Senate Engrossed House Bill

FILED

JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HOUSE CONCURRENT RESOLUTION 2045

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE X, SECTIONS 3 AND 4, CONSTITUTION OF ARIZONA; AMENDING ARTICLE X, CONSTITUTION OF ARIZONA, BY ADDING SECTIONS 4.1, 4.2 AND 4.3; RELATING TO STATE TRUST LANDS; PROVIDING FOR CONDITIONAL REPEAL AND CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Whereas, the purpose of this proposition is to preserve the mission of the state land trust by ensuring and increasing the economic value of the trust for the benefit of public schools and the other beneficiaries through prudent planning while providing opportunities for conservation consistent with the mission of the state land trust.

Therefore

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

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

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

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

B. Said lands shall not be sold or leased, in whole or in part, except to the highest and best bidder at a public auction to be held at the county seat of the county wherein the lands to be affected, or the major portion thereof, shall lie. ~~,~~ Notice of ~~which public~~ THE auction ~~shall first have been duly given by advertisement, which~~ shall set forth the nature, time and place of the transaction to be had, with a full description of the lands to be offered. ~~, and~~ THE NOTICE SHALL be:

1. POSTED ON THE OFFICIAL WEB SITE FOR AT LEAST THIRTY-FIVE DAYS BEFORE THE AUCTION.

2. Published AT LEAST once each week for not less than ~~ten~~ FIVE successive weeks BEFORE THE AUCTION in a newspaper of general circulation published regularly at the state capital~~,~~ and in ~~that~~ A newspaper of ~~like~~ GENERAL circulation ~~which shall then be~~ regularly published ~~nearest to the location~~ IN THE VICINITY of the lands so offered. ~~; nor shall any~~

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

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

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

2. The leasing of any of said lands, in such manner as the legislature may prescribe, whether or not also leased for grazing and agricultural purposes, for mineral purposes, other

than for the exploration, development~~,~~ and production of oil, gas and other hydrocarbon substances, for a term of twenty years or less, without advertisement~~,~~ or AUCTION. ~~,~~

3. The leasing of any of said lands, whether or not also leased for other purposes, for the exploration, development, and production of oil, gas and other hydrocarbon substances on, in or under said lands for an initial term of twenty ~~(20)~~ years or less and as long thereafter as oil, gas or other hydrocarbon substance may be procured therefrom in paying quantities, the leases to be made in any manner, with or without advertisement, bidding~~,~~ or appraisement, and under such terms and provisions, as the legislature may prescribe, the terms and provisions to include a reservation of a royalty to the state of not less than twelve and one-half per cent of production.

4. GRANTING PUBLIC RIGHTS-OF-WAY AND EASEMENTS TO A FEDERAL, STATE OR LOCAL GOVERNMENTAL ENTITY WITHOUT ADVERTISEMENT OR AUCTION IN A MANNER PRESCRIBED BY LAW.

5. THE DISPOSITION WITHOUT ADVERTISEMENT OR AUCTION OF LANDS THAT ARE DESIGNATED AS SUITABLE FOR CONSERVATION IN A PLAN PREPARED AND APPROVED PURSUANT TO SECTION 4.1 OF THIS ARTICLE.

6. THE DISPOSITION WITHOUT ADVERTISEMENT OR AUCTION OF CONSERVATION LANDS AS PROVIDED BY SECTION 4.2 OR 4.3 OF THIS ARTICLE.

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

4. <u>Sale or other disposal; appraisal; consideration and value</u>

Section 4. A. All lands, ~~lease-holds~~ LEASEHOLDS, timber~~,~~ and other products of land, before being offered, shall be appraised at their true value. ~~, and~~ EXCEPT AS PROVIDED IN THIS ARTICLE, no sale or other disposal thereof shall be made:

1. For a consideration less than the value so ascertained. ~~, nor~~

2. In any case less than the minimum price hereinafter fixed. ~~, nor~~

3. Upon credit unless accompanied by ample security. ~~, and~~

B. The legal title shall not be deemed to have passed until the consideration shall have been paid.

C. RIGHTS-OF-WAY FOR PUBLIC ROADWAYS THAT WERE ESTABLISHED OR MAINTAINED BEFORE JANUARY 1, 1968 AND USED OR MAINTAINED SINCE JANUARY 1, 1968 SHALL BE GRANTED WITHOUT FURTHER CONSIDERATION IN A MANNER PRESCRIBED BY LAW.

3. Article X, Constitution of Arizona, is proposed to be amended by adding sections 4.1 and 4.2 as follows if approved by the voters and on proclamation of the Governor:

4.1. Planning; definition

SECTION 4.1. A. IN AN URBAN AREA, AS DEFINED IN SECTION 4.2 OF THIS ARTICLE, LAND HELD IN TRUST UNDER THIS ARTICLE MAY BE SUBJECT TO A PLAN FOR THE USE OF THE LAND FOR COMMERCIAL PURPOSES, PREPARED IN CONSULTATION WITH A COUNTY, CITY OR TOWN IN A MANNER PRESCRIBED BY LAW AND PURSUANT TO ORDINANCES, RULES AND REGULATIONS OF THE COUNTY, CITY OR TOWN IN WHICH THE LAND IS LOCATED, IF THOSE ORDINANCES, RULES AND REGULATIONS ARE NOT DISCRIMINATORY AS WRITTEN OR APPLIED TO THE LAND HELD IN TRUST AS COMPARED TO THE TREATMENT OF PRIVATELY OWNED LAND LOCATED IN THE COUNTY, CITY OR TOWN. IF THE PLAN PREPARED FOR THE USE OF THE LAND IS INCOMPATIBLE WITH THE PLAN PREPARED BY THE COUNTY, CITY OR TOWN, THE ELEMENTS OF THE PLANS THAT ARE IN DISPUTE ARE SUBJECT TO RESOLUTION IN A MANNER PRESCRIBED BY LAW.

B. THE PLAN MAY DESIGNATE MORE OF THE LAND AS SUITABLE FOR CONSERVATION THAN WOULD BE AUTHORIZED IN A NONDISCRIMINATORY PLAN, AND THE ADDITIONAL LAND IS SUBJECT TO DISPOSITION, IN A MANNER PRESCRIBED BY LAW, IF:

1. THE DISPOSITION WILL BRING BENEFIT TO OTHER LAND THAT IS HELD IN TRUST AND SUBJECT TO THE PLAN. THE TRUE VALUE OF THE ADDITIONAL LAND DESIGNATED AS SUITABLE FOR CONSERVATION IS THE DIFFERENCE, IF ANY, BETWEEN THE VALUE OF ALL THE LAND THAT IS SUBJECT TO THE PLAN ASSUMING A NONDISCRIMINATORY PLAN AND THE VALUE OF ALL THE LAND THAT IS SUBJECT TO THE PLAN DESIGNATING THE ADDITIONAL LAND AS SUITABLE FOR CONSERVATION, AS DETERMINED BY APPRAISAL. THE AGGREGATE MARKET VALUATION OF ALL LAND THAT IS HELD IN TRUST AND SUBJECT TO THE PLAN MUST NOT BE DIMINISHED DUE TO THE DESIGNATION AND DISPOSITION OF THE LAND AS SUITABLE FOR CONSERVATION.

2. THE ADDITIONAL LAND DESIGNATED AS SUITABLE FOR CONSERVATION IS DISPOSED OF TO THE COUNTY, CITY OR TOWN ON THE COMPLETION OF THE APPRAISAL FOR CONSIDERATION OF NOT LESS THAN THE DETERMINED TRUE VALUE, WHICH MAY BE PROVIDED IN THE FORM OF MONETARY CONSIDERATION OR NONMONETARY CONSIDERATION, OR BOTH, IN A MANNER PRESCRIBED BY LAW.

3. THE PLAN IS THE SUBJECT OF AN AGREEMENT WITH THE COUNTY, CITY OR TOWN THAT ESTABLISHES THE COMMERCIAL PURPOSES OF THE LAND THAT IS NOT DESIGNATED AS SUITABLE FOR CONSERVATION.

4. ALL LAND THAT IS DESIGNATED AS SUITABLE FOR CONSERVATION IS HELD IN TRUST FOR THE SAME PUBLIC BENEFICIARY.

5. IT IS A PERMANENT CONDITION OF ANY DISPOSITION OF LAND DESIGNATED AS SUITABLE FOR CONSERVATION PURSUANT TO THIS SECTION THAT THE LAND WILL BE:

(a) RESTRICTED AGAINST DEVELOPMENT, AS DEFINED IN SECTION 4.2 OF THIS ARTICLE.

(b) MANAGED AND USED IN A MANNER CONSISTENT WITH CONSERVATION, AS DEFINED IN SECTION 4.2 OF THIS ARTICLE.

(c) SUBJECT TO REASONABLE PUBLIC ACCESS.

C. FOR THE PURPOSES OF THIS SECTION, "COMMERCIAL PURPOSES" MEANS THE USE OF THE LAND FOR ANY PURPOSE OTHER THAN AGRICULTURAL OR GRAZING PURPOSES.

4.2. Conservation lands; definitions

SECTION 4.2. A. IN AN URBAN AREA, LANDS THAT, PURSUANT TO LAW, WERE CLASSIFIED AS SUITABLE FOR CONSERVATION PURPOSES BEFORE JANUARY 1, 2005 MAY BE CONVEYED AS CONSERVATION LANDS WITHOUT ADVERTISEMENT OR AUCTION TO THE CITY, TOWN OR COUNTY IN WHICH THEY ARE LOCATED, BUT ONLY IF COMPENSATION IS PROVIDED TO THE RESPECTIVE PERMANENT FUND IN A MANNER PRESCRIBED BY LAW. ANY DISPUTE ARISING UNDER THIS SUBSECTION IS SUBJECT TO RESOLUTION IN A MANNER PRESCRIBED BY LAW.

B. THE LEGISLATURE SHALL PRESCRIBE A PROCESS BY LAW FOR DESIGNATING FOR CONSERVATION PURPOSES LANDS IN AN URBAN AREA THAT WERE SUBMITTED BY APPROPRIATE APPLICATION FOR CLASSIFICATION AS SUITABLE FOR CONSERVATION PURPOSES AND WERE ASSIGNED A VALID FILE NUMBER PURSUANT TO LAW BEFORE JANUARY 1, 2005, BUT THAT WERE NOT CLASSIFIED AS SUITABLE FOR CONSERVATION PURPOSES. ALL LAND THAT IS DESIGNATED FOR CONSERVATION UNDER THIS SUBSECTION MUST BE HELD IN TRUST FOR THE SAME PUBLIC BENEFICIARY. THESE LANDS MAY BE CONVEYED WITHOUT ADVERTISEMENT OR AUCTION TO THE CITY, TOWN OR COUNTY IN WHICH THEY ARE LOCATED, BUT ONLY IF COMPENSATION IS PROVIDED TO THE RESPECTIVE PERMANENT FUND IN A MANNER PRESCRIBED BY LAW. ANY DISPUTE ARISING UNDER THIS SUBSECTION IS SUBJECT TO RESOLUTION IN A MANNER PRESCRIBED BY LAW. NOTWITHSTANDING ARTICLE IV, PART 2, SECTION 19, ANY DESIGNATION OF LANDS PURSUANT TO THIS SUBSECTION MUST BE APPROVED INDIVIDUALLY BY LAW. A LAW TO APPROVE THE DESIGNATION OF CONSERVATION LANDS PURSUANT TO THIS SUBSECTION IS SUBJECT TO THE POWER OF THE REFERENDUM AND IS NOT CONSIDERED TO BE IMMEDIATELY NECESSARY FOR THE PRESERVATION OF THE PUBLIC PEACE, HEALTH OR SAFETY OR FOR THE SUPPORT AND MAINTENANCE OF THE DEPARTMENTS OF STATE GOVERNMENT AND STATE INSTITUTIONS.

C. IT IS A PERMANENT CONDITION OF ANY CONVEYANCE OR DISPOSITION OF CONSERVATION LAND PURSUANT TO SUBSECTION A OR B OF THIS SECTION THAT THE LAND WILL BE:

1. RESTRICTED AGAINST DEVELOPMENT.

2. MANAGED AND USED IN A MANNER CONSISTENT WITH CONSERVATION.

3. SUBJECT TO REASONABLE PUBLIC ACCESS.

D. ANY CONVEYANCE OR OTHER DISPOSITION OF LANDS PURSUANT TO THIS SECTION IS SUBJECT TO THE RESERVATION THAT ALL OIL, GAS, OTHER HYDROCARBON SUBSTANCES, HELIUM OR OTHER SUBSTANCES OF A GASEOUS NATURE, GEOTHERMAL RESOURCES, COAL, METALS, MINERALS, FOSSILS, FERTILIZER OF EVERY DESCRIPTION, URANIUM, THORIUM OR ANY OTHER MATERIAL THAT IS OR MAY BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AND THE EXCLUSIVE RIGHT THERETO, ON, IN OR UNDER THE LAND, IS RESERVED IN AND RETAINED BY THE STATE, REGARDLESS OF THE CONVEYANCE AND THE ISSUANCE OF ANY EVIDENCE OF CONVEYANCE. A MINERAL RESERVATION UNDER THIS SUBSECTION SHALL NOT INCLUDE COMMON VARIETY MINERALS SUCH AS SAND, GRAVEL OR OTHER AGGREGATE, ROAD BASE MATERIAL, LIMESTONE OR GYPSUM.

E. NOTHING IN THIS SECTION PREVENTS THE CONTINUATION OR RENEWAL OF ANY LEASE, RIGHT-OF-WAY OR OTHER USE OF THE LAND THAT WAS IN EXISTENCE AS OF THE DATE OF CONVEYANCE OR DISPOSITION OF CONSERVATION LAND.

F. THE DESIGNATION OR CONVEYANCE OF CONSERVATION LANDS DOES NOT CREATE OR IMPLY RESTRICTIONS ON THE USE OR MANAGEMENT OF ANY OTHER LAND.

G. FOR THE PURPOSES OF THIS SECTION:

1. "CONSERVATION" MEANS RESTRICTING THE USE OF THE LAND AGAINST DEVELOPMENT.

2. "DEVELOPMENT" MEANS BUILDINGS AND OTHER STRUCTURES FOR RESIDENTIAL, AGRICULTURAL, COMMERCIAL OR PUBLIC USE BUT DOES NOT INCLUDE BUILDINGS, STRUCTURES OR OTHER IMPROVEMENTS EXISTING BEFORE JANUARY 1, 2009 OR FENCES, PATHS, TRAILS, TRAILHEADS, ROADWAYS, UTILITY LINES AND ASSOCIATED FACILITIES, FLOOD CONTROL STRUCTURES AND IMPROVEMENTS, CANALS, DRAINAGE IMPROVEMENTS, WELLS, SIGNAGE, RANGE IMPROVEMENTS, HUNTING AND FISHING FACILITIES, COMMUNICATIONS FACILITIES, RESEARCH OR MONITORING STATIONS AND ASSOCIATED EQUIPMENT OR, IN ORDER TO FACILITATE REASONABLE PUBLIC ACCESS, HUNTING AND FISHING, PICNIC, CAMPING, PARKING, SECURITY, COMFORT, MAINTENANCE AND SIMILAR FACILITIES THAT ARE COMPATIBLE WITH CONSERVATION.

3. "URBAN AREA" MEANS:

(a) WITHIN OR ADJACENT TO THE EXTERIOR CORPORATE BOUNDARIES OF A CITY OR TOWN.

(b) WITHIN THREE MILES OUTSIDE THE CORPORATE BOUNDARY OF A CITY OR TOWN HAVING A POPULATION OF LESS THAN TEN THOUSAND PERSONS.

(c) WITHIN FIVE MILES OUTSIDE THE CORPORATE BOUNDARY OF A CITY OR TOWN HAVING A POPULATION OF TEN THOUSAND PERSONS OR MORE.

4. Article X, Constitution of Arizona, is proposed to be amended by adding section 4.3 as follows if approved by the voters and on proclamation of the Governor:

4.3. Nonurban conservation lands; definitions

SECTION 4.3. A. THE LEGISLATURE SHALL PRESCRIBE A PROCESS BY LAW FOR DESIGNATING FOR CONSERVATION PURPOSES UP TO FOUR HUNDRED THOUSAND ACRES OF LAND THAT IS NOT LOCATED IN AN URBAN AREA. ALL LAND THAT IS DESIGNATED FOR CONSERVATION UNDER THIS SUBSECTION MUST BE HELD IN TRUST FOR THE SAME PUBLIC BENEFICIARY. THESE LANDS MAY BE CONVEYED WITHOUT ADVERTISEMENT, AUCTION OR CONSIDERATION TO THE COUNTY IN WHICH THEY ARE LOCATED. NOTWITHSTANDING ARTICLE IV, PART 2, SECTION 19, ANY DESIGNATION OF LANDS PURSUANT TO THIS SUBSECTION MUST BE APPROVED INDIVIDUALLY BY LAW. A LAW TO APPROVE THE DESIGNATION OF CONSERVATION LANDS PURSUANT TO THIS SUBSECTION IS SUBJECT TO THE POWER OF THE REFERENDUM AND IS NOT CONSIDERED TO BE IMMEDIATELY NECESSARY FOR THE PRESERVATION OF THE PUBLIC PEACE, HEALTH OR SAFETY OR FOR THE SUPPORT AND MAINTENANCE OF THE DEPARTMENTS OF STATE GOVERNMENT AND STATE INSTITUTIONS.

B. A PRIORITY FOR CONSIDERING THE DESIGNATION OF CONSERVATION LANDS UNDER SUBSECTION A OF THIS SECTION IS THE MAINTENANCE OF WILDLIFE MIGRATION CORRIDORS.

C. IT IS A PERMANENT CONDITION OF ANY CONVEYANCE OR DISPOSITION OF CONSERVATION LAND PURSUANT TO SUBSECTION A OF THIS SECTION THAT THE LAND WILL BE:

1. RESTRICTED AGAINST DEVELOPMENT.

2. MANAGED AND USED IN A MANNER CONSISTENT WITH CONSERVATION.

3. SUBJECT TO REASONABLE PUBLIC ACCESS.

D. ANY CONVEYANCE OR OTHER DISPOSITION OF LANDS PURSUANT TO THIS SECTION IS SUBJECT TO THE RESERVATION THAT ALL OIL, GAS, OTHER HYDROCARBON SUBSTANCES, HELIUM OR OTHER SUBSTANCES OF A GASEOUS NATURE, GEOTHERMAL RESOURCES, COAL, METALS, MINERALS, FOSSILS, FERTILIZER OF EVERY DESCRIPTION, URANIUM, THORIUM OR ANY OTHER MATERIAL THAT IS OR MAY BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AND THE EXCLUSIVE RIGHT THERETO, ON, IN OR UNDER THE LAND, IS RESERVED IN AND RETAINED BY THE STATE, REGARDLESS OF THE CONVEYANCE AND THE ISSUANCE OF ANY EVIDENCE OF CONVEYANCE. A MINERAL RESERVATION UNDER THIS SUBSECTION SHALL NOT INCLUDE COMMON VARIETY MINERALS SUCH AS SAND, GRAVEL OR OTHER AGGREGATE, ROAD BASE MATERIAL, LIMESTONE OR GYPSUM.

E. NOTHING IN THIS SECTION PREVENTS THE CONTINUATION OR RENEWAL OF ANY LEASE, RIGHT-OF-WAY OR OTHER USE OF THE LAND THAT WAS IN EXISTENCE AS OF THE DATE OF CONVEYANCE OR DISPOSITION OF CONSERVATION LAND.

F. THE DESIGNATION OR CONVEYANCE OF CONSERVATION LANDS DOES NOT CREATE OR IMPLY RESTRICTIONS ON THE USE OR MANAGEMENT OF ANY OTHER LAND.

G. FOR THE PURPOSES OF THIS SECTION:

1. "CONSERVATION" MEANS RESTRICTING THE USE OF THE LAND AGAINST DEVELOPMENT.

2. "DEVELOPMENT" MEANS BUILDINGS AND OTHER STRUCTURES FOR RESIDENTIAL, AGRICULTURAL, COMMERCIAL OR PUBLIC USE BUT DOES NOT INCLUDE BUILDINGS, STRUCTURES OR OTHER IMPROVEMENTS EXISTING BEFORE JANUARY 1, 2009 OR FENCES, PATHS, TRAILS, TRAILHEADS, ROADWAYS, UTILITY LINES AND ASSOCIATED FACILITIES, FLOOD CONTROL STRUCTURES AND IMPROVEMENTS, CANALS, DRAINAGE IMPROVEMENTS, WELLS, SIGNAGE, RANGE IMPROVEMENTS, HUNTING AND FISHING FACILITIES, COMMUNICATIONS FACILITIES, RESEARCH OR MONITORING STATIONS AND ASSOCIATED EQUIPMENT OR, IN ORDER TO FACILITATE REASONABLE PUBLIC ACCESS, HUNTING AND FISHING, PICNIC, CAMPING, PARKING, SECURITY, COMFORT, MAINTENANCE AND SIMILAR FACILITIES THAT ARE COMPATIBLE WITH CONSERVATION.

3. "URBAN AREA" MEANS:

(a) WITHIN OR ADJACENT TO THE EXTERIOR CORPORATE BOUNDARIES OF A CITY OR TOWN.

(b) WITHIN THREE MILES OUTSIDE THE CORPORATE BOUNDARY OF A CITY OR TOWN HAVING A POPULATION OF LESS THAN TEN THOUSAND PERSONS.

(c) WITHIN FIVE MILES OUTSIDE THE CORPORATE BOUNDARY OF A CITY OR TOWN HAVING A POPULATION OF TEN THOUSAND PERSONS OR MORE.

5. Conditional repeal

Section 4 of this proposition is repealed if the initiative styled "Conserving Arizona's Future" and designated by the Secretary of State as C-03-2006 is approved by the voters at the general election held November 7, 2006 and becomes effective pursuant to article XXI, Constitution of Arizona.

6. Submission to voters; conditional enactment

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

B. Sections 1, 2 and 3 of this proposition are not effective unless on or before December 31, 2008, the Arizona-New Mexico Enabling Act (Act of June 20, 1910; 36 Stat. 557) is amended by Congress and signed into law to authorize the amendment of the Constitution of Arizona as proposed by sections 1 and 2 of this proposition. On or before December 31, 2008, the state land commissioner shall notify the director of the legislative council in writing whether or not this condition occurred and the date the enabling act was amended.

C. Section 4 of this proposition is not effective unless both of the following occur:

1. This proposition is approved and ratified by the voters pursuant to subsection A of this section and the conditional repeal described in section 5 of this proposition does not occur.

2. On or before December 31, 2008, the Arizona-New Mexico Enabling Act (Act of June 20, 1910; 36 Stat. 557) is amended by Congress and signed into law to authorize the amendment of the Constitution of Arizona as proposed by sections 1 and 2 of this proposition. On or before December 31, 2008, the state land commissioner shall notify the director of the legislative council in writing whether or not this condition occurred and the date the enabling act was amended.

PASSED BY THE HOUSE JUNE 21, 2006.

PASSED BY THE SENATE JUNE 21, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 22, 2006.