

REFERENCE TITLE: irrigation districts; uses; drainage permit

State of Arizona  
Senate  
Fifty-fifth Legislature  
Second Regular Session  
2022

## **SB 1595**

Introduced by  
Senator Kerr

AN ACT

AMENDING SECTIONS 45-497 AND 45-519, ARIZONA REVISED STATUTES; RELATING TO  
THE GROUNDWATER CODE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 45-497, Arizona Revised Statutes, is amended to  
3 read:

4 45-497. Withdrawal of groundwater by irrigation districts for  
5 municipal or industrial purposes

6 A. This article ~~shall~~ DOES not ~~be construed to~~ enlarge the  
7 authority of an irrigation district to withdraw and distribute groundwater  
8 for municipal or industrial purposes.

9 B. An industrial user may not obtain groundwater delivery service  
10 from an irrigation district in excess of the amount it was entitled to  
11 receive on the date of the designation of the active management area  
12 unless the industrial user has acquired a grandfathered right or has  
13 obtained a general industrial use permit pursuant to section 45-515. An  
14 industrial user that has been issued a general industrial use permit  
15 pursuant to section 45-515 may, at any time, MAY elect to receive  
16 groundwater from an irrigation district in the amount specified in the  
17 permit if:

- 18 1. The director approves the delivery of ~~such~~ THE groundwater.
- 19 2. The irrigation district agrees to deliver ~~such~~ THE groundwater.
- 20 3. The industrial use is located within the exterior boundaries of  
21 the service area of the irrigation district.
- 22 4. The terms of the permit are modified pursuant to section 45-525.

23 C. AN INDUSTRIAL USER OR A MUNICIPAL WATER PROVIDER MAY OBTAIN  
24 GROUNDWATER DELIVERY SERVICE FROM AN IRRIGATION DISTRICT THAT QUALIFIES  
25 FOR THE EXEMPTIONS PRESCRIBED IN SECTION 45-411.01 IF ALL OF THE FOLLOWING  
26 APPLY:

- 27 1. THE IRRIGATION DISTRICT HOLDS A DRAINAGE WATER WITHDRAWAL PERMIT  
28 ISSUED PURSUANT TO SECTION 45-519 AND THE TOTAL AMOUNT OF WATER DELIVERED  
29 UNDER THIS SUBSECTION DOES NOT EXCEED THE ALLOWED VOLUME OF THAT DRAINAGE  
30 WATER WITHDRAWAL PERMIT.
- 31 2. THE GROUNDWATER IS DELIVERED TO THE INDUSTRIAL USER OR MUNICIPAL  
32 WATER PROVIDER AT A LOCATION WITHIN THE EXTERIOR BOUNDARIES OF THE  
33 IRRIGATION DISTRICT FOR TRANSPORTATION FOR A USE EITHER INSIDE OR OUTSIDE  
34 THE EXTERIOR BOUNDARIES OF THE IRRIGATION DISTRICT.
- 35 3. THE IRRIGATION DISTRICT AGREES TO DELIVER THE GROUNDWATER.
- 36 4. THE DELIVERY OF GROUNDWATER MUST TERMINATE ON THE EXPIRATION OF  
37 THE EXEMPTIONS PRESCRIBED IN SECTION 45-411.01 OR ON EXPIRATION OF THE  
38 DRAINAGE WATER WITHDRAWAL PERMIT ISSUED PURSUANT TO SECTION 45-519,  
39 WHICHEVER FIRST OCCURS.

40 D. IF THE INDUSTRIAL USE FOR WHICH SERVICE FROM THE IRRIGATION  
41 DISTRICT IS SOUGHT UNDER SUBSECTION C OF THIS SECTION IS LOCATED WITHIN A  
42 CITY OR TOWN, THE INDUSTRIAL USER MUST FIRST REQUEST SERVICE FROM THAT  
43 CITY OR TOWN OR A PRIVATE WATER COMPANY SERVICING THE LOCATION OF THE  
44 PROPOSED USE. THAT CITY, TOWN OR PRIVATE WATER COMPANY SHALL HAVE THE  
45 RIGHT TO SERVE THE INDUSTRIAL USE AND IF THE CITY, TOWN OR PRIVATE WATER

1 COMPANY AGREES TO SERVICE AT THE CUSTOMARY RATE IN THE CUSTOMARY MANNER,  
2 THE IRRIGATION DISTRICT SHALL NOT SERVE THE INDUSTRIAL USE.

3 Sec. 2. Section 45-519, Arizona Revised Statutes, is amended to  
4 read:

5 45-519. Drainage water withdrawal permit; conditions for  
6 issuance

7 A. A person may apply for and the director may issue a drainage  
8 water withdrawal permit if the director determines that drainage of  
9 irrigated lands is necessary for a reasonable economic return from  
10 agricultural production in respect to those lands and the withdrawal of  
11 such groundwater is consistent with the management plan and achievement of  
12 the management goal for the active management area.

13 B. The holder of a permit issued under subsection A of this section  
14 may:

15 1. Use groundwater withdrawn pursuant to the permit for a  
16 non-irrigation use if the person holds a non-irrigation grandfathered  
17 right pursuant to article 5 of this chapter, a general industrial use  
18 permit pursuant to section 45-515 or a service area right pursuant to  
19 article 6 of this chapter.

20 2. Convey groundwater withdrawn pursuant to the permit to another  
21 person for a non-irrigation use if the person receiving the groundwater  
22 holds a non-irrigation grandfathered right pursuant to article 5 of this  
23 chapter, a general industrial use permit pursuant to section 45-515 or a  
24 service area right pursuant to article 6 of this chapter.

25 3. IF THE HOLDER OF THE PERMIT IS AN IRRIGATION DISTRICT THAT  
26 QUALIFIES FOR THE EXEMPTIONS PRESCRIBED BY SECTION 45-411.01, DELIVER  
27 GROUNDWATER TO INDUSTRIAL USERS OR MUNICIPAL WATER PROVIDERS IN A TOTAL  
28 AMOUNT NOT TO EXCEED THE VOLUME OF THE PERMIT IF ALL CONDITIONS PRESCRIBED  
29 IN SECTION 45-497, SUBSECTION C ARE MET.

30 C. When determining compliance with the applicable conservation  
31 requirements established pursuant to sections 45-565, 45-565.01, 45-566,  
32 45-566.01, 45-567, 45-567.01, 45-568 and 45-568.01, the director shall  
33 account for groundwater withdrawn pursuant to a permit issued pursuant to  
34 subsection A of this section as surface water if the groundwater is  
35 withdrawn before January 1, 2035 from within the boundaries of the  
36 exempted area prescribed by section 45-411.01, subsection E and is used  
37 pursuant to subsection B of this section at a turf related facility or  
38 riparian habitat within the exempted area. The director shall cease  
39 accounting for the groundwater as surface water on expiration of the  
40 exemptions provided for in section 45-411.01 or on termination of the  
41 permit, whichever occurs first.

42 D. The director shall monitor withdrawals of groundwater pursuant  
43 to a drainage water withdrawal permit and shall terminate the permit if  
44 the conditions for issuance specified in subsection A of this section no  
45 longer apply. A permit issued pursuant to this section may be renewed  
46 subject to the same criteria used in granting the original permit.