

# AMWUA Monitors HB2448

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## [HB2448: CAGR D Revenue Bonding; Sustainability Policies](#)

HB2448 provides a mechanism by which the members of the Central Arizona Groundwater Replenishment District (CAGR D) can more predictably pay to acquire the supplies they need to meet their legally required groundwater replenishment obligations. The measure also includes a firewall between CAGR D revenues for the acquisition of new supplies and CAWCD or CAGR D taxing authorities. As part of this structure, the bill specifies the calculation of the membership fees that will be used to repay the revenue bonds authorized by this bill. HB2448 also makes improvements to the process by which CAGR D plans of operation are adopted and maintained. HB2448 additionally clarifies the process by which a member land joins the CAGR D.

HB2448 supports AMWUA's Safe-Yield goal for Active Management Areas and will help ensure that the CAGR D's current obligations for replenishment can be achieved predictably and fairly for residents and businesses.

### Specific Provisions:

- Requires ADWR to include findings in its decision on whether the CAGR D's plan of operations is consistent with the AMAs management goals
- Requires ADWR to provide a summary in its decision of all written comments submitted and all the public comments made at the public hearing.
- Expands from 6 to 8 years the time in which ADWR may find that the Plan of Operation has become inconsistent with the AMA's management goals and to request a revised Plan.
- Shortens the time allowed for the CAGR D to submit a revised Plan to one year from two years, but allows ADWR to extend this time for good cause.
- Changes the expiration date for the Determination from January 1 to December 31 of the year following the year in which the CAGR D is required to submit its next Plan OR the date on which ADWR issues a decision that the next plan is consistent with the AMA's management goals.
- Authorizes the CAGR D to issue revenue bonds to acquire, lease or exchange water or water rights for the purpose of meeting its groundwater replenishment obligations.
- Raises the district's existing bond debt limit to \$500 million from \$250 million.
- Prohibits the use of ad valorem taxes levied by the district to repay the bonds.
- Establishes prorated formulas for the calculation of membership dues to be used to repay debt incurred by the district to meet its replenishment obligations, with separate calculations for Member Lands (ML) and Member Service Areas (MSA).

- Member Lands: Prorated among Phoenix, Pinal and Tucson AMAs based on current and projected replenishment obligation, then further prorated as a uniform fee per lot against all parcels.
- Member Service Areas: Prorated among all MSAs as a uniform per Acre Foot fee levied against the dues volume.
- Provides a formula for a “make up” charge if a dues volume for one year is greater than the dues volume for the previous year.
- Requires that a Member Land’s (ML) declaration be approved by CAWCD before it is recorded
- Requires CAWCD to be a party to a Member Land Agreement between a landowner and the municipal water provider for the property, under which the provider submits water delivery information to CAWCD annually for the purpose of calculating the replenishment assessment for each ML.

Sponsor: Representative Tobin

Last Action: Referred to House Water & Energy