REFERENCE TITLE: groundwater pumping; measuring; reporting

State of Arizona Senate Fifty-sixth Legislature First Regular Session 2023

SB 1446

Introduced by Senators Sundareshan: Epstein, Gonzales, Mendez, Miranda, Terán; Representative Travers

AN ACT

AMENDING SECTIONS 45-604, 45-632 AND 45-2602, ARIZONA REVISED STATUTES; RELATING TO THE GROUNDWATER CODE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 45-604, Arizona Revised Statutes, is amended to read:

45-604. Water measuring devices

- A. Except as provided in subsections B, C, and D AND E of this section, a person who withdraws groundwater from a nonexempt well in an active management area or an irrigation non-expansion area, a person who withdraws water from a non-exempt NONEXEMPT well in the Santa Cruz active management area, or a person who withdraws groundwater for transportation to an initial active management area pursuant to article 8.1 of this chapter OR A PERSON WHO WITHDRAWS GROUNDWATER FROM A NONEXEMPT WELL UNDER ANY OTHER CIRCUMSTANCES AND IN ANY OTHER LOCATION shall use a water measuring device approved by the director.
- B. A person who holds a type 2 non-irrigation grandfathered right or a groundwater withdrawal permit in the amount of ten or fewer acre-feet per year is not required to use a water measuring device to measure withdrawals pursuant to that grandfathered right or groundwater withdrawal permit unless the person holds more than one such right or permit in the aggregate amount of more than ten acre-feet per year and withdraws more than ten acre-feet of groundwater per year pursuant to those rights or permits from one well.
 - C. In an irrigation non-expansion area:
- 1. A person who withdraws ten or fewer acre-feet of groundwater per year from a $\frac{\mathsf{non-exempt}}{\mathsf{non-exempt}}$ NONEXEMPT well for a non-irrigation use is not required to use a water measuring device to measure withdrawals from that well.
- 2. A person who withdraws groundwater from a non-exempt NONEXEMPT well for an irrigation use is not required to use a water measuring device to measure withdrawals from that well if both of the following apply:
- (a) Groundwater withdrawn from the well for an irrigation use is used only on land that is owned by a person who has the right under section 45-437 to irrigate ten or fewer contiguous acres at the place of the use.
- (b) Groundwater withdrawn from the well is not used on land that is part of an integrated farming operation.
- D. In an active management area, a person, other than an irrigation district, who withdraws groundwater from a non-exempt NONEXEMPT well for use pursuant to an irrigation grandfathered right that is appurtenant to ten or fewer irrigation acres is not required to use a water measuring device to measure withdrawals from that well unless groundwater withdrawn from the well is also used pursuant to either a service area right pursuant to article 6 of this chapter or a grandfathered groundwater right other than an irrigation grandfathered right that is appurtenant to irrigation acres that are exempt from irrigation water duties pursuant to section 45-563.02.

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- E. FOR A NONEXEMPT WELL OTHER THAN A NONEXEMPT WELL PRESCRIBED BY SUBSECTIONS B. C AND D OF THIS SECTION:
- 1. A PERSON WHO WITHDRAWS TEN OR FEWER ACRE-FEET OF GROUNDWATER PER YEAR FROM A NONEXEMPT WELL FOR A NON-IRRIGATION USE IS NOT REQUIRED TO USE A WATER MEASURING DEVICE TO MEASURE WITHDRAWALS FROM THAT WELL.
- 2. A PERSON WHO WITHDRAWS GROUNDWATER FROM A NONEXEMPT WELL FOR AN IRRIGATION USE IS NOT REQUIRED TO USE A WATER MEASURING DEVICE TO MEASURE WITHDRAWALS FROM THAT WELL IF BOTH OF THE FOLLOWING APPLY:
- (a) GROUNDWATER WITHDRAWN FROM THE WELL FOR AN IRRIGATION USE IS USED ONLY ON LAND THAT IS OWNED BY A PERSON WHO HAS THE RIGHT TO IRRIGATE TEN OR FEWER CONTIGUOUS ACRES AT THE PLACE OF THE USE.
- (b) GROUNDWATER WITHDRAWN FROM THE WELL IS NOT USED ON LAND THAT IS PART OF AN INTEGRATED FARMING OPERATION.
- E. F. The director shall adopt rules setting forth the requirements and specifications for water measuring devices.
- Sec. 2. Section 45-632, Arizona Revised Statutes, is amended to read:

45-632. Records and annual report of groundwater pumping. transportation and use: penalty

- A. Each person who is required to file an annual report under this section or who files an annual report under subsection E of this section shall maintain current accurate records of the person's withdrawals, transportation, deliveries and use of groundwater and, in the Santa Cruz active management area, current accurate records of the person's withdrawals, deliveries and use of all water withdrawn from a well, as prescribed by the director under subsection P— Q of this section.
- B. Except as provided in subsections C and D of this section, an annual report shall be filed with the director by each person who:
- 1. Owns or leases a right under this chapter to withdraw, receive or use groundwater in an active management area, unless a report is filed for that person by an irrigation district under subsection E of this section or by another person in a form acceptable to the director.
- 2. Uses groundwater $\frac{\text{which}}{\text{management area}}$ THAT is transported from an active management area.
- 3. Is an individual user subject to a municipal conservation requirement for appropriate conservation measures included in a management plan adopted by the director pursuant to article 9 of this chapter.
- 4. Withdraws groundwater for transportation to an initial active management area pursuant to article 8.1 of this chapter.
- 5. Withdraws water from a well in the Santa Cruz active management area or who uses water, other than stored water, withdrawn from a mon-exempt NONEXEMPT well in the Santa Cruz active management area.

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- 6. WITHDRAWS GROUNDWATER FROM A NONEXEMPT WELL IN A LOCATION OUTSIDE OF AN ACTIVE MANAGEMENT AREA AND OUTSIDE OF AN IRRIGATION NON-EXPANSION AREA, EXCEPT THAT A PERSON WHO WITHDRAWS GROUNDWATER FOR AN IRRIGATION USE FROM A NONEXEMPT WELL IS EXEMPT FROM ANNUAL REPORTING REQUIREMENTS IF THE GROUNDWATER IS USED ONLY ON LAND THAT IS OWNED BY A PERSON WHO HAS THE RIGHT TO IRRIGATE TEN OR FEWER CONTIGUOUS ACRES AT THE PLACE OF USE AND THE LAND IS NOT PART OF AN INTEGRATED FARMING OPERATION OF MORE THAN TEN ACRES.
- C. Persons who withdraw groundwater from exempt wells and non-irrigation customers of cities, towns, private water companies and irrigation districts, except customers receiving water pursuant to a permit, are exempt from the record keeping and reporting requirements of this section for such water.
- D. A person who owns or leases an irrigation grandfathered right that is appurtenant to ten or fewer irrigation acres is exempt from the record keeping and reporting requirements of this section for the irrigation grandfathered right unless one of the following applies:
- 1. The land to which the irrigation grandfathered right is appurtenant is part of an integrated farming operation.
- 2. Groundwater is withdrawn from the land to which the irrigation grandfathered right is appurtenant and delivered for use pursuant to either a service area right pursuant to article 6 of this chapter or a grandfathered groundwater right other than an irrigation grandfathered right that is appurtenant to irrigation acres that are exempt from irrigation water duties pursuant to section 45-563.02.
- 3. Groundwater is withdrawn from land that is both owned by the owner of the irrigation grandfathered right and contiguous to the land to which the irrigation grandfathered right is appurtenant and delivered for use pursuant to either a service area right pursuant to article 6 of this chapter or a grandfathered groundwater right other than an irrigation grandfathered right that is appurtenant to irrigation acres that are exempt from irrigation water duties pursuant to section 45-563.02.
- E. An irrigation district which THAT delivers and distributes groundwater in an active management area may file an annual report with the director for each person who holds an irrigation grandfathered right appurtenant to irrigation acres within the service area of the irrigation district, if the irrigation district delivers all the water used on the person's irrigation acres. If an irrigation district files an annual report for such a person, the irrigation district shall report the following information for each such person:
- 1. The name of the person and the certificate number of the person's irrigation grandfathered right.
- 2. The quantity of groundwater, if any, delivered during the calendar year.

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- F. Persons who are required to report under subsection B, paragraph 1 of this section and who withdraw groundwater during the calendar year in an active management area shall report the following information for each well:
 - 1. The registration number and location of the well.
- 2. The quantity of groundwater withdrawn from the well during the calendar year. A person who, under section 45-604, subsection B, is not required to use and does not use a water measuring device to measure withdrawals made pursuant to a type 2 non-irrigation grandfathered right or a groundwater withdrawal permit shall estimate the quantity of groundwater withdrawn pursuant to the grandfathered right or withdrawal permit.
- 3. The quantity of fuel or electricity consumed by the pump during the calendar year.
- 4. The uses to which the groundwater was applied or the persons to whom the groundwater was delivered during the calendar year.
- G. Persons who are required to report under subsection B, paragraph 1 of this section and who use groundwater during the calendar year in an active management area and persons who are required to report under subsection B, paragraph 2 of this section shall report the following information:
 - 1. The source of the groundwater, including:
 - (a) The name of the person from whom the groundwater was obtained.
 - (b) The registration number and location of the well, if known.
 - 2. The quantity of groundwater used during the calendar year.
- 3. The specific uses to which the groundwater was applied during the calendar year.
- H. Persons who are required to report under subsection B, paragraph 4 of this section and who transport groundwater during the calendar year to an initial active management area under article 8.1 of this chapter shall report the following information:
 - 1. The registration number and location of each well.
- 2. The quantity of groundwater withdrawn from each well during the calendar year.
- 3. The quantity of groundwater transported during the calendar year to an initial active management area.
- 4. The quantity of groundwater that was withdrawn during the calendar year and that was not transported to an initial active management area and the uses to which the groundwater was applied.
- 5. The quantity of fuel or electricity consumed by each pump during the calendar year.
- 6. The uses to which the groundwater was applied or the persons to whom the groundwater was delivered during the calendar year.

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- I. Persons who are required to report under subsection B, paragraph 1 of this section and who neither withdraw nor use groundwater during the calendar year shall report the following information:
- 1. The fact that no groundwater was withdrawn or used during the calendar year.
 - 2. The registration number and location of each well, if any.
- J. Persons who are required to report under subsection B, paragraph 5 of this section and who withdraw water from a non-exempt NONEXEMPT well in the Santa Cruz active management area during the calendar year shall report the following information:
 - 1. The registration number and location of the well.
- 2. The quantity of water, by type, withdrawn from the well during the calendar year.
- 3. The quantity of fuel or electricity consumed by the pump during the calendar year.
- 4. The uses to which the groundwater was applied or the persons to whom the water was delivered during the calendar year.
- K. Persons who are required to report under subsection B, paragraph 5 of this section and who use water withdrawn from a non-exempt NONEXEMPT well in the Santa Cruz active management area during the calendar year shall report the following information:
 - 1. The source of the water, including:
 - (a) The name of the person from whom the water was obtained.
 - (b) The registration number and location of the well, if known.
- 2. The quantity of the water, by type, used during the calendar year.
- 3. The specific uses to which the water was applied during the calendar year.
- L. PERSONS WHO ARE REQUIRED TO REPORT UNDER SUBSECTION B, PARAGRAPH 6 OF THIS SECTION AND WHO WITHDRAW GROUNDWATER FROM A NONEXEMPT WELL DURING THE CALENDAR YEAR SHALL REPORT THE FOLLOWING INFORMATION:
 - 1. THE REGISTRATION NUMBER AND LOCATION OF THE WELL.
- 2. THE QUANTITY OF GROUNDWATER WITHDRAWN FROM THE WELL DURING THE CALENDAR YEAR, EXCEPT THAT A PERSON WHO, UNDER SECTION 45-604, SUBSECTION E, PARAGRAPH 1, IS NOT REQUIRED TO USE A WATER MEASURING DEVICE SHALL ESTIMATE THE QUANTITY OF GROUNDWATER WITHDRAWN.
- 3. THE QUANTITY OF FUEL OR ELECTRICITY CONSUMED BY THE PUMP DURING THE CALENDAR YEAR.
- 4. THE USES TO WHICH THE GROUNDWATER WAS APPLIED OR THE PERSONS TO WHOM THE GROUNDWATER WAS DELIVERED DURING THE CALENDAR YEAR.
 - 5. THE QUANTITY OF THE GROUNDWATER USED DURING THE CALENDAR YEAR.
- t. M. If a person both withdraws groundwater in an active management area and uses such water, the person may combine the information required by subsections F and G of this section into one report. If a person both withdraws water, other than stored water, from a

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non-exempt well in the Santa Cruz active management area and uses such water, the person may combine the information required by subsections J and K of this section into one report.

 ${\sf M.}$ N. The director may require such other information in the report as may be necessary to accomplish the management goals of the applicable active management area.

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m N.}$ 0. Each report shall contain either a sworn statement or a certification, under penalty of perjury, that the information contained in the report is true and correct according to the best belief and knowledge of the person filing the report.

basis and shall be filed with the director no later than March 31 of each year for the preceding calendar year. If a person who is required under this section to file an annual report for calendar year 1985 or any subsequent calendar year fails to file a report for the calendar year in question on or before March 31 of the following year, the director may assess and collect a penalty of twenty-five dollars \$25 for each month or portion of a month that the annual report is delinquent. The total penalty assessed under this subsection shall not exceed one hundred fifty dollars \$150. The director shall deposit, pursuant to sections 35-146 and 35-147, all penalties collected under this subsection in the state general fund.

P. Q. The records and reports required to be kept and filed under this section shall be in such form as the director prescribes. The director shall prepare blank forms and distribute them on a timely schedule throughout each active management area and furnish them upon ON request. Failure to receive or obtain the forms does not relieve any person from keeping the required records or making any required report. The director shall cooperate with cities and towns, private water companies and irrigation districts in establishing the form of the records and reports to be kept and filed by them.

Sec. 3. Section 45-2602, Arizona Revised Statutes, is amended to read:

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45-2602. <u>Establishment of southside protection zones:</u> reporting requirements
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- A. The following southside protection zones are established on the effective date of this section DECEMBER 14, 2007:
 - 1. The eastern protection zone north.
 - 2. The eastern protection zone south.
 - 3. The western municipal and industrial protection zone.
 - 4. The western municipal protection zone.
 - 5. The central protection zone.

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- B. The boundaries of the southside protection zones established under subsection A OF THIS SECTION are shown on the maps that are dated March 25, 2002 and that are on file in the department. The maps shall be available for examination by the public during regular business hours.
- C. Each person in the Pinal active management area who withdraws underground water during a calendar year in a southside protection zone established under this section, other than the central protection zone, shall file an annual report with the director no later than March 31 of each year for the preceding calendar year. The report shall contain the following information in addition to any other information required by section 45-632:
- 1. The amount of underground water withdrawn within the southside protection zone and the name of the protection zone.
- 2. If the underground water was used for a nonirrigation use, the purpose for which the underground water was used, the location of the use, the acreage of the parcel or parcels of land on which the underground water was used and the date the use commenced.
- 3. The amount of any water replenished during the year pursuant to section 45-2611, subsection B, paragraph 2, the water use for which the water was replenished and the manner in which the water was replenished.
- 4. The amount of any water replaced during the year pursuant to section 45-2611, subsection B, paragraph 3, the water use for which the water was replaced and the manner in which the water was replaced.
- D. A person who is required to file an annual report for a year under subsection C of this section:
- 1. Shall use a water measuring device approved by the director unless exempt under section 45-604.
- 2. Shall maintain current accurate records of the person's withdrawals, transportation, deliveries and use of underground water as prescribed by the director.
- 3. May combine the report with an annual report for the same year filed under section 45-632.
- 4. Shall comply with the requirements prescribed in section 45-632, subsections $\frac{N}{N}$, 0, and P and Q AND is subject to the penalties prescribed in section 45-632, subsection $\frac{O}{N}$ P as if the report was required by section 45-632.
- E. A person who withdraws underground water from an exempt well is exempt from the record keeping and reporting requirements of subsections C and D of this section. For the purposes of this subsection, "exempt well" means a well that has a pump with a maximum capacity of not more than thirty-five gallons per minute, that is used to withdraw underground water and that would qualify as an exempt well under section 45-454 if used to withdraw groundwater.

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- F. If stored water is withdrawn in the Pinal active management area in a southside protection zone established under this section, other than the central protection zone, the annual report filed under section 45-875.01, subsection D shall include:
- 1. The amount of stored water withdrawn within the southside protection zone and the name of the protection zone.
- 2. If the stored water was used for a nonirrigation use, the purpose for which the water was used, the acreage of the parcel or parcels of land on which the water was used, the location of the use and the date the use commenced.
- 3. The identification of the storage facility in which the water was stored.
- 4. The amount of any water replenished during the year pursuant to section 45-2611, subsection B, paragraph 2, the water use for which the water was replenished and the manner in which the water was replenished.
- 5. The amount of any water replaced during the year pursuant to section 45-2611, subsection B, paragraph 3, the water use for which the water was replaced and the manner in which the water was replaced.

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