. Prohibits two commission members from serving as an elected or appointed supervisor for an NRC from the same geographic natural resource area.

3. Requires appointed commission members to be selected from applications submitted to the Governor, Speaker of the House, Senate President, House Minority Leader and Senate Minority Leader.
4. Specifies that all elected or appointed commission members must be from conservation districts that have executed a memorandum of understanding with the Natural Resources Conservation Service.
5. Requires all appointed commission members to serve two-year staggered terms.
6. Mandates that at least six appointed commission members be from natural resource conservation districts.
7. Permits an appointed member to serve more than one term and continue serving beyond the term's expiration until a successor assumes office.
8. Allows appointed members to be eligible for reimbursements for travel, lodging and meal expenses.

Commission Powers and Duties (Sec. 2)

9. Establishes the commission's authority in a quorum consisting of a majority of members.
10. Allows less than a quorum of commission members to hold public meetings without taking legal action.
11. Directs the commission to:
 - a) Adopt rules;
 - b) Award grant monies;
 - c) Coordinate staffing needs with the State Natural Resource Conservation Commissioner;
 - d) Adopt an official seal for the commission's records, decisions and resolutions;
 - e) Maintain records of all commission meetings and activities;
 - f) Designate an individual to execute all documents and instruments on the commission's behalf; and
 - g) Prepare an annual report.
12. Indemnifies commission members from liability for actions related to the commission's work.
13. Allows the commission to:
 - a) Sue and be sued;
 - b) Contract with any person to expend monies;
 - c) Meet with state authorities to consider matters of mutual interest;
 - d) Secure from any state agency information to help the commission carry out its duties; and
 - e) Accept, use and dispose of appropriations, gifts, grants, property, or donations of service.
14. Forbids the commission from purchasing real property or using eminent domain to acquire water or water rights or long-term storage credits using Natural Resource Conservation District Fund monies.
15. States that the commission is subject to Open Meetings Law and public records requests.
16. Instructs the commission to gather information from the public and certain federal, state and local government entities.
17. Directs the commission to develop procedures to ensure adequate public participation.
18. Requires the commission to submit an annual report of its activities and grants awarded to the Governor, Senate President and Speaker of the House by July 1, 2024 and each year thereafter.

Grants from the Commission (Sec. 2)

19. Instructs the commission to develop grant guidelines with the State Natural Resources Conservation Commissioner every three years and to revise these guidelines based on feedback from NRCDs and the public.
20. Directs the commission to:
 - a) Award grant monies from the fund based on application guidelines;
 - b) Establish a procedure by which monies may be granted annually;
 - c) Approve or deny an application and disburse grant monies within six months of receipt;
 - d) Require a grant recipient to abide by certain terms as a condition for approval; and
 - e) Allow for public involvement during the grant review process.
21. Authorizes any NRCD with an elected or appointed supervisor to apply for a grant.
22. Allows the State Land Department to apply for a grant for additional monies to carry out its roles and responsibilities for the commission and NRCDs.
23. Prohibits a federal agency from receiving grant monies.
24. Limits grants to financing programs in Arizona that fall under an NRCD's established powers.
25. Exempts grants from state procurement code requirements.

Natural Resource Conservation District Fund (Sec. 2)

26. Establishes the Natural Resource Conservation District Fund, which consists of legislative appropriations and is subject to legislative appropriation.
27. Directs the commission to administer the fund.
28. Instructs the commission to establish priorities for the fund and use fund monies to provide grants to NRCDs for authorized programs.
29. Allows the commission to accept and spend private grants, gifts, contributions and devises to assist in providing grants.
30. Authorizes the commission to award up to 5 percent of total monies deposited in the fund in the previous calendar year as a grant to the Arizona State Land Department.
31. Directs the State Treasurer to invest and divest monies on notice from the commission.
32. Allows the Arizona State Land Department to spend interest earned on fund monies on administrative costs.
33. Exempts fund monies from lapsing.

State Natural Resource Conservation Commissioner (Sec. 4)

34. Instructs the State Natural Resource Conservation Commissioner to:
 - a) Keep NRCD supervisors apprised of relevant information from other states and program opportunities between districts; and
 - b) Provide administrative, technical and legal support to the commission based on the availability of funding.
35. Repeals the State Natural Resource Conservation Commissioner's authority to:
 - a) Coordinate the programs of several NRCDs insofar as possible by advice and consultation; and
 - b) Disseminate information throughout Arizona on NRCD activities and programs.
36. Authorizes the State Natural Resource Conservation Commissioner to coordinate with the commission on staffing needs.

37. Requires the State Natural Resource Conservation Commissioner to assist:
- a) An NRCD when it is cooperating or coordinating with a federal agency
 - b) A district in developing long-range plans.

Natural Resource Conservation Districts

38. Requires the State Natural Resource Conservation Commissioner to use a list of nominees from the elected supervisors when determining:
- a) Which supervisors to appoint; and (Sec. 10)
 - b) Which supervisor to appoint when there is a vacancy of an elected supervisor other than for an expiration of term. (Sec. 11)
39. Requires any person who wants to be a candidate for an NRCD supervisor position to fill out a nominating petition with the signatures of at least 1.5% of qualified electors (but not fewer than five qualified electors) within the district.
40. Authorizes a district governing board to cancel an election for a supervisor position if only one person or no person filed a nominating petition for this position and further states that when:
- a) Only one person filed a nominating petition, the board may appoint the person who filed the nominating petition to fill the position.
 - b) No person filed a nominating petition, the office is deemed vacant and must be filled by the board as otherwise provided by law.
41. States that a person who is appointed to be a supervisor is fully vested with that office's powers and duties if elected to that office.
42. Authorizes NRCDs to apply for, receive and spend Water Infrastructure Finance Authority monies for use in individual districts or in cooperation with other entities. (Sec. 12)
43. Allows an NRCD to send recommendations for geographic areas to be addressed and issues of concern to the commission. (Sec. 12)

Miscellaneous

44. Defines *commission*, *cooperative agreement* and *fund*. (Sec. 1)
45. Makes technical and conforming changes. (Sec. 1 and 3-12)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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