

# **Water & Energy Committee**

Senator Gail Griffin, Chairman



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# WATER & ENERGY COMMITTEE

## LEGISLATION ENACTED

department of forestry (S.B. 1189) – Chapter 145

Establishes the Department of Forestry and Fire Management to provide resources for land management and the prevention and suppression of wildland fires on state land and private property located outside of cities and towns. The State Forester is responsible for the direction, operation and control of the Department. The Department terminates on July 1, 2024.

conservation districts; education centers (S.B. 1190) – Chapter 33

Specifies that Natural Resource Conservation Districts organize and establish education centers to increase the knowledge of natural resources in the state through: 1) offering technical guidance and training to agricultural producers; 2) publishing scholarly materials; 3) providing educational and training opportunities; and 4) conducting or sponsoring scientific studies that affect natural resources.

water protection fund; conservation; supply (S.B. 1191) – Chapter 217

Expands the use of Arizona Water Protection Fund monies to include measures to increase water availability and prioritizes funding to projects that increase the supply of water. Removes the restriction that no more than five percent of monies spent in any fiscal year be used for water conservation programs outside of active management areas.

Mexican wolf; G&F approval; reporting (S.B. 1243) – Chapter 152

Requires the Arizona Game and Fish Commission (Commission) to attempt to enter into a memorandum of understanding with the U.S. Fish and Wildlife Services prior to any release, translocation or cross-fostering of Mexican gray wolves in the state. Requires the Arizona Game and Fish Department to report certain information regarding Mexican gray wolves to the Commission at each Commission meeting.

~~dams; affidavit; recording~~ (NOW: water storage; plan report) (S.B. 1399) – Chapter 164

Directs the State Land Commissioner and the Director of the Arizona Department of Water Resources to develop a plan that includes a preliminary investigation and identification of potentially acceptable sites to construct new water storage facilities on State Trust Land. A report of the departments' recommendations must be submitted by December 31, 2017.

distributed energy generation systems (S.B. 1417) – Chapter 56

*Distributed Energy Generation System Interconnection* – Outlines requirements for installing, energizing and interconnecting distributed energy generation systems (systems) to the

## **WATER & ENERGY COMMITTEE (Cont'd)**

power grid. A utility with fewer than 75,000 customers may waive the interconnection requirements.

***Solar Energy Device Warranties*** – Requires the collectors, heat exchangers and storage units of leased or financed solar energy devices to be warranted for at least two years or include an energy production output guarantee. Requires the written statement of warranty to be provided as part of the financing, sale or lease agreement.

***Solar Energy Device Installation Standards and Inspections*** – Removes various responsibilities of the Governor's Energy Office and requires solar energy devices to comply with all applicable state and federal consumer protection, rating, certification, performance, marking, installation and safety standards.

***System Finance, Sale or Lease Agreements*** – Requires blank spaces on the system finance, sale or lease agreement to be shown to and initialed by the buyer or lessee and outlines sections of the agreement that must be separately acknowledged by the buyer or lessee. Establishes requirements for documents or sales presentations relating to a system, including that the document or sales presentation must substantiate methodology for calculated financial savings and include certain historical utility rates. If the agreement or a document or sales presentation contains an estimate of future utility charges, the estimate must be shown as impacted by certain rate changes applied to the duration of the agreement in one percent increments.

water improvements program; grants; county (S.B. 1459) – Chapter 227

Allows a county board of supervisors (BOS) to establish a program to allow for gifts, grants or donations to provide financial assistance to low-income or fixed-income homeowners for making improvements to an existing drinking water well or providing for a water delivery system. The BOS must designate an entity to operate the program and may not use general county monies for grants under the program.

codes; adoption by reference; copies (H.B. 2021) – Chapter 81

SEE THE GOVERNMENT COMMITTEE.

municipalities; counties; energy use; reporting (H.B. 2130) – Chapter 27

Laws 2015, Chapter 271 created sections of statute prohibiting cities, towns and counties from: 1) requiring energy usage and consumption reports from businesses; and 2) regulating the sale, use or disposition of auxiliary containers. Both H.B. 2130 and H.B. 2131 split and separately reinsert that language into separate sections. H.B. 2130 specifically repeals statute prohibiting cities, towns and counties from requiring a business to measure and report energy usage and consumption and reinserts it into a separate section of statute. This section does not prohibit cities, towns or counties operating an electric or gas utility from metering or measuring energy deliveries, usage and consumption in the course of providing utility service.

## **WATER & ENERGY COMMITTEE (Cont'd)**

### municipalities; counties; auxiliary containers; prohibitions (H.B. 2131) – Chapter 28

Laws 2015, Chapter 271 created sections of statute prohibiting cities, towns and counties from: 1) requiring energy usage and consumption reports from businesses; and 2) regulating the sale, use or disposition of auxiliary containers. Both H.B. 2130 and H.B. 2131 split and separately reinsert that language into separate sections. H.B. 2131 specifically repeals the prohibition on the regulation of auxiliary containers and reinserts it into a separate section of statute.

### groundwater; waterlogged area exemption; date (H.B. 2291) – Chapter 86

Extends the following exemptions for three irrigation districts located in the Buckeye Waterlogged Area through the fifth management period (2025): 1) irrigation or intermediate water duties; 2) groundwater conservation requirements; 3) the groundwater withdrawal fee; and 4) the annual water duty exemption fee. Requires the Director of the Arizona Department of Water Resources to consult with all cities and towns within the exempted area on the scope and status of the review of hydrologic conditions and submit a recommendation regarding the extension of these exemptions by December 15, 2019.

### environment; water quality amendments (H.B. 2325) – Chapter 192

Requires fees collected for wastewater and drinking water operator certification to be deposited in the Water Quality Fee Fund instead of the state General Fund and conforms statute regarding the allowable lead content in pipes and plumbing fixtures to federal law.

### municipalities; water rates; requirements (H.B. 2391) – Chapter 195

Prohibits a municipality from assessing or collecting a fee on new water or wastewater service connections for the purpose of recovering the municipality's costs of acquiring property of a public service corporation or other municipality engaged in the business of providing water or wastewater services. This prohibition does not apply to water or wastewater fees adopted prior to January 1, 2016. Increases the time required to hold a public hearing on a proposed water or wastewater rate or fee increase, from at least 30 days to at least 60 days, and modifies the municipality's written report requirements.

### ~~county floodplain regulations; mobile homes~~ (NOW: mobile homes; county floodplain regulations) (H.B. 2474) – Chapter 257

Allows a small city or town in a small county that has assumed floodplain management powers and duties to adopt the lowest Federal Emergency Management Agency standard which allows a mobile home to be replaced under certain circumstances and requires the replacement home to either: 1) be elevated so the lowest point of the home is at or above the base flood elevation; or 2) have a chassis supported by reinforced piers or other foundation elements that are securely anchored to an adequately anchored foundation system.

## **WATER & ENERGY COMMITTEE (Cont'd)**

environment; budget reconciliation; 2016-2017. (H.B. 2702/S.B. 1533) – Chapter 120

SEE THE APPROPRIATIONS COMMITTEE.

### **LEGISLATION VETOED**

adequate water supply requirements; municipalities (S.B. 1268) – VETOED

Removes the requirement that cities and towns comply with county adequate water supply ordinances adopted after the effective date of this legislation. Allows municipalities located in counties that already adopted an adequate water supply ordinance to adopt an ordinance to opt out of the county's requirements with certain conditions.

The Governor indicates in his veto letter that S.B. 1268 would encourage a patchwork of water ordinances throughout cities and leave Arizona's water supply securities in peril.

~~water banking authority; report~~ (NOW: county water supply provision; renewal) (S.B. 1400) – VETOED

Requires a county ordinance that requires subdivisions to demonstrate an adequate water supply to be reviewed every five years and allows the county board of supervisors to rescind the provision by unanimous vote upon review.

The Governor indicates in his veto letter that S.B. 1400 would encourage a patchwork of water ordinances throughout cities and leave Arizona's water supply securities in peril.