



# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature  
First Regular Session

House: NREW DP 6-3-0-1

## **HB 2297: designation; assured water supply; offset**

**Sponsor: Representative Griffin, LD 19**

**House Engrossed**

### **Overview**

Creates an alternative designation of assured water supply (AWS) for persons withdrawing groundwater and storing water recovered from outside the area of impact.

### **History**

#### **Groundwater Management Act and Assured Water Supply Requirements**

Under the Groundwater Management Act, someone who plans to sell or lease subdivided lands in an active management area (AMA) must obtain an AWS certificate from the Arizona Department of Water Resources (ADWR) or obtain a commitment for water service from a city, town or private water company that has an AWS designation. Otherwise, a municipality or county cannot approve that subdivision plat, and the State Real Estate Commissioner will not authorize the sale or lease of the subdivided lands. An AWS means:

- 1) sufficient groundwater, surface water or effluent of adequate quality that will be legally, physically and continuously available to meet proposed water needs for at least 100 years;
- 2) projected groundwater use is consistent with the management plan and achieving the AMA's management goal; and
- 3) demonstrating the financial capability to build the facilities necessary to make water available for the proposed use ([A.R.S. § 45-576](#)). Arizona Administrative Code establishes specific requirements for satisfying each of these criteria ([R12-15-704](#) and [R12-15-710](#)), such as determining whether enough water is physically available to meet proposed uses ([R12-15-716](#)).

#### **Reviewing Designations of Assured Water Supply**

A city, town or private water company in an AMA can be designated as having an AWS by the ADWR Director if it meets specific criteria established in statute and rule ([A.R.S. §§ 45-576\(D\)](#), [45-576\(E\)](#), and [R12-15-710](#)). ADWR must review this designation at least every 15 years to determine whether it should be modified or revoked ([R12-15-711\(C\)](#)). As part of this review, a city, town or private water company must demonstrate that it continues to meet the AWS criteria, which includes demonstrating that enough water will be physically available for at least 100 years ([R12-15-716](#)).

#### **Underground Water Storage and Credits**

Statute allows someone to store and save water underground if they have obtained the appropriate permit ([A.R.S. § 45-802.01](#)). Those who store water underground for over a year and meet additional statutory requirements can earn long-term storage credits (LTSCs) that

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| <input type="checkbox"/> Prop 105 (45 votes) | <input checked="" type="checkbox"/> Prop 108 (40 votes) | <input checked="" type="checkbox"/> Emergency (40 votes) | <input type="checkbox"/> Fiscal Note |
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are credited to a long-term storage account ([A.R.S. § 45-852.01](#)). LTSCs can be recovered in the future for various uses, including demonstrating an AWS ([A.R.S. § 45-855.01](#)).

### **Provisions**

1. Requires the Director of ADWR to deem groundwater and stored water as physically available if certain conditions are met relating to a new applicant for an AWS. (Sec. 1)
2. Provides a formula to determine a volume of groundwater and stored water when granting a designation of assured water supply. (Sec. 1)
3. Outlines additional requirements for an applicant seeking to modify a designation of assured water supply to include stored water. (Sec. 1)
4. Prohibits the Director of ADWR from including additional sources of groundwater withdrawn from an AMA in a designation of assured water supply that includes groundwater and stored water. (Sec. 1)
5. Sets the designation for an initial term of up to 15 years. (Sec. 1)
6. Permits a designated provider to request an expedited modification of the designation and outlines required items to review. (Sec. 1)
7. Requires the Director of ADWR to determine an applicant has the financial capability to construct adequate delivery, storage and treatment works if the applicant demonstrates listed requirements. (Sec. 1)
8. Prescribes that an applicant can only apply extinguishment credits delivered to the subdivision subject to the application. (Sec. 1)
9. Provides a formula to calculate the groundwater allowance if the application includes groundwater or stored water recovered outside of the area of impact. (Sec. 1)
10. Defines:
  - a) *area of impact*;
  - b) *assured water supply*;
  - c) *designation*;
  - d) *new alternative water supply*; and
  - e) *stored water*. (Sec. 1)
11. Contains a Proposition 108 clause. (Sec. 2)
12. Contains an emergency clause. (Sec. 3)