## ARIZONA HOUSE OF REPRESENTATIVES



Fifty-sixth Legislature Second Regular Session

House: NREW DPA 7-2-0-1

# HB 2201: Harquahala non-expansion area; groundwater transportation Sponsor: Representative Dunn, LD 25 House Engrossed

#### Overview

Allows groundwater to be transported from the Harquahala Irrigation Non-expansion Area (INA) to any location in La Paz County. Adds a public service corporation to the list of eligible entities authorized to transport groundwater from the Harquahala INA to an initial Active Management Area (AMA).

#### **History**

Unless specifically authorized, groundwater that is withdrawn in a basin or sub-basin located outside an initial AMA may not be transported to an initial AMA. Current law identifies four groundwater basins and sub-basins from which groundwater can be withdrawn and transported to an initial AMA. Those basins are: 1) McMullen Valley; 2) Butler Valley; 3) Harquahala INA; and 4) Big Chino sub-basin of the Verde River groundwater basin. Transportation of groundwater is subject to limitations as outlined in statute (A.R.S. § 45-551).

In the Harquahala INA, only Arizona and its political subdivisions can withdraw and transport groundwater from legally irrigable lands. The Harquahala INA is located in western Maricopa County and eastern La Paz County. Groundwater can be withdrawn up to a depth of 1,000 feet at a rate that, when combined with current withdrawals, does not cause groundwater declines at the site by more than 10 feet annually during a 100-year period. The amount that can be withdrawn per acre over a specified time period is limited (A.R.S. § 45-554).

The Arizona Corporation Commission (ACC) regulates public service corporations, including non-municipal utilities that provide water for irrigation, fire protection and other public uses. The ACC issues certificates of convenience and necessity that authorize a corporation to provide a service in a certain geographical area (A.R.S. § 40-281).

## **Provisions**

#### **Public Service Corporations**

- 1. Adds public service corporations to the list of eligible entities that may transport groundwater from the Harquahala INA to an initial AMA. (Sec. 1)
- 2. Requires the public service corporation to be: 1) regulated by the ACC; 2) hold a certificate of convenience and necessity for water service in an initial AMA; and 3) own land in the INA that is eligible to be irrigated. (Sec. 1)
- 3. Requires all costs associated with withdrawing, transporting, and delivering groundwater that is transported away from the Harquahala INA by a public service

□ Prop 105 (45 votes)	□ Prop 108 (40 votes)	☐ Emergency (40 votes)	$\Box$ Fiscal Note	
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corporation to be collected from the customers of the corporation's water district where the transported groundwater is used. (Sec. 1)

## Entities Eligible to Transport Groundwater

- 4. Expands the criteria for an eligible entity to withdraw and transport groundwater from the Harquahala INA by requiring:
  - a) compliance with the assured water supply program and hydrological studies;
  - b) installation of water measuring devices to determine the volume of groundwater withdrawn and transported from the Harquahala INA; and
  - c) monthly reports to ADWR containing:
    - i) information on the volume of groundwater withdrawn and transported from the Harquahala INA; and
    - ii) the end use or destination of the transported groundwater. (Sec. 1)
- 5. Establishes La Paz County as a location authorized to receive groundwater transported from the Harquahala INA for use by an eligible entity. (Sec. 1)

## Arizona Department of Water Resources (ADWR)

- 6. Requires the ADWR Director to adopt administrative rules to implement provisions relating to transportation of groundwater from the Harquahala INA and include reporting requirements. (Sec. 1)
- 7. Exempts ADWR from rulemaking requirements for one year after the effective date of this legislation. (Sec. 2)
- 8. Requires an annual report from ADWR that lists the amount of groundwater withdrawn and transported from the Harquahala INA for the preceding year, in total and by each entity, and to include a delineation of the end use or destination of all groundwater transported. (Sec. 1)
- 9. Requires ADWR to submit the report annually, by July 1, to the Governor, President of the Senate and Speaker of the House of Representatives and provide a copy to the Secretary of State. (Sec. 1)

#### Miscellaneous

10. Makes technical changes. (Sec. 1)