

ARIZONA STATE SENATE

RESEARCH STAFF



TO: MEMBERS OF THE SENATE NATURAL RESOURCES,
ENERGY & WATER COMMITTEE

RACHEL CALDWELL
LEGISLATIVE RESEARCH ANALYST
NATURAL RESOURCES, ENERGY & WATER
COMMITTEE

Telephone: (602) 926-3171

DATE: March 14, 2022

SUBJECT: Strike everything amendment to H.B. 2389, relating to river
water transfer

Purpose

Limits the transference or conveyance of a claim to use fourth priority Colorado River water to specified uses in Arizona counties adjacent to the western border of Arizona.

Background

A Colorado River water entitlement is a right to divert and consumptively use Colorado River water within state apportionments ([USBR](#)). A *fourth priority* is the satisfaction of entitlements pursuant to: 1) contracts, secretarial reservations, perfected rights and other arrangements between the United States and Arizona water users entered into or established subsequent to September 30, 1968, for use on federal, state or private Arizona lands; and 2) the Central Arizona Water Conservation District contract for the delivery of Central Arizona Project (CAP) water. Fourth priority arrangements between the United States and Arizona water users may not exceed 164,652 acre-feet of diversions annually. Both satisfactions of entitlement are coequal.

Entitlement holders must bear reductions in fourth priority entitlements in the same proportion as its entitlement, or as required by law, regulation or secretarial determination. If two or more authorized users enter into a reduction sharing agreement, then the parties must share the reduction as provided in the agreement, subject the contracting officer's approval after consultation with the Arizona Department of Water Resources (ADWR) ([USBR](#)).

La Paz County, Mohave County and Yuma County are adjacent to the western border of Arizona ([ASLD](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Prohibits a contract holder from transferring or otherwise conveying the contract holder's claim for water use to any location or use other than an agricultural, municipal, domestic, commercial or industrial use in an Arizona county adjacent to the western border of Arizona if the contract holder has a contract right that is:
 - a) in effect on January 1, 2022;
 - b) for fourth priority Colorado River water available to satisfy entitlements in Arizona; and
 - c) not contracted through the CAP.
2. Stipulates that this legislation does not apply to the transfer of 2033.01 acre feet of Colorado River water recommended for approval by the Director of ADWR by letter to the U.S. Bureau of Reclamation on January 20, 2021.
3. Becomes effective on the general effective date.