

Senate Engrossed

**FILED**

**KEN BENNETT**

**SECRETARY OF STATE**

State of Arizona  
Senate  
Forty-ninth Legislature  
Second Regular Session  
2010

## **SENATE CONCURRENT RESOLUTION 1047**

### A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE X, SECTION 3, CONSTITUTION OF ARIZONA; AMENDING ARTICLE X, CONSTITUTION OF ARIZONA, BY ADDING SECTION 12; RELATING TO STATE TRUST LANDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the Senate of the State of Arizona, the House of  
2 Representatives concurring:

3 1. Article X, section 3, Constitution of Arizona, is proposed to be  
4 amended as follows if approved by the voters and on proclamation of the  
5 Governor:

6 3. Mortgage or other encumbrance; sale or lease at  
7 public auction

8 Section 3. A. No mortgage or other encumbrance of the  
9 said lands, or any part thereof, shall be valid in favor of any  
10 person or for any purpose or under any circumstances whatsoever.

11 B. EXCEPT AS PROVIDED IN SUBSECTION D, said lands shall  
12 not be sold or leased, in whole or in part, except to the  
13 highest and best bidder at a public auction to be held at the  
14 county seat of the county wherein the lands to be affected, or  
15 the major portion thereof, shall lie, notice of which public  
16 auction shall first have been duly given by advertisement, which  
17 shall set forth the nature, time and place of the transaction to  
18 be had, with a full description of the lands to be offered, and  
19 be published once each week for not less than ten successive  
20 weeks in a newspaper of general circulation published regularly  
21 at the state capital, and in that newspaper of like circulation  
22 which shall then be regularly published nearest to the location  
23 of the lands so offered. ~~; nor shall any~~

24 C. NO sale or contract for the sale of any timber or  
25 other natural product of such lands SHALL be made, save at the  
26 place, in the manner, and after the notice by publication  
27 provided for sales and leases of the lands themselves.

28 D. Nothing ~~herein~~ IN THIS SECTION, or elsewhere in THIS  
29 article ~~X contained~~, shall prevent:

30 1. The leasing of any of the lands referred to in this  
31 article in such manner as the legislature may prescribe, for  
32 grazing, agricultural, commercial and homesite purposes, for a  
33 term of ten years or less, without advertisement. ~~;~~

34 2. The leasing of any of said lands, in such manner as  
35 the legislature may prescribe, whether or not also leased for  
36 grazing and agricultural purposes, for mineral purposes, other  
37 than for the exploration, development, and production of oil,  
38 gas and other hydrocarbon substances, for a term of twenty years  
39 or less, without advertisement. ~~;~~

40 3. The leasing of any of said lands, whether or not also  
41 leased for other purposes, for the exploration, development, and  
42 production of oil, gas and other hydrocarbon substances on, in  
43 or under said lands for an initial term of twenty ~~(20)~~ years or  
44 less and as long thereafter as oil, gas or other hydrocarbon

1 substance may be procured therefrom in paying quantities, the  
2 leases to be made in any manner, with or without advertisement,  
3 bidding, or appraisalment, and under such terms and provisions,  
4 as the legislature may prescribe, the terms and provisions to  
5 include a reservation of a royalty to the state of not less than  
6 twelve and one-half per cent of production.

7 4. THE DISPOSITION OF LANDS OR INTERESTS IN LANDS, OR THE  
8 RESTRICTION OF INTERESTS OR RIGHTS IN LANDS, HELD IN TRUST UNDER  
9 THIS ARTICLE, WITHOUT ADVERTISEMENT OR AUCTION, IN ORDER TO:

10 (a) AVOID INCOMPATIBLE USES OF THE LANDS THAT WOULD CAUSE  
11 ENCROACHMENT ON:

12 (i) MILITARY INSTALLATIONS AND ANCILLARY MILITARY  
13 FACILITIES, MILITARY RANGES AND MILITARY AIRSPACE.

14 (ii) MILITARY OPERATIONS, TRAINING OPERATIONS AND SYSTEMS  
15 OR ELECTRONIC TESTING OPERATIONS.

16 (b) ENABLE MILITARY COMBAT READINESS AND ALLOW FULL  
17 SPECTRUM TEST AND TRAINING OPERATIONS.

18 2. Article X, Constitution of Arizona, is proposed to be amended by  
19 adding section 12 as follows if approved by the voters and on proclamation of  
20 the Governor:

21 12. Land exchanges; purposes; notice; hearings;  
22 submission to the voters

23 SECTION 12. A. THE LEGISLATURE SHALL PROVIDE A PROCESS  
24 BY LAW FOR EXCHANGING LANDS GRANTED OR CONFIRMED BY THE ENABLING  
25 ACT FOR PUBLIC LANDS UNDER THE TERMS AND CONDITIONS PRESCRIBED  
26 BY THIS SECTION.

27 B. THE PURPOSE OF THE EXCHANGE MUST BE EITHER:

28 1. TO ASSIST IN PRESERVING AND PROTECTING MILITARY  
29 FACILITIES IN THIS STATE FROM ENCROACHING DEVELOPMENT.

30 2. FOR PROPER MANAGEMENT, PROTECTION OR CONVERSION TO  
31 PUBLIC USE OF STATE LANDS.

32 C. BEFORE THE PUBLIC HEARINGS ARE HELD PURSUANT TO  
33 SUBSECTION D, PARAGRAPH 3 OF THIS SECTION:

34 1. AT LEAST TWO INDEPENDENT APPRAISALS MUST BE MADE  
35 AVAILABLE TO THE PUBLIC SHOWING THAT THE TRUE VALUE OF ANY LANDS  
36 THE STATE RECEIVES IN THE EXCHANGE EQUALS OR EXCEEDS THE TRUE  
37 VALUE OF THE LANDS THE STATE CONVEYS.

38 2. AT LEAST TWO INDEPENDENT ANALYSES OF THE PROPOSED  
39 EXCHANGE MUST BE MADE AVAILABLE TO THE PUBLIC SHOWING:

40 (a) THE INCOME TO THE TRUST BEFORE THE EXCHANGE FROM ALL  
41 LANDS THE STATE CONVEYS AND THE PROJECTED INCOME TO THE TRUST  
42 AFTER THE EXCHANGE FROM ALL LANDS THE STATE RECEIVES.

1 (b) THE FISCAL IMPACT OF THE EXCHANGE ON EACH COUNTY,  
2 CITY, TOWN AND SCHOOL DISTRICT IN WHICH ALL THE LANDS INVOLVED  
3 IN THE EXCHANGE ARE LOCATED.

4 (c) THE PHYSICAL, ECONOMIC AND NATURAL RESOURCE IMPACTS  
5 OF THE PROPOSED EXCHANGE ON THE SURROUNDING OR DIRECTLY ADJACENT  
6 LOCAL COMMUNITY AND THE IMPACTS ON LOCAL LAND USES AND LAND USE  
7 PLANS.

8 D. LAND MAY NOT BE EXCHANGED UNLESS:

9 1. THE EXCHANGE IS IN THE BEST INTEREST OF THE STATE LAND  
10 TRUST.

11 2. PUBLIC NOTICE OF THE PROPOSED EXCHANGE INCLUDES FULL  
12 DISCLOSURE OF ALL DETAILS OF THE TRANSACTION, THE OWNERSHIP OF  
13 ALL PARCELS OF THE LANDS INVOLVED IN THE EXCHANGE, INCLUDING  
14 INDEPENDENT AND ANCILLARY PARTIES, A LEGAL AND GENERAL  
15 DESCRIPTION OF THE LOCATION OF ALL PARCELS OF THE LANDS AND THE  
16 APPRAISED VALUE OF ALL PARCELS OF THE LANDS.

17 3. PUBLIC HEARINGS ARE HELD AT THE STATE CAPITAL AND IN A  
18 LOCATION OF GENERAL ACCESSIBILITY IN THE VICINITY OF THE STATE  
19 LANDS BEING EXCHANGED. NOTICE OF THE TIME AND PLACE OF THE  
20 HEARINGS MUST BE GIVEN BEGINNING AT LEAST SIX WEEKS BEFORE EACH  
21 HEARING IN A MANNER PRESCRIBED BY LAW. DURING THIS PERIOD, A  
22 PROCESS SHALL BE PROVIDED FOR PUBLIC COMMENT ON THE PROPOSED  
23 EXCHANGE.

24 4. THE EXCHANGE IS APPROVED BY THE QUALIFIED ELECTORS OF  
25 THIS STATE IN THE MANNER OF A REFERENDUM PURSUANT TO ARTICLE IV,  
26 PART 1, SECTION 1 AT THE NEXT REGULAR GENERAL ELECTION. TO BE  
27 APPROVED, THE PROPOSITION MUST RECEIVE AN AFFIRMATIVE VOTE OF A  
28 MAJORITY OF THE QUALIFIED ELECTORS VOTING ON THE MEASURE.

29 E. LAND EXCHANGES ARE NOT CONSIDERED TO BE SALES FOR THE  
30 PURPOSES OF THIS ARTICLE.

31 3. The Secretary of State shall submit this proposition to the voters  
32 at the next general election as provided by article XXI, Constitution of  
33 Arizona.

~~PASSED BY THE HOUSE APRIL 21, 2010.~~

~~PASSED BY THE SENATE MARCH 22, 2010.~~

~~FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 26, 2010.~~