

**PUBLIC COMMENTS REGARDING THE ARIZONA STATE MUSEUM'S
REVISED NOTICE OF INTENT TO INCREASE RATES AND FEES
AND THE ARIZONA STATE MUSEUM'S RESPONSES**

25 August 2025

Per ARS § 15-1631(E)(5), the Arizona State Museum (ASM) opened a public comment period during which it received feedback from stakeholders regarding its Revised Notice of Intent to Increase Rates and Fees, posted 31 July 2025. This public comment period opened on 1 August 2025 and closed on 21 August 2025. The comments and questions published here were received via email and letters. A total of two comments related to the new proposed rates and fees was received. Each comment is presented and ASM's response appears below each comment.

1. Your fees are outrageous and your system to submit it totally inefficient and senseless. The ASM needs an overhaul before it grows even further.

By law, ASM must recover the costs of providing state-mandated cultural resource management services through fees. This is the business model established through statute for most entities that provide services as part of the State of Arizona.

Since the last fee increase, calculated in 2017, ASM has continued to under-recover from project sponsors the necessary, reasonable, and allocable expenses incurred in the provision of services mandated by state and federal law. As of June 30, 2024, the cumulative operating deficit attributable to these activities exceeded \$2.3M. Analysis of data collected since that time has revealed several major factors impacting recovery of expenses incurred and, thereby, driving this structural deficit.

One of the primary drivers of under-recovery during this period has been identified as a failure to re-interpret the services for which ASM has authority to bill under ARS § 15-1631. As amended, this statute grants ABOR explicit authority to “adopt any fees for services performed by the state museum pursuant to title 41, chapter 4.1, article 4 [i.e. section 41-841 et seq.] and section 41-865.” Historically, opinions from UA's General Counsel on what services ASM could permissibly recover were based on language found directly within ARS § 41-841 et seq., or ARS § 41-865. Due to this limited interpretation, the efforts of nearly 4.0 FTEs were deemed unbillable and so went unrecovered over approximately seven years.

Another key driver was the agreement between ABOR and the University of Arizona that the University of Arizona would continue to support the space allocation costs associated with the in-perpetuity curation of artifacts and documents until then-current storage capacity at ASM was exhausted. This resulted in the reduction of the total in-perpetuity curation fees to \$613/half box for artifacts and \$66.50/inch for documents (a reduction of 59% and 69%, respectively). ASM reached capacity (based on space reserved for incoming, contracted projects) in April of 2024, and on 1 July 2024, began charging the full fees adopted by the Board in 2017.

Costs related to the long-term storage of artifacts and documents must be recovered to fulfill ASM's duty of care. As a result, the per-cubic-foot cost estimates for storage space within ASM's planned new building have been used to determine the cost of curating one cubic foot of artifacts and in calculating the cost of curating one linear foot of documentation.

Additional drivers of under-recovery since 2017 relate to increasing costs and inflation prevalent across markets worldwide. These factors include, but are not limited to:

1. University of Arizona Career Architecture Program (UCAP)
2. Salary Increase Program coupled with Bring-to-Minimum adjustments for ASM staff
3. Increased Paid Vacation Time as employees gain tenure
4. Paid Parental Leave and other changes to university policy
5. Need to develop and implement systems and operational infrastructure necessary to Mandated Programs

The first two items above have substantially increased expenses (numerator in rate calculation) related to the provision of services required under ARS § 41-841 et seq. and § 41-865, while items 3, 4 and 5 reduce the number of available billable hours, which determines ASM's capacity to provide services to its customers. As capacity is exceeded by customer demands, ASM must hire additional staff, which raises expenses and thus rates until that capacity is consumed or can be diverted to non-Mandated Programs tasks.

Regarding the submission of payments, projects will continue to be billed in two installments. The initial invoice will be based on the estimated costs of activities undertaken by ASM to complete work up to the point of collections intake and will be issued at the inception of the project. The second invoice will be issued at the time collections are submitted for intake, or project completion. The second billing will cover collections intake services and in-perpetuity curation for projects curated at ASM. For projects generating objects not curated at ASM, the second billing will cover the costs of document curation in perpetuity. The second invoice will be adjusted to reflect actual counts of items if there is a material variance.

Material variance is defined as a +/- 10% (or more) difference in the count of half-boxes of artifacts, individually cataloged artifacts, digital images, quarter linear inches of documentation, ASM Site Cards, or ASM Site Card Updates listed in the accepted quote and the collections physically submitted for intake and curation. CRM firms may be subject to additional costs if submitted collections are found to be non-compliant and must be returned for remediation and resubmission.

2. Pima County thanks the Arizona State Museum (ASM) for reviewing and responding to our March 11, 2025, comment letter regarding the proposed increase in rates and fees. We also acknowledge the release of the Revised Notice of Intent to Increase Rates and Fees dated July 25, 2025, and appreciate ASM's expanded rationale and clarifications.

While some explanations and adjustments are welcome, many of our core concerns remain unresolved, particularly those relating to the disproportionate impacts of ASM's proposed fee structure on public agencies with mandatory compliance obligations. Pima County is not a discretionary client; we are required by law to obtain ASM permits and curation services for activities covered under the Arizona Antiquities Act. Without additional consideration for the nature and purpose of public agency projects, the proposed fees will place a significant and ongoing financial burden on stewardship and compliance efforts.

Aligning ASM's Fee Structure with the Purpose of the Arizona Antiquities Act

The Arizona Antiquities Act was enacted to ensure that archaeological sites, and the scientific information they contain, are not lost to unrecorded destruction. It requires qualified investigations before such resources are disturbed and mandates permanent

preservation of associated records and collections in public repositories. The underlying legislative intent is to safeguard irreplaceable heritage resources while making the knowledge they yield accessible for public benefit.

Pima County's conservation and cultural resource management programs align directly with this intent. On the County's conservation lands—held for the express purpose of long-term habitat and cultural resource preservation—our resource condition monitoring efforts systematically inventory known archaeological sites and update their records. This work does not occur in the context of development or intentional ground disturbance; rather, it is part of our statutory and ethical duty as stewards to document condition changes, identify threats, and plan for long-term protection.

Under ASM's proposed fee structure, however, resource condition monitoring activities—often conducted as Non-Collection Surveys—face fee increases that can significantly exceed available stewardship budgets. For example, a Non-Collection Survey typical of these stewardship efforts currently costs \$916.02; under the proposed rates, the same scope of work would cost \$1,715.09, an 87% increase. This level of cost escalation risks discouraging proactive monitoring, ultimately undermining the Act's protective purpose by making it more difficult for public agencies to fulfill their duties.

We recommend that ASM adopt a different fixed fee schedule for public agencies conducting non-development, stewardship-focused work, reflecting the lower impact and public benefit of these projects. This would ensure that ASM's role as a custodian of archaeological records is supported without undermining the preventive, information-preserving goals of the Antiquities Act.

Programmatic Permitting for Stewardship and Low-Impact Work

ASM's permitting and review process currently treats each discrete action as a separate project, regardless of whether it is part of a recurring stewardship program or small-scale compliance activity. This approach creates unnecessary administrative and financial burdens for public agencies whose work often consists of many small, low-impact efforts spread across the year.

Two categories of work are disproportionately affected:

- Resource condition monitoring on conservation lands – systematic Non-Collection Surveys, linked to specific geographic areas, to document site condition and integrity.
- Archaeological monitoring that results in no collection – oversight during small-scale construction or maintenance activities, where no artifacts are collected and no new site records are created.

In both cases, each action currently triggers a separate permit, review, and fee. For example, replacing a single cattle guard—a project costing less than \$3,000—could incur cultural resource compliance fees exceeding 200% of the total construction cost under the proposed structure.

We recommend that ASM institute a programmatic permit model for public agencies that:

- Authorizes multiple stewardship and low-impact compliance actions under a single annual permit.

- Links actions to defined geographic areas (e.g., specific conservation lands).
- Requires one synthesized annual report rather than repetitive individual submissions.

This would maintain statutory compliance and resource protection while dramatically reducing redundant administrative costs.

Broader Impacts to Pima County's Conservation Program

Pima County manages over 260,000 acres of conservation lands under state and federal conservation mandates. Embedded within these landscapes are thousands of documented archaeological and historic sites, in addition to sites yet to be recorded. Regular monitoring and condition assessment of these resources is a critical part of our conservation strategy — not an optional or discretionary expense.

The proposed fee structure will:

- Reduce the frequency and scope of site monitoring efforts due to budget constraints.
- Delay the detection and mitigation of resource damage from erosion, vandalism, or development pressure.
- Increase the risk of irreversible site loss, undermining both cultural heritage preservation and legal compliance.

Given these realities, we believe ASM's public mission is best served by aligning its fee policies with the operational realities of public-sector stewardship. The changes we recommend — a fixed public agency fee schedule and a programmatic permitting pathway — would preserve ASM's cost recovery needs while enabling public agencies to sustain their legal and ethical responsibilities to Arizona's cultural resources.

Conclusion

We appreciate ASM's engagement with public feedback and the improvements made in the revised notice. We value ASM's expertise, collections care, and role in ensuring compliance with state law. We also recognize ASM's need for adequate funding. However, without adjustments that reflect the realities of public-sector stewardship, the proposed fees risk diminishing the very resource protection outcomes that the Antiquities Act was designed to safeguard.

Pima County stands ready to work with ASM, the Arizona State Parks and Trails State Historic Preservation Office (SHPO), the Arizona Board of Regents, and other stakeholders to develop fee and permitting models that are financially sustainable for ASM while ensuring that Arizona's irreplaceable cultural heritage remains protected.

By law, ASM must recover the costs of providing state-mandated cultural resource management services through fees. This is the business model established through statute for most entities that provide services as part of the State of Arizona.

Regarding Pima County's suggestion that "ASM adopt a different fixed fee schedule for public agencies conducting non-development, stewardship-focused work," this is similar to Pima County's previous suggestion that ASM develop "a tiered fee structure that distinguishes between large-scale development, small-scale projects, and stewardship-focused programs," which ASM addressed in its response to the first round of public comments.

A fixed-fee structure would take ASM back to a system similar to what was in place before its enabling legislation was amended in 2016. The overwhelming sentiment expressed at that time, by the CRM community and project proponents (including both public agencies and private developers) was that ASM needed to abandon its fixed-fee (tiered) system, which spread costs across different classes of projects and project proponents. This “socializing of costs” was viewed as unfair. Stakeholders unanimously supported the development of a rate and fee system that is directly scalable to the size of the project (i.e., the expenses incurred by ASM). In this way, project proponents could be certain that they were only being charged for the expenses for which they were responsible, and they were not subsidizing other projects. This is the system that has been in place since 2017 and ASM will not return to the old framework.

From the standpoint of the entity that provides the state-mandated cultural resource management services required for *projects* and *programs* (i.e., archaeological stewardship activities), there is no distinction in law or practice. ASM is providing the same services and incurring the same costs in both cases. The only difference is who will be billed (who the project proponent is) so that ASM can recover its costs, as required by law. Although ASM supports preservation-based approaches to the management of archaeological resources, by law, it simply cannot absorb the costs generated by agencies engaged in such work.

Since the last fee increase, calculated in 2017, ASM has continued to under-recover from project sponsors the necessary, reasonable, and allocable expenses incurred in the provision of services mandated by state and federal law. As of June 30, 2024, the cumulative operating deficit attributable to these activities exceeded \$2.3M. Analysis of data collected since that time has revealed several major factors impacting recovery of expenses incurred and, thereby, driving this structural deficit.

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Due to this limited interpretation, the efforts of nearly 4.0 FTEs were deemed unbillable and so went unrecovered over approximately seven years. In the current model, expenses related to permit issuance have been captured and included within the calculation of rates and fees along with expenses related to all other services provided as part of ASM’s Mandated Programs.

Regarding Pima County’s suggestion that “ASM institute a programmatic permit model for public agencies that [a]uthorizes multiple stewardship and low-impact compliance actions under a single annual permit,” the rules implementing the Arizona Antiquities Act already allow for two different types of permits: blanket (annual) permits and project-specific permits (ABOR Policy Manual, Chapter 8, Policy 8-202). These same rules outline which types of projects are eligible for each type of permit. Per ASM policy (based on ABOR Policies 8-202 and 8-203), non-collection surveys that will (1) encompass less than 640 acres or 10 linear miles of state lands, and (2) involve less than 90 calendar days of fieldwork, may be conducted under a blanket (annual) permit.