



ARIZONA HOUSE OF REPRESENTATIVES

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House: NREW DP 7-5-0-0

HB 2055: Harquahala non-expansion area; groundwater transportation

Sponsor: Representative Griffin, LD 14

Caucus & COW

Overview

Allows a public service corporation to transport groundwater from the Harquahala irrigation non-expansion area (INA) to an active management area (AMA) if it holds a certificate of convenience and necessity for water service in an AMA and owns legally irrigable land in the INA.

History

Transporting Groundwater to AMAs

The Harquahala INA is one of four groundwater basins and sub-basins from which groundwater can be withdrawn and transported to AMAs. Transportation from these basins and sub-basins is subject to several general limitations:

- A municipality or private water company with a Central Arizona Project water delivery subcontract must use most of its entitlement before using transported groundwater ([A.R.S. § 45-557](#));
- Only certain wells can be used to withdraw groundwater for transportation ([A.R.S. § 45-559](#));
- Any property from which groundwater is withdrawn must remain free of noxious weeds and blowing dust ([A.R.S. § 45-558](#));
- An entity transporting groundwater must pay annual transportation fees to the affected county. If the entity is a political subdivision, it must also make contributions in lieu of property taxes to the affected county (A.R.S. §§ [9-431 et seq.](#), [42-15251 et seq.](#) and [45-556](#)); and
- Depending on the infrastructure utilized, transportation may be subject to the National Environmental Policy Act process ([42 U.S.C. § 4332 et seq.](#)).

There are additional limitations for transporting groundwater from the Harquahala INA. Only the state and its political subdivisions can withdraw and transport groundwater from legally irrigable lands. This groundwater can be withdrawn up to a depth of 1,000 feet at a rate that (when combined with current withdrawals) does not cause the groundwater declines at the sites by an average of more than 10 feet annually during a 100-year period. There are also limitations on how much can be withdrawn per acre over certain time periods ([A.R.S. § 45-554\(B\)](#)). However, more groundwater can be withdrawn under two scenarios:

- The Arizona Department of Water Resources either determines withdrawals will not unreasonably increase damage to surrounding lands and other water users or that other withdrawing entities will mitigate the damage; and
- When the state or its political subdivisions own over 80% of legally irrigable lands, groundwater can be withdrawn from greater depths subject to certain limitations ([A.R.S. § 45-554\(C\)](#)).

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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The groundwater can be used by the state or political subdivision that transported it or by the Arizona Water Banking Authority to fulfill the state's obligations under the Arizona Water Settlements Act ([A.R.S. § 45-554\(B\)](#)).

Public Service Corporations

The Arizona Corporation Commission (ACC) regulates public service corporations, which include non-municipal utilities that provide water for irrigation, fire protection and other public uses. The ACC sets these corporation's rates and charges and issues certificates of convenience and necessity that grant a corporation the authority to exclusively provide a service within a certain geographic area (Constitution of Arizona, Article 15 §§ [2](#) and [3](#) and [A.R.S. § 40-281](#)).

Provisions

1. Allows a public service corporation to transport groundwater from the Harquahala INA to an AMA if it holds a certificate of convenience and necessity for water service in an AMA and owns legally irrigable land in the INA. (Sec. 1)
2. Makes technical changes. (Sec. 1)