



ARIZONA STATE SENATE
Fifty-Seventh Legislature, First Regular Session

VETOED
AMENDED

FACT SHEET FOR H.B. 2570

temporary non-expansion area

Purpose

Establishes the process for the designation of a temporary non-expansion area (TNA) in any location that is not included in an active management area (AMA) or an irrigation non-expansion area (INA) by an outlined petition to the Director of the Arizona Department of Water Resources by at least one-half of the number of irrigation users and at least 10 percent of the registered voters residing within the boundaries of the groundwater basin or subbasin specified in the petition. Outlines groundwater rights for people within the TNA.

Background

Active Management Areas

The Director of Arizona Department of Water Resources (ADWR) may designate an area which is not included within an initial AMA as a subsequent AMA if: 1) active management practices are necessary to preserve the existing supply of groundwater for future needs; 2) land subsidence or fissuring is endangering property or potential groundwater storage capacity; or 3) use of groundwater is resulting in actual or threatened water quality degradation ([A.R.S. § 45-412](#)). A groundwater basin that is not included within an initial AMA may be locally designated as an AMA on petition of 10 percent of the registered voters residing within the boundaries of the proposed AMA ([A.R.S. § 45-415](#)).

A person who proposes to offer subdivided lands for sale or lease in an AMA must apply for and obtain a certificate from the Director of ADWR before presenting the plat for approval to the city, town or county in which the land is located and before filing with the State Real Estate Commissioner a notice of intention to offer such land for sale or lease. An assured water supply means that: 1) sufficient groundwater, surface water or effluent of adequate quality will be continuously available to satisfy the water needs of the proposed use for at least 100 years; 2) the projected groundwater use is consistent with the management plan and achievement of the management goal for the AMA; and 3) the financial capability has been demonstrated to construct the water facilities necessary to make the supply of water available for the proposed use, including a delivery system and any storage facilities or treatment works ([A.R.S. § 45-576](#)).

Irrigation Non-Expansion Areas

The Director of ADWR may designate an area which is not included within an AMA as a subsequent INA if: 1) there is insufficient groundwater to provide a reasonably safe supply for irrigation of the cultivated lands in the area at the current rates of withdrawal; and 2) the establishment of an AMA is not necessary ([A.R.S. § 45-432](#)). A subsequent INA may be locally initiated by petition to the Director of ADWR if it is signed by: 1) at least 25 irrigation users of

groundwater, or 25 percent of the irrigation users within the boundaries of the groundwater basin or sub-basin specified in the petition; or 2) 10 percent of the registered voters residing within the boundaries of the groundwater basin or sub-basin specified in the petition ([A.R.S. § 45-433](#)).

In a subsequent INA, only acres of land which were irrigated at any time during the five years preceding the date of the notice of the initiation of designation procedures may be irrigated with groundwater, effluent, diffused water on the surface or surface water ([A.R.S. § 45-437](#)).

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

Provisions

Temporary Non-Expansion Area Initiation Procedures

1. Allows for the designation of a TNA in any location not included in an AMA or an INA to be initiated by petition to the Director of ADWR signed by:
 - a) at least one-half of the number of irrigation users of groundwater within the boundaries of the groundwater basin or subbasin specified in the petition; and
 - b) at least 10 percent of the registered voters residing within the boundaries of the groundwater basin or subbasin specified in the petition as of the most recent report compiled by the county recorder.
2. Requires the number of registered voters required to sign the petition, if a groundwater basin or subbasin is located in two or more counties, to be at least 10 percent of the registered voters residing within the boundaries of the groundwater basin or subbasin as of the most recent report compiled by the county recorder within the county in which the plurality of the registered voters in the groundwater basin or subbasin reside.
3. Requires the form of the petition to be substantially similar to an initiative petition.
4. Requires the applicant for the petition to comply with statutorily prescribed petition requirements.
5. Requires the duties of the Secretary of State to be performed by the county recorder of the county in which the plurality of registered voters in the groundwater basin or subbasin reside.
6. Prohibits a petition from being accepted more than 180 days after the date of submission of the application for petition.
7. Requires the Director of ADWR, after receiving a petition signed by registered voters, to transmit the petition to the county recorder of each county in which the groundwater basin or subbasin is located for verification of signatures.
8. Requires the Director of ADWR to transmit a map of the groundwater basin or subbasin to the county recorder of each such county included relating to the requirements for the verification of signatures.

9. Requires the map to be on a scale adequate to show with substantial accuracy where the boundaries of the groundwater basin or subbasin cross the boundaries of county voting precincts.
10. Requires the Director of ADWR to also transmit to the county recorder all other factual data concerning the boundaries of the groundwater basin or subbasin that may aid the county recorder in determining which registered voters of the county are residents of the groundwater basin or subbasin.
11. Requires ADWR, on verification that a sufficient number of persons signed the petition in support of establishing a TNA, to hold a prescribed meeting.
12. Allows an irrigation user, if procedures are initiated for designating a TNA, to irrigate within the proposed time during the 10 years preceding the date of the notice of the initiation of designation procedures.
13. Requires the limitation on the acres that may be irrigated to continue in effect until an outlined election is held.

Meetings

14. Requires the Director of ADWR, if an outlined petition is filed with a sufficient number of signatures, to hold a public meeting to describe the boundaries of the proposed TNA and to describe the effect of a TNA if established.
15. Requires the Director of ADWR to give reasonable notice of the meeting including publishing the notice once each week for two consecutive weeks in a newspaper of general circulation in each county in which the proposed TNA is located.
16. Requires the outlined notice to contain the time and place of the meeting, the legal description and a map clearly identifying and describing all lands to be included in the proposed TNA and any other information the Director of ADWR deems necessary.
17. Requires the meeting to be held at a location in the county in which the major portion of the proposed TNA is located not more than 60 days after the first publication of the notice of the meeting.
18. Requires the Director of ADWR, at the meeting, to present any data on groundwater levels for the proposed TNA from ADWR and to describe the effects of the proposed formation of the TNA.
19. Allows any person to appear at the outlined meeting, either in person or by representative and submit oral or documentary information regarding the proposed action.

Election

20. Requires ADWR to notify the county recorder of each county in which a proposed TNA is located when the outlined meeting is completed and the county recorder to provide notice to the county board of supervisors.

21. Requires the county board of supervisors to call for an election on the question of designating a TNA with boundaries that are coterminous with the boundaries of the groundwater basin or subbasin specified in the petition.
22. Requires the respective counties, if the proposed TNA is located in more than one county, to cooperate to administer the election.
23. Requires the election to be conducted as prescribed in the statutes relating to optional special district mail ballot elections, except that the election must include only registered voters who reside inside the boundaries of the proposed TNA as eligible voters.
24. Determines that if a majority of the people voting on the question approve the formation of the TNA, the TNA is established.
25. Requires the Director of ADWR on the establishment of a TNA to file a true copy of the map of the TNA in the office of the county recorder of the county or counties in which the TNA is located.
26. Allows a TNA to include more than one groundwater subbasin.
27. Prohibits a TNA from being smaller than a groundwater subbasin or including only a portion of a groundwater subbasin.

TNA Groundwater Users.

28. Stipulates that if a TNA is established only acres of land that were irrigated at any time during the 10 years preceding the date of the notice of the initiation of designation procedures may be irrigated with groundwater.
29. Prohibits any additional lands from being irrigated with groundwater for a period of 10 years after the date that the TNA is established or continued.
30. Deems land that was not irrigated at any time during the outlined 10-year period before designation to have been in irrigation if the Director of ADWR finds that substantial capital investment has been made for the subjugation of the land for an irrigation use, including on-site irrigation distribution facilities and a well or wells the drilling and construction of which were substantially commenced before the date of the notice of the initiation of designation procedures.
31. Prohibits a person, if a TNA is established, from withdrawing groundwater from a non-exempt well in an amount greater than the person's highest level of annual withdrawal in any one of the 10 years preceding the date of the notice of the initiation of designation procedures.
32. Prohibits ADWR, if a TNA is established, from issuing a drilling card that authorizes the drilling of a well in the TNA, except that a person may deepen an existing well or drill or cause to be drilled a replacement well, a new well that will be used as a recovery well or an exempt well in the TNA area if a notice of intention to drill is filed first.

33. Prohibits a person that withdraws groundwater from a non-exempt well for an irrigation use, if a TNA is established, from withdrawing more than five acre-feet of groundwater per acre of land that the person irrigates per year.
34. Requires each person that withdraws groundwater from a non-exempt well for an irrigation use and each person that withdraws more than 10 acre-feet of groundwater per year from a non-exempt well for a non-irrigation use, if a TNA is established, to use a water measuring device approved by the Director of the ADWR.
35. Requires each person that withdraws groundwater from a non-exempt well, if a TNA is established, to file a report on a calendar year basis with the Director of ADWR on a form provided by the Director of ADWR by March 31 of the following year.
36. Requires the report to include an outline of the area on which the person uses groundwater.
37. Allows a person, in filing a report, if the person withdraws 10 or fewer acre-feet of groundwater per year from a non-exempt well, to provide an estimate of the person's withdrawals.
38. Requires the geographic area of groundwater use to be:
 - a) the area of the property for an industrial user; and
 - b) the service area of the provider for a municipal provider.

Miscellaneous

39. Requires the Director of ADWR, not earlier than one year before completion of the 10-year moratorium period or any subsequent moratorium period, to conduct a hydrological analysis of the groundwater basin or subbasin.
40. Requires the analysis to include an estimate of any change in groundwater levels in the area.
41. Requires the Director of ADWR, by 90 days before the end of the 10-year moratorium period, to submit a report of the analysis findings to the Governor, the President of the Senate and the Speaker of the House of Representatives and provide a copy of this report to the Secretary of State.
42. Allows the Director of ADWR, by 60 days before the completion of the 10-year moratorium period and after completion of the hydrological analysis, to continue the TNA or allow the TNA designation to lapse.
43. Stipulates that if the Director of ADWR allows the TNA designation to lapse:
 - a) the requirements relating to the TNA groundwater users no longer applies;
 - b) a person may withdraw groundwater consistent with the laws of Arizona for a groundwater basin or subbasin not located in an AMA or INA; and
 - c) ADWR may issue a drilling card that authorizes the drilling of a well in the former TNA.
44. Allows the Director of ADWR, if the well to be drilled is located in a TNA, to record the notice, mail the drilling card that authorizes the drilling of the well and mail written notice of the issuance of the drilling card.
45. Defines *irrigation user of groundwater*.

46. Makes technical and conforming changes.

47. Becomes effective on the general effective date.

Amendments Adopted by Committee

- Removes the requirement that a replacement well be drilled in approximately the same location.

Amendments Adopted by Committee of the Whole

1. Prohibits a person that withdraws groundwater from a non-exempt well for an irrigation use, if a TNA is established, from withdrawing more than five acre-feet of groundwater per acre of land that the person irrigates per year.
2. Requires each person that withdraws groundwater from a non-exempt well for an irrigation use and each person that withdraws more than 10 acre-feet of groundwater per year from a non-exempt well for a non-irrigation use, if a TNA is established, to use a water measuring device approved by the Director of the ADWR.
3. Requires each person that withdraws groundwater from a non-exempt well, if a TNA is established, to file a report on a calendar year basis with the Director of ADWR on a form provided by the Director of ADWR by March 31 of the following year.
4. Requires the report to include an outline of the area on which the person uses groundwater.
5. Allows a person, in filing a report, if the person withdraws 10 or fewer acre-feet of groundwater per year from a non-exempt well, to provide an estimate of the person's withdrawals.
6. Requires the geographic area of groundwater use to be:
 - a) the area of the property for an industrial user; and
 - b) the service area of the provider for a municipal provider.
7. Requires the Director of ADWR, not earlier than one year before completion of the 10-year moratorium period or any subsequent moratorium period, to conduct a hydrological analysis of the groundwater basin or subbasin.
8. Replaces the outlined report on the groundwater levels in the TNA with the hydrological analysis of the groundwater basin or subbasin in the TNA.
9. Requires the analysis to include an estimate of any change in groundwater levels in the area.
10. Requires the Director of ADWR, by 90 days before the end of the 10-year moratorium period, to submit a report of the analysis findings to the Governor, the President of the Senate and the Speaker of the House of Representatives and provide a copy of this report to the Secretary of State.
11. Allows the Director of ADWR, by 60 days before the completion of the 10-year moratorium period and after completion of the hydrological analysis, to continue the TNA or allow the TNA designation to lapse.

12. Deems land that was not irrigated at any time during the 10-year period before designation, rather than the 10-year period after the date that the TNA is established, to have been in irrigation if the Director of ADWR finds that outlined substantial capital investment has been made for the subjugation of the land for an irrigation use.

13. Makes technical and conforming changes.

Governor's Veto Message

The Governor indicates in her [veto message](#) that H.B. 2570 fails to address the water policy challenges Arizona residents and communities are facing today and that she will not consider rural groundwater legislation outside of the context of ongoing negotiations for an alternative framework for rural groundwater management.

House Action

NREW	1/28/25	DP	6-4-0-0
3 rd Read	2/11/25		35-23-2
Final Read	5/6/25		32-22-6

Senate Action

NR	3/25/25	DPA	4-3-1
3 rd Read	4/29/25		16-12-2

Vetoed by the Governor 5/12/25

Prepared by Senate Research

May 14, 2025

SB/slp