REFERENCE TITLE: remedial groundwater incentive; brackish groundwater

State of Arizona House of Representatives Fifty-sixth Legislature Second Regular Session 2024

HB 2186

Introduced by Representatives Kolodin: Gillette, Jones, McGarr, Parker B, Smith

AN ACT

AMENDING SECTIONS 45-561 AND 45-576.01, ARIZONA REVISED STATUTES; AMENDING TITLE 45, CHAPTER 2, ARTICLE 9, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 45-581, 45-581.01 AND 45-581.02; AMENDING SECTIONS 49-201, 49-281 AND 49-287.04, ARIZONA REVISED STATUTES; RELATING TO BRACKISH GROUNDWATER.

(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 45-561, Arizona Revised Statutes, is amended to read:

45-561. <u>Definitions</u>

In this article, unless the context otherwise requires:

- 1. "ANNUAL AUTHORIZED VOLUME" MEANS, FOR AN APPROVED REMEDIAL ACTION PROJECT, THE ANNUAL AUTHORIZED VOLUME SPECIFIED IN A CONSENT DECREE OR OTHER DOCUMENT APPROVED BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY OR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, EXCEPT THAT:
- (a) IF NO ANNUAL AUTHORIZED AMOUNT IS SPECIFIED IN A CONSENT DECREE OR OTHER DOCUMENT APPROVED BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY OR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, THE ANNUAL AUTHORIZED VOLUME IS THE LARGEST VOLUME OF GROUNDWATER WITHDRAWN PURSUANT TO THE APPROVED REMEDIAL ACTION PROJECT IN ANY YEAR BEFORE THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION.
- (b) IF THE DIRECTOR INCREASES THE ANNUAL AUTHORIZED VOLUME PURSUANT TO SECTION 45-581, THE ANNUAL AUTHORIZED VOLUME IS THE AMOUNT APPROVED BY THE DIRECTOR.
- 2. "APPROVED REMEDIAL ACTION PROJECT" MEANS A REMEDIAL ACTION PROJECT APPROVED BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY PURSUANT TO TITLE 49 OR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY PURSUANT TO CERCLA AS DEFINED IN SECTION 45-802.01.
- $rac{1.}{0.0}$ 3. "Aquifer" means a geologic formation that contains sufficient saturated materials to be capable of storing water and transmitting water in usable quantities to a well.
- 2. 4. "Augmentation" means to supplement the water supply of an active management area and may include the importation of water into the active management area, storage of water or storage of water pursuant to chapter 3.1 of this title.
- 5. "AUTHORIZED REMEDIAL GROUNDWATER USE" MEANS, FOR ANY YEAR, THE AMOUNT OF REMEDIAL GROUNDWATER WITHDRAWN PURSUANT TO AN APPROVED REMEDIAL ACTION PROJECT AND USED BY A PERSON WITH OR APPLYING FOR A CERTIFICATE OR DESIGNATION OF ASSURED WATER SUPPLY DURING THE YEAR, NOT TO EXCEED THE ANNUAL AUTHORIZED VOLUME OF THE PROJECT.
- 3. 6. "Incidental recharge" means the percolation of water to an aquifer after the water has been withdrawn, diverted or received for delivery by a municipal provider for use within its service area, except water that is added to an aquifer pursuant to chapter 3.1 of this title.
- 4. 7. "Incidental recharge factor" means the ratio of the amount of incidental recharge attributable to a municipal provider during a calendar year to the amount of water withdrawn, diverted or received for delivery by the municipal provider for use within its service area during the year. The amount of incidental recharge attributable to a municipal provider during a calendar year is the amount of water that is incidentally recharged during the year after it is withdrawn, diverted or

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received for delivery by the municipal provider for use within its service area.

- 5. 8. "Industrial use" means a non-irrigation use of water not supplied by a city, town or private water company, including animal industry use and expanded animal industry use.
- 6. 9. "Intermediate water duty" means an irrigation water duty, as defined in section 45-402, which THAT is established by the director during a management period to apply for a specific number of years during the management period.
- 7. 10. "Large untreated water provider" means a municipal provider that as of January 1, 1990 was serving untreated water to at least five hundred persons or supplying at least one hundred acre-feet of untreated water during a calendar year.
- 8.11. "Management period" means a period of years prescribed by sections 45-564 through 45-568 during which a prescribed management plan applies.
- 9. 12. "Mined groundwater" means the amount of groundwater withdrawn or received by a municipal provider from within an active management area during a calendar year for use in its service area, minus both of the following, as applicable:
- (a) An amount of water computed by multiplying the amount of water supplied by the municipal provider for use within its service area during the calendar year by the incidental recharge factor established for the municipal provider pursuant to this article.
- (b) If the municipal provider is a city or town in the Tucson active management area, the amount of groundwater withdrawn by the municipal provider during the calendar year from land owned or leased by the municipal provider to which a type 1 non-irrigation grandfathered right under section 45-463, subsection A is appurtenant, up to the following amount:
- (i) If the municipal provider has made a request to the director as described in section 45-463, subsection F, the amount of groundwater computed by the director under section 45-463, subsection F, in determining whether to designate or redesignate the municipal provider as having an assured water supply, minus the amount of any groundwater withdrawn by the municipal provider from the land during the period beginning with January 1 of the year in which the request was made and ending on December 31 of the year immediately preceding the calendar year for which the calculation of mined groundwater is being made.
- (ii) If the municipal provider has not made a request to the director as described in section 45-463, subsection F, the amount of groundwater that the director would have been required to include in determining whether to designate or redesignate the municipal provider as having an assured water supply, as computed under section 45-463, subsection F, if the municipal provider had made a request to the director

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as described in that subsection on January 1 of the calendar year for which the calculation of mined groundwater is being made.

10. 13. "Municipal provider" means a city, town, private water company or irrigation district that supplies water for non-irrigation use.

11. 14. "Municipal use" means all non-irrigation uses of water supplied by a city, town, private water company or irrigation district, except for uses of water, other than Colorado river water, released for beneficial use from storage, diversion or distribution facilities to avoid spilling that would otherwise occur due to uncontrolled surface water inflows that exceed facility capacity.

- 15. "REMEDIAL GROUNDWATER":
- (a) MEANS GROUNDWATER WITHDRAWN PURSUANT TO AN APPROVED REMEDIAL ACTION PROJECT.
- (b) DOES NOT INCLUDE GROUNDWATER WITHDRAWN TO PROVIDE AN ALTERNATIVE WATER SUPPLY PURSUANT TO SECTION 49-282.03.
- 12. 16. "Safe-yield" means a groundwater management goal which attempts to achieve and thereafter maintain a long-term balance between the annual amount of groundwater withdrawn in an active management area and the annual amount of natural and artificial recharge in the active management area.
- 13. 17. "Small municipal provider" means a municipal provider that supplies two hundred fifty acre-feet or less of water for non-irrigation use during a calendar year. For THE purposes of this paragraph, the amount of untreated water that is supplied by a large untreated water provider during a year shall not be counted in determining whether the municipal provider supplied two hundred fifty acre-feet or less of water for non-irrigation use.
- 14. 18. "Untreated water" means water that is not treated to improve its quality and that is supplied by a municipal provider through a distribution system other than a potable water distribution system.
- Sec. 2. Section 45-576.01, Arizona Revised Statutes, is amended to read:

45-576.01. <u>Determining consistency with management goal in a replenishment district, conservation district and water district</u>

- A. For the purpose of determining whether an assured water supply exists, the director shall find that a groundwater replenishment district member's projected use is consistent with achieving the management goal for the active management area under section 45-576 if:
- 1. The land for which a certificate or the city, town or private water company for which a designation is sought is in a groundwater replenishment district established pursuant to title 48, chapter 27.
- 2. The director has made either a preliminary determination that has not expired or a final determination that the district's plan for

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 operation is consistent with achieving the management goal according to section 45-576.03, subsection E.

- 3. The master replenishment account established pursuant to section 45-858.01 does not have a debit balance that exceeds the cumulative amount of the district's debits accrued during the four preceding calendar years.
- B. For the purpose of determining whether an assured water supply exists, the director shall find that a projected use is consistent with achieving the management goal for the active management area under section 45-576 if all of the following apply:
- 1. The land for which a certificate is sought is a member land, or the service area of a city, town or private water company for which a designation is sought is a member service area, in a conservation district as provided by title 48, chapter 22, article 4, or the land for which a certificate is sought is a water district member land, or the service area for which a designation is sought is a water district member service area in a water district as provided by title 48, chapter 28, article 7.
- 2. The director's most recent determination pursuant to section 45-576.03, subsection M, O or R that the plan for operation submitted by the conservation district or water district is consistent with achieving the management goal for the active management area in which the use is located has not expired.
- 3. The conservation district or the water district, whichever is obligated to replenish groundwater on behalf of the land for which a certificate is sought or the service area of a city, town or private water company for which a designation is sought, is currently in compliance with its groundwater replenishment obligation for the active management area in which the use is located, as determined by the director pursuant to section 45-859.01 or 45-860.01.
- C. THE USE OF REMEDIAL GROUNDWATER BY A PERSON WITH OR APPLYING FOR A CERTIFICATE OR DESIGNATION OF ASSURED WATER SUPPLY DURING A YEAR IS DEEMED CONSISTENT WITH THE MANAGEMENT GOAL OF THE ACTIVE MANAGEMENT AREA IN WHICH THE REMEDIAL GROUNDWATER IS WITHDRAWN AND IS EXCLUDED WHEN DETERMINING COMPLIANCE WITH MANAGEMENT GOAL REQUIREMENTS IN THIS ARTICLE IF THE DIRECTOR DETERMINES THAT THE REMEDIAL GROUNDWATER USE IS CONSISTENT WITH THE MANAGEMENT GOAL PURSUANT TO SECTION 45-581.01 AND THE PERSON COMPLIES WITH THE METERING AND REPORTING REQUIREMENTS ESTABLISHED IN SECTIONS 45-581.01 AND 45-581.02.
- D. THE USE OF REMEDIAL GROUNDWATER BY A PERSON WITH OR APPLYING FOR A CERTIFICATE OR DESIGNATION OF ASSURED WATER SUPPLY DURING A YEAR IS DEEMED CONSISTENT WITH THE MANAGEMENT GOAL OF THE ACTIVE MANAGEMENT AREA IN WHICH THE REMEDIAL GROUNDWATER IS WITHDRAWN AND IS EXCLUDED WHEN DETERMINING COMPLIANCE WITH MANAGEMENT GOAL REQUIREMENTS IN THIS ARTICLE WITHOUT APPROVAL OF THE DIRECTOR IF ALL THE FOLLOWING APPLY:

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- 1. THE REMEDIAL GROUNDWATER ASSOCIATED WITH THE WITHDRAWAL OR USE MEETS THE DEFINITION OF A HAZARDOUS SUBSTANCE PRESCRIBED IN SECTION 49-201, PARAGRAPH 21, SUBDIVISION (g).
- 2. THE TOTAL AMOUNT OF REMEDIAL GROUNDWATER TO BE WITHDRAWN FROM ALL WELLS PURSUANT TO THE APPROVED REMEDIAL ACTION PROJECT DOES NOT EXCEED THE TOTAL AMOUNT OF REMEDIAL GROUNDWATER IN THE RELEVANT AREA THAT MEETS THE DEFINITION OF A HAZARDOUS SUBSTANCE PRESCRIBED IN SECTION 49-201, PARAGRAPH 21, SUBDIVISION (g).
- 3. THE PERSON PROVIDES THE INFORMATION REQUIRED IN SECTION 45-581.02.
- 4. THE PERSON COMPLIES WITH THE METERING AND REPORTING REQUIREMENTS ESTABLISHED IN SECTIONS 45-581.01 AND 45-581.02.
- Sec. 3. Title 45, chapter 2, article 9, Arizona Revised Statutes, is amended by adding sections 45-581, 45-581.01 and 45-581.02, to read:
 - 45-581. Remedial groundwater; applications; authorization;

rules

- A. A PERSON WITH OR APPLYING FOR A CERTIFICATE OR DESIGNATION OF ASSURED WATER SUPPLY THAT IS USING OR PROPOSING TO USE REMEDIAL GROUNDWATER OR THAT HAS AGREED IN A CONSENT DECREE OR OTHER DOCUMENT APPROVED BY THE DEPARTMENT OF ENVIRONMENTAL QUALITY OR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO USE REMEDIAL GROUNDWATER MAY APPLY TO THE DIRECTOR FOR A DETERMINATION THAT THE PERSON'S USE OF THE REMEDIAL GROUNDWATER IS CONSISTENT WITH THE MANAGEMENT GOAL OF THE ACTIVE MANAGEMENT AREA BY SUBMITTING AN APPLICATION ON A FORM PROVIDED BY THE DIRECTOR.
- B. IF THE DIRECTOR APPROVES AN APPLICATION FOR A DETERMINATION THAT THE PERSON'S USE OF THE REMEDIAL GROUNDWATER IS CONSISTENT WITH THE MANAGEMENT GOAL OF THE ACTIVE MANAGEMENT AREA, THE DIRECTOR SHALL CALCULATE THE ANNUAL AMOUNT OF REMEDIAL GROUNDWATER USE THAT IS DEEMED CONSISTENT WITH THE MANAGEMENT GOAL.
 - C. THE DIRECTOR SHALL ADOPT RULES:
- 1. ESTABLISHING A SIMPLIFIED APPLICATION PROCESS TO DETERMINE THAT REMEDIAL GROUNDWATER USE IS CONSISTENT WITH THE MANAGEMENT GOALS OF AN ACTIVE MANAGEMENT AREA.
- 2. OUTLINING THE TIMELINE FOR REVIEW FOR AN APPLICATION SUBMITTED PURSUANT TO THIS SECTION.
- 3. OUTLINING THE FORMULATION TO CALCULATE, INCREASE OR DECREASE THE ANNUAL AUTHORIZED VOLUME THAT CAN BE WITHDRAWN.
 - 45-581.01. Remedial groundwater; metering; reporting
- A. A PERSON WITH OR APPLYING FOR A CERTIFICATE OR DESIGNATION OF ASSURED WATER SUPPLY THAT IS WITHDRAWING OR PROPOSING TO WITHDRAW REMEDIAL GROUNDWATER THAT IS OR HAS BEEN DETERMINED TO BE CONSISTENT WITH THE MANAGEMENT GOAL UNDER SECTION 45-576.01 SHALL METER THE REMEDIAL GROUNDWATER WITHDRAWALS SEPARATELY FROM GROUNDWATER WITHDRAWN PURSUANT TO ANOTHER GROUNDWATER WITHDRAWAL AUTHORITY.

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 B. A PERSON WITH OR APPLYING FOR A CERTIFICATE OR DESIGNATION OF ASSURED WATER SUPPLY THAT IS WITHDRAWING OR PROPOSING TO WITHDRAW REMEDIAL GROUNDWATER THAT IS OR HAS BEEN DETERMINED TO BE CONSISTENT WITH THE MANAGEMENT GOAL UNDER SECTION 45-576.01 SHALL INCLUDE IN ITS ANNUAL REPORTS, FILED UNDER SECTION 45-632, THE AMOUNT OF REMEDIAL GROUNDWATER WITHDRAWN DURING THE REPORTING YEAR THAT IS CONSISTENT WITH THE MANAGEMENT GOAL UNDER THIS ARTICLE AND THE PURPOSES FOR WHICH THE REMEDIAL GROUNDWATER WAS USED.

45-581.02. Remedial groundwater; brackish groundwater desalination; notice

A PERSON WITH OR APPLYING FOR A CERTIFICATE OR DESIGNATION OF ASSURED WATER SUPPLY THAT IS WITHDRAWING OR PROPOSING TO WITHDRAW OR USE REMEDIAL GROUNDWATER THAT MEETS THE DEFINITION OF A HAZARDOUS SUBSTANCE PRESCRIBED IN SECTION 49-201, PARAGRAPH 21, SUBDIVISION (g) AND IS DEEMED CONSISTENT WITH THE MANAGEMENT GOALS OF AN ACTIVE MANAGEMENT AREA UNDER SECTION 45-576.01 SUBSECTION C OR D SHALL PROVIDE NOT LESS THAN ONE HUNDRED TWENTY DAYS BEFORE COMMENCEMENT OF THE WITHDRAWALS OR USE OR ONE HUNDRED TWENTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, WHICHEVER IS LATER, WRITTEN NOTICE TO THE DIRECTOR OF THE FOLLOWING:

- 1. THE ANNUAL VOLUME OF REMEDIAL GROUNDWATER TO BE WITHDRAWN FROM EACH WELL PURSUANT TO THE APPROVED REMEDIAL ACTION PROJECT.
- 2. THE TOTAL AMOUNT OF REMEDIAL GROUNDWATER IN THE RELEVANT AREA THAT MEETS THE DEFINITION OF A HAZARDOUS SUBSTANCE PRESCRIBED IN SECTION 49-201, PARAGRAPH 21, SUBDIVISION (g).
- 3. THE TIME PERIOD IN WHICH REMEDIAL GROUNDWATER WILL BE WITHDRAWN AND USED.
- 4. THE ANTICIPATED OR ACTUAL COMMENCEMENT DATE OF WITHDRAWALS OR USE.
 - 5. THE PURPOSE FOR WHICH THE REMEDIAL GROUNDWATER WILL BE USED.
- 6. A COPY OF A DOCUMENT EVIDENCING DEPARTMENT OF ENVIRONMENTAL QUALITY OR UNITED STATES ENVIRONMENTAL PROTECTION AGENCY APPROVAL OF THE PERSON'S WITHDRAWAL AND USE OF REMEDIAL GROUNDWATER, SUCH AS A REMEDIAL ACTION PLAN, RECORD OF DECISION OR CONSENT DECREE.
- 7. THE PERSON WITH OR APPLYING FOR A CERTIFICATE OR DESIGNATION OF ASSURED WATER SUPPLY TO WHICH THE REMEDIAL GROUNDWATER WILL BE PLEDGED.
- 8. THE NAME AND TELEPHONE NUMBER THE DEPARTMENT OF WATER RESOURCES MAY CONTACT REGARDING THE WITHDRAWAL OR USE.
- Sec. 4. Section 49-201, Arizona Revised Statutes, is amended to read:

49-201. <u>Definitions</u>

In this chapter, unless the context otherwise requires:

1. "Administrator" means the administrator of the United States environmental protection agency.

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- 2. "Aquifer" means a geologic unit that contains sufficient saturated permeable material to yield usable quantities of water to a well or spring.
- 3. "Best management practices" means those methods, measures or practices to prevent or reduce discharges and includes structural and nonstructural controls and operation and maintenance procedures. Best management practices may be applied before, during and after discharges to reduce or eliminate the introduction of pollutants into receiving waters. Economic, institutional and technical factors shall be considered in developing best management practices.
- 4. "CERCLA" means the comprehensive environmental response, compensation, and liability act of 1980, as amended (P.L. 96-510; 94 Stat. 2767; 42 United States Code sections 9601 through 9657), commonly known as "superfund".
- 5. "Clean closure" means implementation of all actions specified in an aquifer protection permit, if any, as closure requirements, as well as elimination, to the greatest degree practicable, of any reasonable probability of further discharge from the facility and of either exceeding aquifer water quality standards at the applicable point of compliance or, if an aquifer water quality standard is exceeded at the time the permit is issued, causing further degradation of the aquifer at the applicable point of compliance as provided in section 49-243, subsection B, paragraph 3. Clean closure also means postclosure monitoring and maintenance are unnecessary to meet the requirements in an aquifer protection permit.
- 6. "Clean water act" means the federal water pollution control act amendments of 1972 (P.L. 92-500; 86 Stat. 816; 33 United States Code sections 1251 through 1376), as amended.
 - 7. "Closed facility" means:
- (a) A facility that ceased operation before January 1, 1986, that is not, on August 13, 1986, engaged in the activity for which the facility was designed and that was previously operated and for which there is no intent to resume operation.
- (b) A facility that has been approved as a clean closure by the director.
- (c) A facility at which any postclosure monitoring and maintenance plan, notifications and approvals required in a permit have been completed.
- 8. "Concentrated animal feeding operation" means an animal feeding operation that meets the criteria prescribed in 40 Code of Federal Regulations part 122, appendix B for determining a concentrated animal feeding operation for purposes of 40 Code of Federal Regulations sections 122.23 and 122.24, appendix C.
 - 9. "Department" means the department of environmental quality.

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- 10. "Direct reuse" means the beneficial use of reclaimed water for specific purposes authorized pursuant to section 49-203, subsection A, paragraph 7.
- 11. "Director" means the director of environmental quality or the director's designee.
- 12. "Discharge" means the direct or indirect addition of any pollutant to the waters of the state from a facility. For purposes of the aquifer protection permit program prescribed by article 3 of this chapter, discharge means the addition of a pollutant from a facility either directly to an aquifer or to the land surface or the vadose zone in such a manner that there is a reasonable probability that the pollutant will reach an aquifer.
- 13. "Discharge impact area" means the potential areal extent of pollutant migration, as projected on the land surface, as the result of a discharge from a facility.
- 14. "Discharge limitation" means any restriction, prohibition, limitation or criteria established by the director, through a rule, permit or order, on quantities, rates, concentrations, combinations, toxicity and characteristics of pollutants.
- 15. "Effluent-dependent water" means a surface water or portion of a surface water that consists of a point source discharge without which the surface water would be ephemeral. An effluent-dependent water may be perennial or intermittent depending on the volume and frequency of the point source discharge of treated wastewater.
- 16. "Environment" means WOTUS, any other surface waters, groundwater, drinking water supply, land surface or subsurface strata or ambient air, within or bordering on this state.
- 17. "Ephemeral water" means a surface water or portion of surface water that flows or pools only in direct response to precipitation.
- 18. "Existing facility" means a facility on which construction began before August 13, 1986 and that is neither a new facility nor a closed facility. For the purposes of this definition, construction on a facility has begun if the facility owner or operator has either:
- (a) Begun, or caused to begin, as part of a continuous on-site construction program any placement, assembly or installation of a building, structure or equipment.
- (b) Entered a binding contractual obligation to purchase a building, structure or equipment that is intended to be used in its operation within a reasonable time. Options to purchase or contracts that can be terminated or modified without substantial loss, and contracts for feasibility engineering and design studies, do not constitute a contractual obligation for purposes of this definition.
- 19. "Facility" means any land, building, installation, structure, equipment, device, conveyance, area, source, activity or practice from which there is, or with reasonable probability may be, a discharge.

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- 20. "Gray water" means wastewater that has been collected separately from a sewage flow and that originates from a clothes washer or a bathroom tub, shower or sink but that does not include wastewater from a kitchen sink, dishwasher or toilet.
 - 21. "Hazardous substance" means:
- (a) Any substance designated pursuant to sections 311(b)(2)(A) and 307(a) of the clean water act.
- (b) Any element, compound, mixture, solution or substance designated pursuant to section 102 of CERCLA.
- (c) Any hazardous waste having the characteristics identified under or listed pursuant to section 49-922.
- (d) Any hazardous air pollutant listed under section 112 of the federal clean air act (42 United States Code section 7412).
- (e) Any imminently hazardous chemical substance or mixture with respect to which the administrator has taken action pursuant to section 7 of the federal toxic substances control act (15 United States Code section 2606).
- (f) Any substance that the director, by rule, either designates as a hazardous substance following the designation of the substance by the administrator under the authority described in subdivisions (a) through (e) of this paragraph or designates as a hazardous substance on the basis of a determination that such substance represents an imminent and substantial endangerment to public health.
- (g) GROUNDWATER CONTAINING TOTAL DISSOLVED SOLIDS BETWEEN ONE THOUSAND AND TEN THOUSAND MILLIGRAMS PER LITER.
 - 22. "Inert material":
- (a) Means broken concrete, asphaltic pavement, manufactured asbestos-containing products, brick, rock, gravel, sand and soil. Inert material also includes
- (b) DOES NOT INCLUDE material that when subjected to a water leach test that is designed to approximate natural infiltrating waters will not leach substances in concentrations that exceed numeric aquifer water quality standards established pursuant to section 49-223, including overburden and wall rock that is not acid generating, taking into consideration acid neutralization potential, and that has not and will not be subject to mine leaching operations.
- 23. "Intermittent water" means a surface water or portion of surface water that flows continuously during certain times of the year and more than in direct response to precipitation, such as when it receives water from a spring, AN elevated groundwater table or another surface source, such as melting snowpack.
- 24. "Major modification" means a physical change in an existing facility or a change in its method of operation that results in a significant increase or adverse alteration in the characteristics or volume of the pollutants discharged, or the addition of a process or major

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piece of production equipment, building or structure that is physically separated from the existing operation and that causes a discharge, provided that:

- (a) A modification to a groundwater protection permit facility as defined in section 49-241.01, subsection C that would qualify for an area-wide permit pursuant to section 49-243 consisting of an activity or structure listed in section 49-241, subsection B shall not constitute a major modification solely because of that listing.
- (b) For a groundwater protection permit facility as defined in section 49-241.01, subsection C, a physical expansion that is accomplished by lateral accretion or upward expansion within the pollutant management area of the existing facility or group of facilities shall not constitute a major modification if the accretion or expansion is accomplished through sound engineering practice in a manner compatible with existing facility design, taking into account safety, stability and risk of environmental release. For a facility described in section 49-241.01, subsection C, paragraph 1, expansion of a facility shall conform with the terms and conditions of the applicable permit. For a facility described in section 49-241.01, subsection C, paragraph 2, if the area of the contemplated expansion is not identified in the notice of disposal, the owner or operator of the facility shall submit to the director the information required by section 49-243, subsection A, paragraphs 1, 2, 3 and 7.
- 25. "New facility" means a previously closed facility that resumes operation or a facility on which construction was begun after August 13, 1986 on a site at which no other facility is located or to totally replace the process or production equipment that causes the discharge from an existing facility. A major modification to an existing facility is deemed a new facility to the extent that the criteria in section 49-243, subsection B, paragraph 1 can be practicably applied to such modification. For the purposes of this definition, construction on a facility has begun if the facility owner or operator has either:
- (a) Begun, or caused to begin as part of a continuous on-site construction program, any placement, assembly or installation of a building, structure or equipment.
- (b) Entered a binding contractual obligation to purchase a building, structure or equipment that is intended to be used in its operation within a reasonable time. Options to purchase or contracts that can be terminated or modified without substantial loss, and contracts for feasibility engineering and design studies, do not constitute a contractual obligation for purposes of this definition.
- 26. "Nonpoint source" means any conveyance that is not a point source from which pollutants are or may be discharged to WOTUS.
- $\,$ 27. "Non-WOTUS protected surface water" means a protected surface water that is not a WOTUS.

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- 28. "Non-WOTUS waters of the state" means waters of the state that are not WOTUS.
- 29. "On-site wastewater treatment facility" means a conventional septic tank system or alternative system that is installed at a site to treat and dispose of wastewater of predominantly human origin that is generated at that site.
- 30. "Ordinary high watermark" means the line on the shore of an intermittent or perennial protected surface water established by the fluctuations of water and indicated by physical characteristics such as a clear, natural line impressed on the bank, shelving, changes in the character of soil, destruction of terrestrial vegetation, the presence of litter and debris or other appropriate means that consider the characteristics of the channel, floodplain and riparian area.
- 31. "Perennial water" means a surface water or portion of surface water that flows continuously throughout the year.
- 32. "Permit" means a written authorization issued by the director or prescribed by this chapter or in a rule adopted under this chapter stating the conditions and restrictions governing a discharge or governing the construction, operation or modification of a facility. For the purposes of regulating non-WOTUS protected surface waters, a permit shall not include provisions governing the construction, operation or modification of a facility except as necessary for the purpose of ensuring that a discharge meets water quality-related effluent limitations or to require best management practices for the purpose of ensuring that a discharge does not cause an exceedance of an applicable surface water quality standard.
- 33. "Person" means an individual, employee, officer, managing body, trust, firm, joint stock company, consortium, public or private corporation, including a government corporation, partnership, association or state, a political subdivision of this state, a commission, the United States government or any federal facility, interstate body or other entity.
 - 34. "Point source":
- (a) Means any discernible, confined and discrete conveyance, including any pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation or vessel or other floating craft from which pollutants are or may be discharged to WOTUS or protected surface water. Point source
 - (b) Does not include return flows from irrigated agriculture.
- 35. "Pollutant" means fluids, contaminants, toxic wastes, toxic pollutants, dredged spoil, solid waste, substances and chemicals, pesticides, herbicides, fertilizers and other agricultural chemicals, incinerator residue, sewage, garbage, sewage sludge, munitions, petroleum products, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt and mining,

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industrial, municipal and agricultural wastes or any other liquid, solid, gaseous or hazardous substances.

- 36. "Postclosure monitoring and maintenance" means those activities that are conducted after closure notification and that are necessary to:
- (a) Keep the facility in compliance with either the aquifer water quality standards at the applicable point of compliance or, for any aquifer water quality standard that is exceeded at the time the aquifer protection permit is issued, the requirement to prevent the facility from further degrading the aquifer at the applicable point of compliance as provided under section 49-243, subsection B, paragraph 3.
- (b) Verify that the actions or controls specified as closure requirements in an approved closure plan or strategy are routinely inspected and maintained.
- (c) Perform any remedial, mitigative or corrective actions or controls as specified in the aquifer protection permit or perform corrective action as necessary to comply with this paragraph and article 3 of this chapter.
 - (d) Meet property use restrictions.
- 37. "Practicably" means able to be reasonably done from the standpoint of technical practicability and, except for pollutants addressed in section 49-243, subsection I, economically achievable on an industry-wide basis.
- 38. "Protected surface waters" means waters of the state listed on the protected surface waters list under section 49-221, subsection G and all WOTUS.
- 39. "Public waters" means waters of the state open to or managed for use by members of the general public.
- 40. "Recharge project" means a facility necessary or convenient to obtain, divert, withdraw, transport, exchange, deliver, treat or store water to infiltrate or reintroduce that water into the ground.
- 41. "Reclaimed water" means water that has been treated or processed by a wastewater treatment plant or an on-site wastewater treatment facility.
- 42. "Regulated agricultural activity" means the application of nitrogen fertilizer or a concentrated animal feeding operation.
- 43. "Safe drinking water act" means the federal safe drinking water act, as amended (P.L. 93-523; 88 Stat. 1660; 95-190; 91 Stat. 1393).
- 44. "Standards" means water quality standards, pretreatment standards and toxicity standards established pursuant to this chapter.
- 45. "Standards of performance" means performance standards, design standards, best management practices, technologically based standards and other standards, limitations or restrictions established by the director by rule or by permit condition.

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- 46. "Tank" means a stationary device, including a sump, that is constructed of concrete, steel, plastic, fiberglass, or other non-earthen material that provides substantial structural support, and that is designed to contain an accumulation of solid, liquid or gaseous materials.
- 47. "Toxic pollutant" means a substance that will cause significant adverse reactions if ingested in drinking water. Significant adverse reactions are reactions that may indicate a tendency of a substance or mixture to cause long lasting or irreversible damage to human health.
- 48. "Trade secret" means information to which all of the following apply:
- (a) A person has taken reasonable measures to protect from disclosure and the person intends to continue to take such measures.
- (b) The information is not, and has not been, reasonably obtainable without the person's consent by other persons, other than governmental bodies, by use of legitimate means, other than discovery based on a showing of special need in a judicial or quasi-judicial proceeding.
- (c) No statute specifically requires disclosure of the information to the public.
- (d) The person has satisfactorily shown that disclosure of the information is likely to cause substantial harm to the business's competitive position.
- 49. "Vadose zone" means the zone between the ground surface and any aquifer.
- 50. "Waters of the state" means all waters within the jurisdiction of this state including all perennial or intermittent streams, lakes, ponds, impounding reservoirs, marshes, watercourses, waterways, wells, aquifers, springs, irrigation systems, drainage systems and other bodies or accumulations of surface, underground, natural, artificial, public or private water situated wholly or partly in or bordering on the state.
- 51. "Well" means a bored, drilled or driven shaft, pit or hole whose depth is greater than its largest surface dimension.
- 52. "Wetland" means, for the purposes of non-WOTUS protected surface waters, an area that is inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal conditions does support, a prevalence of vegetation typically adapted for life in saturated soil conditions.
- 53. "WOTUS" means waters of the state that are also navigable waters as defined by section 502(7) of the clean water act.
- $\,$ 54. "WOTUS protected surface water" means a protected surface water that is a WOTUS.
- Sec. 5. Section 49-281, Arizona Revised Statutes, is amended to read:

49-281. <u>Definitions</u>

In this article, unless the context otherwise requires:

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- 1. "Applicant" means any individual, employee, officer, managing body, trust, firm, joint stock company, consortium, public or private corporation, including a government corporation, partnership or association, this state, a political subdivision of this state, or a commission of the United States government or a federal facility, an interstate body or any other entity that applies for a settlement under either section 49-292.01 or 49-292.02.
- 2. "Community" means the broad spectrum of persons determined by the director to be within an existing or proposed site placed on the registry pursuant to section 49-287.01.
- 3. "Community involvement area" means the geographical area that is within a site placed on the registry pursuant to section 49-287.01 and additional geographic areas as found appropriate in the director's discretion.
- 4. "Dispose" means the deposit, injection, dumping, spilling, leaking or placing of any pollutant into or on any land or water so that the pollutant or any constituent of the pollutant may enter the environment or be discharged into any waters, including aquifers.
- 5. "Eligible party" means a person who enters into a written agreement with the director to implement and complete a remedial investigation and feasibility study with respect to a site or portion of a site that was on the annual priority list on May 1, 1997 or any other person who incurs costs for a remedial action that is in substantial compliance with section 49-282.06 as determined by the director.
- 6. "Facility" means any land, building, installation, structure, equipment, device, conveyance, area, source, activity or practice.
- 7. "Fund" means the water quality assurance revolving fund established by section 49-282.
 - 8. "Hazardous substance":
 - (a) Has the same meaning prescribed in section 49-201. but
- (b) Does not include petroleum as defined in section 49-1001, except to the extent that a constituent of petroleum is subject to section 49-283.02.
- 9. "Nonrecoverable costs" means any costs incurred by the director after June 30, 1997:
- (a) That consist of salaries and benefits paid to state employees, including direct and indirect costs, except as specifically provided in section 49-282.05, section 49-285, subsection B, section 49-285.01, section 49-287.01, section 49-287.06, subsection H and section 49-287.07 and for epidemiological studies conducted by the department of health services.
 - (b) For activities conducted pursuant to section 49-287.02.
- (c) For water monitoring activities conducted pursuant to section 49-225.

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- (d) For well inspections, but not other remedial actions, to determine whether vertical cross-contamination is resulting from a well pursuant to section 45-605 or 49-282.04.
 - (e) For rulemaking.
- 10. "Orphan shares" means the shares of the cost of a remedial action that are allocated to an identified person who is determined to be a responsible party and that are not paid or otherwise satisfied by that responsible party due to any of the following:
 - (a) The party cannot be located or no longer exists.
- (b) The party has entered into a qualified business settlement pursuant to this article.
- (c) The party has entered into a settlement pursuant to this article for an amount that is less than its allocated share.
- (d) The director has determined that the share allocated to the party is uncollectible.
- 11. "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment but excludes:
- (a) Any release that results in exposure to persons solely within a workplace, with respect to a claim that such persons may assert against the employer of such persons.
- (b) Emissions from the engine exhaust of any motor vehicle, rolling stock, aircraft, vessel or pipeline pumping station engine.
- (c) Release of source MATERIAL, by-product MATERIAL or special nuclear material, as those terms are defined in section 30-651, resulting from the operation of a production or utilization facility as defined in the atomic energy act of 1954 (68 Stat. 919; 42 United States Code sections 2011 through 2297), which is subject to the regulatory authority of the United States nuclear regulatory commission as specified in that act, and the agreement, dated March 30, 1967, entered into between the governor of this state and the United States atomic energy commission pursuant to section 30-656 and section 274 of the atomic energy act of 1954. as amended.
 - (d) The normal application of fertilizer.
 - 12. "Remedial actions":
- (a) Means those actions that are reasonable, necessary, costeffective and technically feasible in the event of the release or threat of release of hazardous substances into the environment, such actions as may be necessary to investigate, monitor, assess and evaluate such release or threat of release, actions of remediation, removal or disposal of hazardous substances or taking such other actions as may be necessary to prevent, minimize or mitigate damage to the public health or welfare or to the environment that may otherwise result from a release or threat of release of a hazardous substance. Remedial actions

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(b) Include:

- (i) The use of biostimulation with indigenous microbes and bioaugmentation using microbes that are nonpathogenic, that are nonopportunistic and that are naturally occurring.
- (ii) FOR GROUNDWATER THAT MEETS THE DEFINITION OF A HAZARDOUS SUBSTANCE PRESCRIBED IN SECTION 49-201, PARAGRAPH 21, SUBDIVISION (g), DESALINATION OF THE GROUNDWATER TO A LEVEL SUCH THAT THE GROUNDWATER NO LONGER MEETS THE DEFINITION OF A HAZARDOUS SUBSTANCE PRESCRIBED IN SECTION 49-201, PARAGRAPH 21, SUBDIVISION (g) AND COMPLIES WITH ALL APPLICABLE ADEQ POTABLE DRINKING WATER STANDARDS.
- (iii) Remedial actions may include community information and participation costs and providing an alternative drinking water supply.
- 13. "Remedy" means a remedial action selected in a record of decision issued pursuant to section 49-287.04.
 - 14. "Site" means the geographical areal extent of contamination.
- 15. "Vertical cross-contamination" means the vertical migration of released hazardous substances in groundwater through a well from an aquifer or aquifer layer to another aquifer or aquifer layer.
- Sec. 6. Section 49-287.04, Arizona Revised Statutes, is amended to read:

49-287.04. Proposed remedial action plan; preliminary list of responsible parties; opportunity to comment; record of decision; appeal

- A. After evaluating the site or portion of a site under section 49-287.03, the director shall prepare a proposed remedial action plan that describes all of the following:
- 1. The boundaries of the site or portion of the site that is the subject of the remedial action.
 - 2. The results of the remedial investigation and feasibility study.
 - 3. The proposed remedy and its estimated costs.
- 4. How the remediation goals and selection factors in section 49-282.06 and rules adopted by the director have been considered.
- B. The director shall issue notice of the proposed remedial action plan pursuant to the community involvement plan. The notice shall:
 - 1. Describe the proposed remedy and its estimated cost.
- 2. Identify where the proposed remedial action plan and remedial investigation and feasibility study report may be inspected.
- 3. Advise the public of the opportunity to provide comments on the proposed remedial action plan and the closing date for those comments.
- C. A copy of the proposed remedial action plan shall also be sent to each person on the preliminary list of potentially responsible parties with a notice that includes the information required in subsection B of this section and that also shall:
- 1. Notify the recipients of the opportunity to propose alternative methods of allocation of liability among responsible parties.

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- 2. Provide a preliminary list of potentially responsible parties and summarize the basis for each party's liability if the director determines that cost recovery may be appropriate.
- 3. Advise the recipient that all information known to the recipient regarding a person who may be liable under this article and any facility within the site from which a release of a hazardous substance, EXCEPT REMEDIAL GROUNDWATER THAT MEETS THE DEFINITION OF A HAZARDOUS SUBSTANCE PRESCRIBED IN SECTION 49-201, PARAGRAPH 21, SUBDIVISION (g), may have occurred must be provided to the department within a reasonable period of time set by the department, but not less than sixty days. Failure to comply with this subsection precludes a person from introducing the evidence in an allocation hearing pursuant to section 49-287.06, and in an action brought pursuant to section 49-287.07, except as otherwise prescribed by those sections.
- D. Within ninety days after the end of the public comment period, if the department has received sufficient information pursuant to section 49-287.02, subsection B identifying additional persons who may be responsible under this article or facilities where a release of a hazardous substance, EXCEPT A HAZARDOUS SUBSTANCE THAT MEETS THE DEFINITION OF A HAZARDOUS SUBSTANCE PRESCRIBED IN SECTION 49-201, PARAGRAPH 21, SUBDIVISION (g), may have occurred, the director shall investigate that person or facility within the site as provided in section 49-287.02, subsection A or shall decline to investigate and shall notify the person providing the information in writing of the director's decision.
- E. If, on the basis of new information or its investigation, the department believes there is sufficient evidence that an identified person is a responsible party under this article, the department shall provide the notice and proposed remedial action plan required by subsection C of this section to that party and a revised list of potentially responsible parties to the parties originally identified in the proposed remedial action plan. A newly identified potentially responsible party shall have the same opportunity for comment and the submission of information including information concerning additional responsible releasing facilities as provided to the originally identified responsible parties under this section. If, as a result of the submission of information by subsequently identified responsible parties or its own investigation, the department believes that there are additional responsible parties, it THE DEPARTMENT shall provide the notice required by this subsection to those parties and the previously identified responsible parties and shall comply with the other procedures prescribed by this section.

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- F. After the conclusion of all public comment periods prescribed by this section, the director shall prepare a comprehensive responsiveness summary. The director shall prepare the record of decision regarding the remedial action plan.
- G. The director shall serve written notice that a record of decision has been signed upon ON each person who submitted written comments on the proposed remedy selection and all persons identified as potentially responsible parties. A notice shall be published pursuant to the community involvement plan informing the public that the record of decision and comprehensive responsiveness summary have been prepared and are available for review.
- H. A record of decision signed by the director is deemed to be a final administrative decision as defined in section 41-1092 as of the date it is served pursuant to subsection G of this section. There is no right to an administrative appeal, review or rehearing by the director on the record of decision. Any person who will be adversely affected by the record of decision and who commented on the proposed remedial action plan pursuant to this section may seek judicial review of the record of decision by filing a complaint in superior court pursuant to section 12-904, subsection A. The plaintiff shall serve the notice required by section 12-904, subsection B on the director.
- I. If a complaint is filed pursuant to subsection H of this section, the court action is stayed and no answer is required until twenty days after one of the following events occurs:
- 1. Ninety days after notice of the allocator's report is served pursuant to section 49-287.06, subsection G.
- 2. Notice that no allocation hearing will be held is served pursuant to section 49-287.06, subsection A.
- 3. Notice of termination of an allocation hearing is served pursuant to section 49-287.06, subsection I.
- 4. The director moves that the stay should be lifted and the court grants the motion.
- J. If a complaint is filed pursuant to subsection H of this section, the director shall serve any notice required by section 49-287.06, subsection A, E or G on each person who commented on the proposed remedial action plan.
- K. The director shall notify all parties to an appeal if the director intends to implement the remedy before the stay under subsection I of this section is lifted. If the director gives this notice, the stay of the action pursuant to subsection I of this section does not preclude any party from seeking a preliminary injunction against the director from implementing the remedy.
- L. On termination of the stay of an action pursuant to subsection I of this section, the director shall transmit the record to the superior court. The record shall consist of the proposed remedial action plan,

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copies of all written comments on the proposed remedial action plan, the comprehensive responsiveness summary and the record of decision. Judicial review shall be pursuant to title 12, chapter 7, article 6. If an evidentiary hearing is held pursuant to section 12-910, subsection A, then notwithstanding section 12-910, subsection B, no evidence may be admitted by the court unless it supports a specific comment made before the conclusion of the public comment period pursuant to this section by the party seeking to introduce the evidence. Section 12-910, subsection C does not apply to the appeal.

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