



**ARIZONA STATE SENATE**  
*Fifty-Sixth Legislature, Second Regular Session*

FACT SHEET FOR S.B. 1004

agricultural land; foreign ownership; violation

Purpose

Establishes the Office of Agricultural Intelligence (Office) within the Arizona Department of Agriculture (AZDA). Prohibits outlined entities from purchasing, acquiring or controlling title or any interest in agricultural land or land that is primarily used to harvest timber, minerals, gravel or other natural products in Arizona.

Background

The AZDA consists of the Animal Services Division, Plant Services Division, Environmental Services Division, Weights and Measures Services Division, Pest Management Division and Citrus, Fruit and Vegetable Division. The following entities are established in addition to and separate from the divisions of the AZDA: 1) the State Agricultural Laboratory; 2) the Office of Agriculture Safety; 3) the Office of Inspections; and 4) the Office of Commodity Development and Promotion. The AZDA has a central administrative service office which provides the following: 1) data processing, accounting and budgeting, records management, publications, property control and personnel services and training; and 2) a program to cross-train appropriate personnel to enable the personnel to perform similar functions or comparable work for different administrative units in the AZDA ([A.R.S. § 3-102](#)).

If agricultural lands are sold by county treasurers as outlined, and monies from the sale are transferred to the state General Fund (state GF), there may be a fiscal impact to the state GF.

Provisions

1. Establishes the Office within the AZDA, in addition to and separate from the divisions of the AZDA.
2. Requires the Office to:
  - a) administer and enforce outlined restrictions and report violations to the Attorney General (AG);
  - b) investigate, collect and analyze potential violations; and
  - c) cooperate with the AG in any action commenced.
3. Allows the Director of the AZDA to designate any employee of the AZDA to the Office.
4. Prohibits, from purchasing, acquiring or controlling title or any interest in agricultural land or land that is primarily used to harvest timber, minerals, gravel or other natural products in Arizona, the following entities:
  - a) an agent of a designated country;

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- b) an agent of a company or other legal entity with a majority control by citizens of a designated country; and
  - c) an individual who is a citizen of a designated country or whose operations are headquartered in a designated country.
5. Exempts, from the prohibition, a person who is a lawful permanent resident of the United States.
  6. Requires a person who is in violation of the prohibition to divest the person's interest in land in Arizona at most two years after the effective date of the legislation without penalty.
  7. Requires the AG and the Office to enforce the prohibition.
  8. Requires, if the AG reasonably suspects a violation of the prohibition occurred, the AG to commence an action in superior court in the county in which the land interest is located.
  9. Requires, if the superior court finds that title or any interest was obtained in violation of the prohibition, the court to:
    - a) state the court's findings;
    - b) divest the person's interest; and
    - c) direct the county treasurer to sell the agricultural lands or the land interests in a manner consistent with statute, except that the county treasurer must forward any balance remaining after paying the taxes, interests, penalties, fees and costs to the State Treasurer for deposit in the state GF.
  10. Requires the AZDA, in conjunction with the Department of Law, to implement the prohibition and enforcement.
  11. Deems a person who knowingly violates the prohibition guilty of a class 6 felony.
  12. Defines *agricultural lands and control*.
  13. Defines *designated country* as Afghanistan, Belarus, Cuba, Iran, Iraq, Libya, North Korea, Syria, Vietnam, Myanmar, China, Haiti, Liberia, Rwanda, Somalia, Sudan or the Democratic Republic of Congo or any United Security Council Arms Embargoed Country.
  14. Becomes effective on the general effective date.

Prepared by Senate Research

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RA/SDR/slp