

REFERENCE TITLE: **military affairs commission; members**

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HB 2797

Introduced by
Representatives Hernandez A: Hernandez C

AN ACT

**AMENDING SECTIONS 26-261, 26-262 AND 26-263, ARIZONA REVISED STATUTES;
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~~ SIX members who are appointed by the governor and who
9 ~~include the following~~ ARE EITHER OF 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 (a) RETIRED AS A GENERAL OFFICER FROM THE UNITED STATES ARMED
17 FORCES OR NATIONAL GUARD.

18 (b) RETIRED FROM THE UNITED STATES ARMED FORCES OR NATIONAL GUARD
19 WITH A RANK THAT IS NOT LOWER THAN O-6 FOR A COMMISSIONED OFFICER, W-5 FOR
20 A WARRANT OFFICER OR E-9 FOR AN ENLISTED NONCOMMISSIONED OFFICER AND HAD
21 CONSIDERABLE EXPERIENCE WORKING WITH THE UNITED STATES DEPARTMENT OF
22 DEFENSE PLANNING, PROGRAMMING, BUDGETING AND EXECUTION PROCESSES OR THAT
23 DEPARTMENT'S SUCCESSOR PROGRAMMING AND BUDGETING PROCESSES.

24 2. A REPRESENTATIVE OF EACH COMMUNITY MILITARY SUPPORT ORGANIZATION
25 RECOGNIZED BY A MILITARY INSTALLATION IN THIS STATE OR THE ARIZONA
26 NATIONAL GUARD TO ADVOCATE FOR THE INTERESTS AND SERVICE MEMBERS AT THAT
27 INSTALLATION OR FOR THE ARIZONA NATIONAL GUARD.

28 3. A REPRESENTATIVE FROM TWO ORGANIZATIONS THAT REPRESENT MEMBERS
29 WITHIN THE NATIONAL DEFENSE AND AEROSPACE-RELATED INDUSTRIES IN THIS
30 STATE.

31 ~~2.~~ 4. ~~One member who represents private property interests in the~~
32 ~~territory in the vicinity as defined in section 28-8461 or in a community~~
33 ~~in which a military installation is located and who is appointed by~~ The
34 president of the senate, WHO MAY DELEGATE MEMBERSHIP TO THE CHAIRPERSON OF
35 THE APPROPRIATE SENATE COMMITTEE OF REFERENCE FOR MILITARY AFFAIRS OR TO
36 ANOTHER MEMBER OF THE SENATE.

37 ~~3.~~ 5. ~~One member who represents private property interests in the~~
38 ~~territory in the vicinity as defined in section 28-8461 or in a community~~
39 ~~in which a military installation is located and who is appointed by~~ The
40 speaker of the house of representatives, WHO MAY DELEGATE MEMBERSHIP TO
41 THE CHAIRPERSON OF THE APPROPRIATE HOUSE COMMITTEE OF REFERENCE FOR
42 MILITARY AFFAIRS OR TO ANOTHER MEMBER OF THE HOUSE OF REPRESENTATIVES.

43 ~~4.~~ 6. ~~Four~~ SEVEN nonvoting advisory members who are not counted
44 for the purpose of determining a quorum consisting of:

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

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

3 (b) THE CHAIRPERSON OR VICE CHAIRPERSON OF THE ARIZONA COMMANDERS
4 SUMMIT OR ITS SUCCESSOR ORGANIZATION THAT REGULARLY CONVENES ALL MILITARY
5 INSTALLATION COMMANDERS WITHIN THE STATE.

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

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

9 (e) THE CHIEF EXECUTIVE OFFICER OF THE ARIZONA COMMERCE AUTHORITY.

10 (f) TWO CURRENT OR FORMER MEMBERS OF CONGRESSIONAL STAFF WITH
11 EXPERTISE ON MILITARY AND DEFENSE POLICY.

12 B. The military affairs commission shall have geographic diversity
13 in its membership. The governor shall designate two of the ~~governor's~~
14 ~~appointees~~ MEMBERS as cochairpersons of the commission. UNLESS OTHERWISE
15 PROVIDED, members or designees of the commission shall not send alternates
16 to represent them at commission meetings. The ~~voting~~ APPOINTED members
17 shall serve six-year terms.

18 C. The department of emergency and military affairs shall staff the
19 commission.

20 D. The commission shall:

21 1. Meet at least annually.

22 2. Meet on a regular basis with the governor, the president of the
23 senate and the speaker of the house of representatives, either
24 individually or collectively, to provide recommendations on military
25 issues AND DEFENSE-RELATED INDUSTRY ISSUES and report on the progress of
26 the military affairs commission.

27 3. Annually meet with the appropriate legislative committees that
28 have jurisdiction over military installations.

29 4. Advise the governor and the legislature on matters affecting the
30 operational viability of Arizona military facilities, including military
31 installations, military training routes, military restricted airspace,
32 military ranges or areas under the jurisdiction of an active OR RESERVE
33 COMPONENT OR unit of the uniformed armed services of the United States or
34 any ~~reserve or~~ national guard component OR UNIT of THIS STATE OR the
35 uniformed armed services of the United States.

36 5. Develop criteria, including accountability requirements, for
37 awarding monies from the military installation fund established by section
38 26-262.

39 6. Review applications for monies to be awarded from the military
40 installation fund.

41 7. Annually recommend to the department of emergency and military
42 affairs a priority listing of monies with available resources.

43 8. Recommend to the department of emergency and military affairs
44 how the monies in the military installation fund should be awarded.

1 9. Proactively assist with coordination among the United States
2 military operating in Arizona, the congressional delegation, the governor,
3 the state legislature and state and local leaders.

4 10. PROACTIVELY recommend executive, legislative and federal actions
5 necessary to sustain military operations and enhance ~~the~~ THIS state's
6 preparedness to ~~respond to potential~~ ATTRACT new missions and prevent
7 military facilities from ~~closure~~ CLOSING or downsizing.

8 11. RECOMMEND PROJECTS TO THE ARIZONA FINANCE AUTHORITY ESTABLISHED
9 BY SECTION 41-5352 AND THE INDUSTRIAL DEVELOPMENT AUTHORITY IN THIS STATE
10 REQUIRING FUNDING THAT DOES ALL OF THE FOLLOWING:

11 (a) ENHANCES THE MILITARY VALUE OF AREA MILITARY INSTALLATIONS AND
12 DEFENSE FACILITIES.

13 (b) PROVIDES ASSISTANCE TO COMMUNITIES THAT WERE NEGATIVELY IMPACTED
14 BY THE BASE REALIGNMENT AND CLOSURE COMMISSION IN 1988 OR LATER OR BY THE
15 LOSS OF A MISSION FOR AN ECONOMIC DEVELOPMENT PROJECT.

16 (c) PROVIDES ASSISTANCE TO COMMUNITIES THAT WERE POSITIVELY IMPACTED
17 BY THE BASE REALIGNMENT AND CLOSURE COMMISSION IN 1988 OR LATER FOR AN
18 INFRASTRUCTURE PROJECT.

19 (d) SUPPLEMENTS THE COMMUNITY ECONOMIC REDEVELOPMENT VALUE OF A
20 CLOSED MILITARY INSTALLATION OR DEFENSE FACILITY.

21 ~~11.~~ 12. Study issues relating to veterans, active duty, national
22 guard and reserve members of the United States armed forces and other
23 military quality of life issues.

24 13. ON OR BEFORE SEPTEMBER 1 OF EVERY EVEN-NUMBERED YEAR, SUBMIT A
25 REPORT TO THE GOVERNOR AND LEGISLATURE ABOUT THE MILITARY INSTALLATIONS
26 AND DEFENSE-RELATED BUSINESSES IN THIS STATE. THE REPORT SHALL INCLUDE
27 ALL OF THE FOLLOWING:

28 (a) AN ECONOMIC IMPACT STATEMENT DESCRIBING IN DETAIL THE EFFECT OF
29 THE MILITARY ON THE ECONOMY OF THIS STATE.

30 (b) A STATEWIDE ASSESSMENT OF FEDERAL AND NATIONAL GUARD MILITARY
31 INSTALLATIONS AND CURRENT MISSIONS.

32 (c) A STATEWIDE STRATEGY TO ATTRACT NEW MILITARY MISSIONS AND
33 DEFENSE-RELATED BUSINESSES TO THIS STATE AND INCLUDE SPECIFIC ACTIONS THAT
34 ADD MILITARY VALUE TO EXISTING MILITARY INSTALLATIONS.

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

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

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

41 (ii) THE EFFORTS TO COORDINATE STATE AGENCY PROGRAMS AND SERVICES
42 THAT ASSIST COMMUNITIES IN RETAINING ACTIVE MILITARY INSTALLATIONS AND
43 CURRENT MISSIONS.

44 (iii) AN EVALUATION OF INITIATIVES TO RETAIN EXISTING
45 DEFENSE-RELATED BUSINESSES.

1 E. STATE AGENCIES SHALL COOPERATE WITH AND ASSIST THE COMMISSION
2 WITH THE FOLLOWING:

3 1. PREPARING THE REPORT DESCRIBED IN SUBSECTION D OF THIS SECTION,
4 INCLUDING PROVIDING INFORMATION ABOUT REGULATIONS, POLICIES, PROGRAMS AND
5 SERVICES THAT MAY IMPACT COMMUNITIES THAT ARE DEPENDENT ON MILITARY
6 INSTALLATIONS, DEFENSE-RELATED BUSINESSES AND THE VIABILITY OF EXISTING
7 MILITARY MISSIONS.

8 2. SUPPORTING A MILITARY INSTALLATION COMMANDER WHO REQUESTS
9 ASSISTANCE IN PREPARING AN EVALUATION OF THAT MILITARY INSTALLATION BASED
10 ON CRITERIA FOR THE MILITARY INSTALLATION BY THE UNITED STATES DEPARTMENT
11 OF DEFENSE FOR MISSION RETENTION OR ASSIGNMENT OR THE BASE REALIGNMENT AND
12 CLOSURE PROCESS.

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

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

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

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

37 26-262. Military installation fund; rules; application
38 review; award and use of monies; reporting
39 requirements; definitions

40 A. The military installation fund is established consisting of
41 revenues made available to the fund from any lawful source. The adjutant
42 general shall administer the fund. On notice from the adjutant general,
43 the state treasurer shall invest and divest monies in the fund as provided
44 by section 35-313, and monies earned from investment shall be credited to

1 the fund. The fund is exempt from the provisions of section 35-190
2 relating to lapsing of appropriations.

3 B. Monies in the fund are continuously appropriated for the
4 purposes of this section.

5 C. The department, in conjunction with the military affairs
6 commission established by section 26-261, shall adopt by rule procedures
7 for **ACQUIRING PROPERTY AND** receiving, ~~and~~ evaluating ~~applications~~ and
8 awarding ~~the monies~~ **APPLICATIONS FOR FUND MONIES** as provided by subsection
9 G of this section. If **ACQUISITION PROPOSALS AND** applications for monies
10 exceed the amount available in the fund, the department may request
11 applicants to reduce the amount of the applications or deny or award
12 reduced amounts.

13 D. The department shall **PREPARE EACH ACQUISITION PROPOSAL AND**
14 receive each application for fund monies and shall forward each
15 **ACQUISITION PROPOSAL AND** application to the military affairs commission.
16 The military affairs commission shall review each **ACQUISITION PROPOSAL AND**
17 application and recommend to the department ~~both~~ **ALL** of the following:

18 1. **EACH ACQUISITION, IN THE NAME OF THIS STATE, BY GIFT, GRANT,**
19 **PURCHASE OR ANY OTHER LAWFUL MANNER OF REAL PROPERTY, PROPERTY RIGHTS AND**
20 **RELATED BUILDINGS AND INFRASTRUCTURE THAT ARE VITAL TO PRESERVING OR**
21 **ENHANCING A MILITARY INSTALLATION IN HIGH NOISE OR ACCIDENT POTENTIAL**
22 **ZONES OR IN AREAS VITAL TO THE OPERATION AND SUPPORT OF A MILITARY**
23 **INSTALLATION PURSUANT TO SUBSECTION G, PARAGRAPH 1 OF THIS SECTION.**

24 ~~1-~~ 2. Each applicant that should be awarded monies from the fund.

25 ~~2-~~ 3. The dollar amount that each applicant pursuant to paragraph
26 ~~1-~~ 2 of this subsection should be awarded from the fund.

27 E. The department shall consider the military affairs commission's
28 recommendations and shall decide how the monies in the fund ~~shall~~ **WILL** be
29 ~~awarded~~ **DISBURSED** among the **ACQUISITION PROPOSALS AND FUND** applicants.
30 The department, after reviewing the recommendations by the military
31 affairs commission, shall make the monies in the fund available for the
32 purpose of military installation preservation and enhancement projects.
33 Except as provided in subsection F of this section, after the department
34 makes ~~an award~~ **A** decision the department shall ~~award~~ **DISBURSE** the monies.

35 F. If the department does not comply with the military affairs
36 commission's recommendation for the awards, within five days after the
37 department's decision the department shall report in writing to the
38 military affairs commission, the president of the senate, the speaker of
39 the house of representatives and the governor. The report shall include
40 the award decision of the department and the recommendation of the
41 military affairs commission. The department shall not distribute monies
42 from the fund to the applicants for at least sixty days after the report
43 is received.

1 G. The department shall:

2 1. Award eighty percent of the monies in the fund for the following
3 purposes, except that up to twenty percent of this amount may be awarded
4 to cities, towns and counties for the purpose of acquiring private land
5 ~~for the purposes~~ AS prescribed in paragraph 2 of this subsection:

6 (a) Acquisition of private property for the purpose of preserving a
7 military installation.

8 (b) Acquisition of real estate and rights to real estate and
9 otherwise preserving real estate from development or mitigating impacts on
10 development in high noise or accident potential zones ~~as defined in~~
11 ~~section 28-8461 and~~ OR in areas as required to support a military
12 installation.

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

16 (d) Structural renovations or construction of building
17 modifications or improvements that mitigate or attenuate impacts in high
18 noise or accident potential zones.

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

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

24 2. Except as provided by subsection M of this section, award twenty
25 percent of the monies in the fund to cities, towns and counties for:

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

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

31 (c) Structural renovations or construction of building
32 modifications or improvements that mitigate or attenuate impacts in high
33 noise or accident potential zones.

34 (d) Removal of structures or improvements that are necessary for
35 ~~acquisition of~~ ACQUIRING private property for the purpose of preserving a
36 military installation.

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

39 H. Before awarding monies pursuant to subsection G of this section,
40 the department shall submit a report of the proposed awards to the joint
41 committee on capital review for review. The legislature shall review the
42 distribution formula prescribed in subsection G of this section at least
43 once every four years.

1 I. Monies in the fund may be awarded for debt service on bonds
2 issued by a political subdivision ~~for the purpose of acquisition of TO~~
3 **ACQUIRE** private property for the purpose of preserving a military airport
4 or ancillary military facility as defined in section 28-8461 if the land
5 acquisition occurs after December 31, 2004.

6 J. The department shall annually report the awards made pursuant to
7 this section. The report shall be in writing and shall be sent to the
8 president of the senate, the speaker of the house of representatives and
9 the governor. The department shall send a copy of this report to the
10 secretary of state.

11 K. The department may:

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

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

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

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

30 L. Before any conveyance, lease or sublease pursuant to subsection
31 K, paragraph 2, 3 or 4 of this section, the department shall ensure that
32 the use or development of any real estate, property rights and related
33 infrastructure, real property or improvements to real property complies
34 with section 28-8481.

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

39 1. The purposes prescribed in subsection G, paragraph 1 of this
40 section.

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

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

1 0. For the purposes of this section:

2 1. "Department" means the department of emergency and military
3 affairs.

4 2. "HIGH NOISE OR ACCIDENT POTENTIAL ZONE" HAS THE SAME MEANING
5 PRESCRIBED IN SECTION 28-8461.

6 ~~2.~~ 3. "Military installation" has the same meaning prescribed in
7 section 26-261.

8 Sec. 3. Section 26-263, Arizona Revised Statutes, is amended to
9 read:

10 26-263. Appropriations; purposes; exemption

11 A. The sum of ~~\$90,000~~ \$200,000 and ~~1~~ TWO FTE POSITIONS are
12 appropriated from the state general fund in fiscal year ~~2011-2012~~
13 2023-2024 and each fiscal year thereafter to the department of emergency
14 and military affairs.

15 B. The sum of \$85,000 is appropriated from the state general fund
16 in fiscal year 2011-2012 and each fiscal year thereafter to the attorney
17 general's office for implementation of section 9-461.06, title 11, chapter
18 6, article 1 and section 28-8481.

19 C. THE SUM OF \$100,000 IS APPROPRIATED TO THE MILITARY INSTALLATION
20 FUND ESTABLISHED BY SECTION 26-262 IN FISCAL YEAR 2023-2024 AND EACH
21 FISCAL YEAR THEREAFTER FOR STUDIES NECESSARY TO PRESERVE OR ENHANCE
22 MILITARY MISSIONS AND MILITARY INSTALLMENTS IN THIS STATE AND TO COMPLETE
23 THE REPORT PRESCRIBED BY SECTION 26-262.

24 ~~C.~~ D. The appropriations made in this section are exempt from the
25 provisions of section 35-190 relating to lapsing of appropriations.

26 Sec. 4. Retention of members

27 Notwithstanding section 26-261, Arizona Revised Statutes, as amended
28 by this act, all persons serving as members of the military affairs
29 commission on the effective date of this act may continue to serve until
30 the expiration of their normal terms. All subsequent appointments shall be
31 as prescribed by statute.