



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

HB 2024: lottery; on-farm irrigation efficiency fund

Sponsor: Representative Griffin, LD 19

Committee on Natural Resources, Energy & Water

Overview

Deposits \$50,000,000 into the On-Farm Irrigation Efficiency Fund (Fund) from the State Lottery Fund in FYs 2025 and 2026.

History

[Laws 2022, Chapter 332](#) established the On-Farm Irrigation Efficiency Pilot Program to provide grants and collect data for on-farm irrigation efficiency systems to reduce on-farm water use while minimizing or eliminating the use of flood irrigation or fallowing.

The Fund consists of legislative appropriations, grants from federal agencies and other approved monies and is administered by the University of Arizona Cooperative Extension. The Fund provides grants to farmers to buy and install approved water-efficient irrigation systems that replace flood irrigation and are proven to save at least 20% of water used.

A grant cannot exceed \$1,000,000 per applicant or \$1,500 per acre of irrigable land that is served by the on-farm irrigation efficiency system.

The State Lottery Fund consists of all revenues from the sale of lottery tickets excluding the amount designated for prize payments. The State Lottery Fund balance is annually reduced by a series of statutory appropriations. The distribution, sometimes known as the "lottery waterfall," is ordered to provide funding for the lottery revenue bond debt service, then \$84,150,000 for the state General Fund (GF), followed by \$10,000,000 for the Game and Fish Heritage Fund, \$23,966,800 for health and welfare programs in fiscal year 2024 (annually adjusted for inflation), \$1,000,000 for homeless shelters, a further \$15,490,000 for the GF, \$3,500,000 for the Arizona Competes Fund, followed by up to 80% of university capital improvement debt service costs and, finally, the remaining balance is deposited into the GF (A.R.S. §§ [5-571](#), [5-572](#)).

Provisions

1. Deposits \$50,000,000 into the Fund from the State Lottery Fund in FYs 2025 and 2026. (Sec. 1)
2. Makes technical and conforming changes. (Sec. 1)

Prop 105 (45 votes) Prop 108 (40 votes) Emergency (40 votes) Fiscal Note