

House Engrossed

Harquahala non-expansion area; groundwater transportation

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

# HOUSE BILL 2201

AN ACT

AMENDING SECTION 45-554, 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 45-554, Arizona Revised Statutes, is amended to  
3 read:

4 45-554. Transportation of groundwater withdrawn in Harquahala  
5 irrigation non-expansion area to an initial active  
6 management area; annual report

7 A. A groundwater replenishment district established under title 48,  
8 chapter 27 may lease from an irrigation district located entirely within  
9 the Harquahala irrigation non-expansion area the use of one or more of the  
10 wells in the irrigation district to withdraw the groundwater that can be  
11 withdrawn from a depth to one thousand feet, at a rate that, when added to  
12 the existing rates of withdrawal in the area, does not cause the  
13 groundwater table at the site or sites to decline more than ten feet per  
14 year, for transportation to an initial active management area. The lease  
15 payments shall be made to the members of the irrigation district on a pro  
16 rata basis, per acre of land that is eligible to be irrigated under  
17 section 45-437, subsection B, minus the irrigation district's  
18 administrative costs. Wells leased under this subsection are exempt from  
19 well spacing requirements under section 45-559.

20 B. ~~This state or a political subdivision of this state that~~ AN  
21 ENTITY DESCRIBED IN SUBSECTION D OF THIS SECTION THAT owns land eligible  
22 to be irrigated under section 45-437, subsection B in the Harquahala  
23 irrigation non-expansion area may withdraw groundwater from the land for  
24 transportation to ~~an initial active management area for its own use or use~~  
25 ~~by the Arizona water banking authority pursuant to section 45-2491 only~~ A  
26 LOCATION AND FOR THE PURPOSES PRESCRIBED IN SUBSECTION F OF THIS SECTION:

27 1. If the groundwater is withdrawn:

28 (a) From a depth to one thousand feet at the site or sites of the  
29 proposed withdrawals.

30 (b) At a rate that, when added to the existing rate of withdrawals  
31 in the area, does not cause the groundwater table at the site or sites of  
32 the withdrawals to decline more than an average of ten feet per year  
33 during the one hundred year evaluation period.

34 2. In an amount either:

35 (a) Per acre of the eligible land, not to exceed:

36 (i) Six acre-feet in any year.

37 (ii) Thirty acre-feet for any period of ten consecutive years  
38 computed in continuing progressive series beginning in the year  
39 transportation of groundwater from the land begins.

40 (b) Established by the director, but only if the director  
41 determines that withdrawals in an amount greater than that ~~permitted~~  
42 ALLOWED by subdivision (a) of this paragraph will not unreasonably  
43 increase damage to residents of surrounding land and other water users in  
44 the irrigation non-expansion area, or that one or more of the entities

1 withdrawing the groundwater will mitigate the damage to the residents and  
2 other water users.

3 3. BY A PUBLIC SERVICE CORPORATION, IF ALL COSTS ASSOCIATED WITH  
4 WITHDRAWING, TRANSPORTING AND DELIVERING GROUNDWATER AWAY FROM THE  
5 HARQUAHALA IRRIGATION NON-EXPANSION AREA ARE COLLECTED FROM THE CUSTOMERS  
6 OF THE PUBLIC SERVICE CORPORATION'S WATER DISTRICT WHERE THE TRANSPORTED  
7 GROUNDWATER IS USED.

8 4. IF BEFORE THE WITHDRAWAL OF GROUNDWATER FROM THE HARQUAHALA  
9 IRRIGATION NON-EXPANSION AREA OR THE EFFECTIVE DATE OF THIS AMENDMENT TO  
10 THIS SECTION, WHICHEVER IS LATER, THE ELIGIBLE ENTITY HAS COMPLIED WITH  
11 THE APPLICABLE REQUIREMENTS OF SECTIONS 45-576 AND 45-577 REGARDING A  
12 HYDROLOGICAL STUDY.

13 5. IF BEFORE THE WITHDRAWAL OF GROUNDWATER FROM THE HARQUAHALA  
14 IRRIGATION NON-EXPANSION AREA OR THE EFFECTIVE DATE OF THIS AMENDMENT TO  
15 THIS SECTION, WHICHEVER IS LATER, THE ELIGIBLE ENTITY INSTALLS WATER  
16 MEASURING DEVICES, OR OTHER SIMILARLY RELIABLE AND ACCESSIBLE METHODS AS  
17 APPROVED BY THE DEPARTMENT TO DETERMINE THE VOLUME OF GROUNDWATER  
18 WITHDRAWN FROM ALL RELEVANT WELLS AND TRANSPORTED OUT OF THE HARQUAHALA  
19 IRRIGATION NON-EXPANSION AREA BY PIPELINES, CANALS OR CONDUITS.

20 6. IF BEFORE THE WITHDRAWAL OF GROUNDWATER FROM THE HARQUAHALA  
21 IRRIGATION NON-EXPANSION AREA OR THE EFFECTIVE DATE OF THIS AMENDMENT TO  
22 THIS SECTION, WHICHEVER IS LATER, THE ELIGIBLE ENTITY SUBMITS A MONTHLY  
23 REPORT TO THE DEPARTMENT CONTAINING ALL OF THE FOLLOWING:

24 (a) THE VOLUME OF GROUNDWATER THE ENTITY WITHDREW FROM THE  
25 HARQUAHALA IRRIGATION NON-EXPANSION AREA IN THE PRECEDING MONTH.

26 (b) THE VOLUME OF GROUNDWATER THE ENTITY TRANSPORTED OUT OF THE  
27 HARQUAHALA IRRIGATION NON-EXPANSION AREA IN THE PRECEDING MONTH.

28 (c) THE END USE OR DESTINATION OF GROUNDWATER THE ENTITY  
29 TRANSPORTED OUT OF THE HARQUAHALA IRRIGATION NON-EXPANSION AREA IN THE  
30 PRECEDING MONTH.

31 C. If this state or one or more political subdivisions of this  
32 state own eighty ~~per cent~~ PERCENT or more of the land that is eligible to  
33 be irrigated under section 45-437, subsection B in the irrigation  
34 non-expansion area, each of the entities may withdraw groundwater from the  
35 eligible land it owns for transportation to an initial active management  
36 area:

37 1. From a depth to one thousand feet at the site or sites of  
38 withdrawals.

39 2. From a depth between one thousand and one thousand two hundred  
40 feet at the site or sites of the withdrawals only if the director  
41 determines either that the withdrawals will not unreasonably increase  
42 damage to residents of surrounding land or that one or more of the  
43 entities withdrawing the groundwater will mitigate the damage to the  
44 residents.

1 D. THE FOLLOWING ENTITIES ARE ELIGIBLE TO TRANSPORT GROUNDWATER  
2 AWAY FROM THE HARQUAHALA IRRIGATION NON-EXPANSION AREA PURSUANT TO  
3 SUBSECTION B OF THIS SECTION:

- 4 1. THIS STATE.
- 5 2. A POLITICAL SUBDIVISION OF THIS STATE.
- 6 3. A PUBLIC SERVICE CORPORATION THAT IS REGULATED BY THE  
7 CORPORATION COMMISSION AND THAT HOLDS A CERTIFICATE OF CONVENIENCE AND  
8 NECESSITY FOR WATER SERVICE IN AN INITIAL ACTIVE MANAGEMENT AREA.

9 E. THE DIRECTOR SHALL ADOPT RULES TO IMPLEMENT THIS SECTION,  
10 INCLUDING FOR THE REPORTING OF GROUNDWATER TRANSPORTED FROM THE HARQUAHALA  
11 IRRIGATION NON-EXPANSION AREA.

12 F. THE FOLLOWING LOCATIONS AND PURPOSES ARE ELIGIBLE TO RECEIVE  
13 GROUNDWATER TRANSPORTED AWAY FROM THE HARQUAHALA IRRIGATION NON-EXPANSION  
14 AREA PURSUANT TO SUBSECTION B OF THIS SECTION:

- 15 1. AN INITIAL ACTIVE MANAGEMENT AREA FOR USE BY AN ELIGIBLE ENTITY  
16 OR THE ARIZONA WATER BAKING AUTHORITY PURSUANT TO SECTION 45-2491.
- 17 2. ANY LOCATION IN LA PAZ COUNTY FOR USE BY AN ELIGIBLE ENTITY.

18 G. ON OR BEFORE JULY 1 OF EACH YEAR, THE DEPARTMENT SHALL SUBMIT A  
19 REPORT OF ALL OF THE FOLLOWING TO THE GOVERNOR, THE PRESIDENT OF THE  
20 SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND SHALL PROVIDE A  
21 COPY OF THIS REPORT TO THE SECRETARY OF STATE:

- 22 1. THE TOTAL AMOUNT OF GROUNDWATER ALL ELIGIBLE ENTITIES WITHDREW  
23 FROM THE HARQUAHALA IRRIGATION NON-EXPANSION AREA IN THE PRECEDING YEAR.
- 24 2. THE TOTAL AMOUNT OF GROUNDWATER EACH ELIGIBLE ENTITY WITHDREW  
25 FROM THE HARQUAHALA IRRIGATION NON-EXPANSION AREA IN THE PRECEDING YEAR  
26 DELINEATED BY ENTITY.
- 27 3. THE TOTAL AMOUNT OF GROUNDWATER ALL ELIGIBLE ENTITIES  
28 TRANSPORTED FROM THE HARQUAHALA IRRIGATION NON-EXPANSION AREA IN THE  
29 PRECEDING YEAR.
- 30 4. THE TOTAL AMOUNT OF GROUNDWATER EACH ELIGIBLE ENTITY TRANSPORTED  
31 FROM THE HARQUAHALA IRRIGATION NON-EXPANSION AREA IN THE PRECEDING YEAR  
32 DELINEATED BY ENTITY.
- 33 5. THE END USE OR DESTINATION OF ALL GROUNDWATER ALL ELIGIBLE  
34 ENTITIES TRANSPORTED FROM THE HARQUAHALA IRRIGATION NON-EXPANSION AREA IN  
35 THE PRECEDING YEAR.
- 36 6. THE END USE OR DESTINATION OF ALL GROUNDWATER ALL ELIGIBLE  
37 ENTITIES TRANSPORTED FROM THE HARQUAHALA IRRIGATION NON-EXPANSION AREA IN  
38 THE PRECEDING YEAR DELINEATED BY DESTINATION OR END USE.

39 Sec. 2. Exemption from rulemaking

40 Notwithstanding any other law, for the purposes of this act, the  
41 department of water resources is exempt from the rulemaking requirements  
42 of title 41, chapter 6, Arizona Revised Statutes, for one year after the  
43 effective date of this act.