

HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **SB 1543**

Chaplik Floor Amendment

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1. Removes the requirement for a certificate of occupancy for a developed ancillary use building to be issued before the municipality grants a certificate of occupancy for the international headquarters building, if the Arizona State Land Department has received a sufficient financial assurance as prescribed.
 2. Removes legislative findings.
 3. Adds an applicability clause.
 4. Contains a retroactivity clause of April 1, 2025.
 5. Makes conforming changes.

Amendment explanation prepared by Luca Moldovan

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4/9/2025

CHAPLIK FLOOR AMENDMENT #5
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1543
(Reference to INTERNATIONAL TRADE S/E Committee amendment)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.

[Green underlining in brackets] indicates text added to new session law or text restoring existing law.

[~~GREEN STRIKEOUT IN BRACKETS~~] indicates new text removed from statute or previously enacted session law.

[~~Green strikeout in brackets~~] indicates text removed from existing statute, previously enacted session law or new session law.

<<Green carets>> indicate a section added to the bill.

<<~~Green strikeout in carets~~>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Strike everything after the enacting clause and insert:

3 "Section 1. Title 9, chapter 4, article 6, Arizona Revised
4 Statutes, is amended by adding section 9-461.19, to read:

5 9-461.19. Municipal allowed ancillary use; multifamily
6 residential housing; hotel use; regulations;
7 applicability; definitions

8 A. NOTWITHSTANDING ANY OTHER LAW, A MUNICIPALITY WITH A POPULATION
9 OF TWO HUNDRED THOUSAND OR MORE PERSONS BUT NOT MORE THAN FIVE HUNDRED
10 THOUSAND PERSONS SHALL ALLOW HOTEL USE AND MULTIFAMILY RESIDENTIAL HOUSING
11 AS AN ALLOWED ANCILLARY USE IN A ZONING DISTRICT THAT ALLOWS LIGHT
12 INDUSTRIAL USE WITHOUT REQUIRING ANY TYPE OF APPLICATION THAT WILL REQUIRE
13 A PUBLIC HEARING IF THE ANCILLARY USE MEETS BOTH OF THE FOLLOWING
14 CRITERIA:

15 1. THE ANCILLARY USE IS LOCATED WITHIN AN INTERNATIONAL
16 HEADQUARTERS CAMPUS THAT IS SOLELY OWNED BY EITHER A SINGLE ENTITY OR
17 RELATED ENTITIES AT THE TIME THAT DEVELOPMENT OF THE INTERNATIONAL
18 HEADQUARTERS CAMPUS COMMENCES AND, ON COMPLETION, THE INTERNATIONAL
19 HEADQUARTERS ON THE INTERNATIONAL HEADQUARTERS CAMPUS WILL EMPLOY MORE
20 THAN TWO THOUSAND FULL-TIME EMPLOYEES AT AN AVERAGE ANNUAL COMPENSATION OF
21 MORE THAN ONE HUNDRED TWENTY-FIVE PERCENT OF THE MEDIAN WAGE OF THE COUNTY
22 WHERE THE INTERNATIONAL HEADQUARTERS CAMPUS IS LOCATED.

23 2. THE INTERNATIONAL HEADQUARTERS CAMPUS THAT CONTAINS THE
24 ANCILLARY USE IS BOUND BY A RECORDED INSTRUMENT THAT IS ENFORCEABLE BY THE
25 MUNICIPALITY AND THAT DOES BOTH OF THE FOLLOWING:

26 (a) RESTRICTS OCCUPANCY IN AT LEAST TWENTY PERCENT OF THE
27 MULTIFAMILY RESIDENTIAL HOUSING UNITS LOCATED ON THE INTERNATIONAL
28 HEADQUARTERS CAMPUS TO INDIVIDUALS EMPLOYED AT THE INTERNATIONAL
29 HEADQUARTERS AND THE FAMILIES OF INDIVIDUALS EMPLOYED AT THE INTERNATIONAL
30 HEADQUARTERS. THE RECORDED INSTRUMENT MUST ALSO PROVIDE THAT THE
31 MUNICIPALITY WHERE THE INTERNATIONAL HEADQUARTERS CAMPUS IS LOCATED, IN

1 THE MUNICIPALITY'S SOLE AND ABSOLUTE DISCRETION, MAY WAIVE THE OCCUPANCY
2 REQUIREMENT.

3 (b) PROHIBITS AN AGREEMENT FOR OCCUPANCY OF ANY MULTIFAMILY
4 RESIDENTIAL HOUSING UNIT WITHIN THE INTERNATIONAL HEADQUARTERS CAMPUS FOR
5 A PERIOD OF LESS THAN NINETY CONSECUTIVE DAYS AND LIMITS OCCUPANCY TO THE
6 SAME OCCUPANTS FOR THE ENTIRETY OF THE NINETY CONSECUTIVE DAYS UNLESS A
7 TENANT OF THE MULTIFAMILY RESIDENTIAL HOUSING UNIT IS AN EMPLOYEE OR
8 CONTRACTOR OF AN ENTITY LOCATED WITHIN THE INTERNATIONAL HEADQUARTERS
9 CAMPUS AND THAT EMPLOYEE OR CONTRACTOR PERFORMS JOB DUTIES AT THE
10 INTERNATIONAL HEADQUARTERS. THIS SUBDIVISION DOES NOT APPLY TO
11 MULTIFAMILY HOUSING DEVELOPMENTS THAT ARE PLATTED FOR INDIVIDUAL OWNERSHIP
12 OF UNITS.

13 B. AN ANCILLARY USE IS SUBJECT TO COMPLIANCE WITH GENERALLY
14 APPLICABLE MUNICIPAL BUILDING CODES AND FIRE CODES AND THE OBJECTIVE
15 DEVELOPMENT STANDARDS PURSUANT TO SUBSECTION E OF THIS SECTION.

16 C. THE GOVERNING BODY OF THE MUNICIPALITY MAY NOT WITHHOLD A
17 BUILDING PERMIT OR A CERTIFICATE OF OCCUPANCY FOR AN ANCILLARY USE THAT
18 COMPLIES WITH ONE OF THE FOLLOWING:

19 1. FOR INTERNATIONAL HEADQUARTERS CAMPUSES THAT INCLUDE MULTIFAMILY
20 RESIDENTIAL HOUSING UNITS AS AN ANCILLARY USE PURSUANT TO THIS SECTION, A
21 MUNICIPALITY SHALL ALLOW A NUMBER OF MULTIFAMILY RESIDENTIAL UNITS WITHIN
22 THE INTERNATIONAL HEADQUARTERS CAMPUS THAT ARE EQUAL TO OR MORE THAN THE
23 NUMBER OF GROSS ACRES IN THE INTERNATIONAL HEADQUARTERS CAMPUS MULTIPLIED
24 BY TWENTY-EIGHT.

25 2. FOR CAMPUSES THAT INCLUDE HOTEL USE AS AN ANCILLARY USE PURSUANT
26 TO THIS SECTION, A MUNICIPALITY SHALL ALLOW A NUMBER OF HOTEL ROOMS WITHIN
27 THE INTERNATIONAL HEADQUARTERS CAMPUS EQUAL TO OR MORE THAN THE NUMBER OF
28 GROSS ACRES IN THE INTERNATIONAL HEADQUARTERS CAMPUS MULTIPLIED BY
29 SEVEN. NOT MORE THAN TEN PERCENT OF THE HOTEL ROOMS WITHIN THE
30 INTERNATIONAL HEADQUARTERS CAMPUS SHALL BE ALLOWED AS FOR-SALE RESIDENTIAL
31 UNITS WITHIN THE HOTEL. THE MUNICIPALITY IS NOT REQUIRED TO ALLOW AN
32 AGGREGATE NUMBER OF HOTEL ROOMS AND MULTIFAMILY RESIDENTIAL HOUSING UNITS
33 AS AN ANCILLARY USE WITHIN THE INTERNATIONAL HEADQUARTERS CAMPUS OF MORE
34 THAN THE NUMBER OF GROSS ACRES IN THE INTERNATIONAL HEADQUARTERS CAMPUS
35 MULTIPLIED BY THIRTY-FIVE.

36 D. FOR CAMPUSES THAT INCLUDE HOTEL USE OR MULTIFAMILY RESIDENTIAL
37 HOUSING UNITS AS AN ANCILLARY USE PURSUANT TO THIS SECTION, A MUNICIPALITY
38 SHALL ALLOW COMPLEMENTARY RETAIL AND RESTAURANT USE WITHIN THE
39 INTERNATIONAL HEADQUARTERS CAMPUS.

40 E. THE FOLLOWING OBJECTIVE STANDARDS APPLY TO AN ANCILLARY USE
41 BUILDING DEVELOPED PURSUANT TO THIS SECTION:

42 1. A MUNICIPALITY MAY LIMIT THE HEIGHT OF THE ANCILLARY USE
43 BUILDING TO TWO STORIES IN A INTERNATIONAL HEADQUARTERS CAMPUS SITE THAT
44 IS LOCATED DIRECTLY ADJACENT TO AND WITHIN ONE HUNDRED FEET OF AN AREA
45 THAT IS ZONED FOR SINGLE-FAMILY RESIDENTIAL USE.

46 2. EXCEPT PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION, A
47 MUNICIPALITY MAY NOT RESTRICT THE MAXIMUM HEIGHT OF THE ANCILLARY USE
48 BUILDING TO LESS THAN SIX STORIES, NOT INCLUDING MECHANICAL SCREENING OR
49 ROOFTOP APPURTENANCES.

1 3. ANY UTILITY PROVIDER THAT MAY PROVIDE UTILITY SERVICE TO THE
2 ANCILLARY USE DEVELOPMENT MAY REVIEW CONSTRUCTION DOCUMENTS TO ENSURE
3 ADEQUATE WATER AND SEWER CAPACITY IMPACTED BY THE PROPOSED ANCILLARY USE
4 DEVELOPMENT.

5 4. EXISTING MUNICIPAL ZONING ORDINANCES FOR SETBACK AND PARKING
6 REQUIREMENTS FOR THE PROPOSED ANCILLARY USE DEVELOPMENT APPLY.

7 F. A BUILDING PERMIT FOR AN ANCILLARY USE BUILDING DEVELOPED
8 PURSUANT TO THIS SECTION MAY NOT BE OBTAINED UNTIL THE MUNICIPALITY ISSUES
9 A BUILDING PERMIT FOR CONSTRUCTION OF THE INTERNATIONAL HEADQUARTERS
10 BUILDING. A CERTIFICATE OF OCCUPANCY MAY NOT BE GRANTED FOR AN ANCILLARY
11 USE BUILDING DEVELOPED PURSUANT TO THIS SECTION BEFORE THE MUNICIPALITY
12 GRANTS A CERTIFICATE OF OCCUPANCY FOR THE INTERNATIONAL HEADQUARTERS
13 BUILDING.

14 ~~[G. NOTWITHSTANDING SUBSECTION F OF THIS SECTION, IF SUBSTANTIAL~~
15 ~~CONSTRUCTION OF THE INTERNATIONAL HEADQUARTERS BUILDING HAS COMMENCED, A~~
16 ~~CERTIFICATE OF OCCUPANCY MAY BE GRANTED FOR AN ANCILLARY USE BUILDING~~
17 ~~DEVELOPED PURSUANT TO THIS SECTION BEFORE THE MUNICIPALITY GRANTS A~~
18 ~~CERTIFICATE OF OCCUPANCY FOR THE INTERNATIONAL HEADQUARTERS BUILDING IF~~
19 ~~THE STATE LAND DEPARTMENT HAS RECEIVED A BOND, A LETTER OF CREDIT OR ANY~~
20 ~~OTHER SUFFICIENT FINANCIAL ASSURANCE THAT, IN THE REASONABLE DISCRETION OF~~
21 ~~THE STATE LAND COMMISSIONER, PROVIDES FOR PAYMENT TO THE STATE LAND TRUST~~
22 ~~OF AN AMOUNT EQUAL TO THE MARKET SALE VALUE OF THE LAND AND IMPROVEMENTS~~
23 ~~CONTAINING THE ANCILLARY USE DEVELOPMENT, LESS DEVELOPMENT COSTS, IF THE~~
24 ~~MUNICIPALITY DOES NOT GRANT A PERMANENT CERTIFICATE OF OCCUPANCY FOR THE~~
25 ~~INTERNATIONAL HEADQUARTERS BUILDING WITHIN FIVE YEARS AFTER GRANTING THE~~
26 ~~CERTIFICATE OF OCCUPANCY FOR THE ANCILLARY USE BUILDING.]~~

27 [H.] [G.] A MUNICIPALITY SHALL CONSENT TO AMENDMENTS TO EXISTING
28 DEVELOPMENT AGREEMENTS TO WHICH THE MUNICIPALITY IS A SIGNATORY THAT ARE
29 REASONABLY NECESSARY TO ALLOW FOR THE DEVELOPMENT OF HOTEL USE OR
30 MULTIFAMILY RESIDENTIAL USE AS AN ANCILLARY USE PURSUANT TO THIS SECTION.

31 [I.] [H.] THIS SECTION DOES NOT APPLY TO LAND IN THE TERRITORY IN
32 THE VICINITY OF A MILITARY AIRPORT OR ANCILLARY MILITARY FACILITY AS
33 DEFINED IN SECTION 28-8461.

34 [J.] [I.] FOR THE PURPOSES OF THIS SECTION:

35 1. "BUILDING CODE" HAS THE SAME MEANING PRESCRIBED IN SECTION
36 9-1301.

37 2. "INTERNATIONAL HEADQUARTERS" MEANS A PRINCIPAL CENTRAL
38 ADMINISTRATIVE OFFICE WHERE PRIMARY HEADQUARTERS-RELATED FUNCTIONS AND
39 SERVICES ARE PERFORMED, INCLUDING FINANCIAL, PERSONNEL, ADMINISTRATIVE,
40 LEGAL, PLANNING AND SIMILAR BUSINESS FUNCTIONS, AND THAT DOES NOT REPORT
41 TO ANY PARENT COMPANY OUTSIDE OF THIS STATE.

42 3. "INTERNATIONAL HEADQUARTERS BUILDING" MEANS THE PRIMARY BUILDING
43 THAT CONTAINS THE INTERNATIONAL HEADQUARTERS ON THE INTERNATIONAL
44 HEADQUARTERS CAMPUS.

45 4. "INTERNATIONAL HEADQUARTERS CAMPUS" MEANS A CONTIGUOUS AREA OF
46 NOT LESS THAN FORTY GROSS ACRES, PORTIONS OF WHICH MAY BE SEPARATED BY
47 PUBLIC RIGHTS-OF-WAY, ON WHICH AN INTERNATIONAL HEADQUARTERS IS LOCATED
48 AND WHICH MAY INCLUDE ANCILLARY USE PURSUANT TO THIS SECTION.

1 5. "LIGHT INDUSTRIAL USE" INCLUDES LIGHT MANUFACTURING AND
2 AERONAUTICAL USE.

3 6. "RELATED ENTITIES" MEANS ENTITIES THAT HAVE MORE THAN FIFTY
4 PERCENT DIRECT OR INDIRECT COMMON OWNERSHIP.

5 7. "ZONING DISTRICT" MEANS A ZONING DISTRICT, PLANNED COMMUNITY
6 DISTRICT, PLANNED AREA DEVELOPMENT OR PLANNED UNIT DEVELOPMENT.

7 <<Sec. 2. ~~Legislative findings~~

8 ~~The legislature finds:~~

9 ~~1. That it is in the public interest of this state to encourage the~~
10 ~~location or relocation of corporate headquarters to this state.~~

11 ~~2. That the development of corporate international headquarters~~
12 ~~campuses as defined in section 9-461.19, Arizona Revised Statutes, as~~
13 ~~added by this act, that include primary commercial uses as well as~~
14 ~~ancillary residential uses contribute greatly to the economic prosperity~~
15 ~~and health of this state.~~

16 ~~3. That it is necessary to adopt a uniform law governing~~
17 ~~international headquarters campuses as defined in section 9-461.19,~~
18 ~~Arizona Revised Statutes, as added by this act, to encourage the~~
19 ~~development of corporate international headquarters campuses throughout~~
20 ~~this state.>>"~~

21 <<Sec. 2. Applicability

22 [Section 9-461.19, Arizona Revised Statutes, as added by this act,
23 applies only to an international headquarters building that is located on
24 an international headquarters campus and that is constructed after April
25 1, 2025.]>>

26 <<Sec. 3. Retroactivity

27 [This act applies retroactively to from and after March 31, 2025.]>>

28 Enroll and engross to conform

29 Amend title to conform

JOSEPH CHAPLIK

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