

**ARIZONA MUNICIPAL WATER USERS ASSOCIATION
Water Sustainability Legislation Overview**

Background

In 1980, the Arizona Legislature passed the 1980 Groundwater Management Act. This Act codified Arizona's commitment to reducing reliance on groundwater and transitioning to renewable water supplies to meet future water needs. Toward that end, the Act established five Active Management Areas (AMAs). In 1980, an AMA was an area in which groundwater levels were rapidly declining and therefore required the "active management" of that groundwater to prevent its degradation.

The Act prescribed the goal of safe-yield by 2025 for the Phoenix, Tucson, and Prescott AMAs. "Safe-yield" is "a groundwater management goal which attempts to achieve and thereafter maintain a long-term balance between the annual amount of groundwater withdrawn in an AMA and the annual amount of natural and artificial recharge in the AMA."

Although groundwater pumping has decreased in the AMAs since 1980, withdrawals still exceed recharge. Despite the use of renewable water supplies, such as Central Arizona Project (CAP) water and effluent, groundwater overdrafts could continue past 2025.

One of the Act's most important tools for reducing municipal reliance on mined groundwater is the requirement that an assured water supply be demonstrated before subdivided lots may be sold in an AMA. An assured water supply means that sufficient water of adequate quality will be physically, legally, and continuously available to satisfy the needs of the proposed use for at least 100 years. An assured water supply must be demonstrated primarily with renewable water supplies.

Not all landowners and water providers currently have access to renewable water supplies. To address this issue, in 1993 the Arizona State Legislature established the Central Arizona Groundwater Replenishment District (CAGRDR) to assist developers and certain water providers with the demonstration of an assured water supply. Membership in CAGRDR allows more groundwater to be pumped to serve new subdivided lots than would otherwise be allowed under the assured water supply requirements. To offset this pumping, the CAGRDR must replace the excess groundwater pumped to service CAGRDR members by replenishing (recharging) an equal amount of water.

AMWUA and other water users have become concerned that rapid enrollment in CAGRDR may pose risks to the sustainability of the water supplies of the AMAs. In response, the Board of Directors of the Arizona Municipal Water Users Association (AMWUA) adopted a series of Policies Concerning Sustainable Water Supplies addressing, among other things, enrollment in the CAGRDR. The Board directed its staff to convene a Sustainability Policies Stakeholders Process to discuss these policies and related issues.

Overview of Proposed Legislation

The Sustainability Policies Stakeholders Group began meeting in December of 2007. In September 2008, the Stakeholders finalized recommendations, including proposed legislation related to CAGRDR enrollment and the Arizona Department of Water Resources (ADWR) oversight over the CAGRDR Plan of Operation, which is intended to help ensure that:

1. Prospective member lands and member service areas comply with CAGRDR's enrollment process and pay an enrollment fee.
2. CAGRDR is operating under a Plan that continues to demonstrate consistency with the groundwater management objectives for the Phoenix, Tucson, and Pinal AMAs.
3. CAGRDR can continue to fulfill its responsibilities under the Plan, even if certain portions of the Plan are no longer consistent with the management goal.

CAGRDR Enrollment

Proposed statutory changes would:

- Amend current law to require that the Member Land (ML) Declaration be approved by CAWCD prior to recordation and that CAWCD be a party to the ML Agreement.

Purpose: Ensure that prospective MLs comply with CAGRDR's enrollment process and pay an enrollment fee.

ADWR Oversight and Expiration of CAGRDR Plan of Operation

Proposed statutory changes related to ADWR's Oversight of the Plan of Operation would:

- Amend the statutes related to the ADWR Director's review of the Plan of Operation to give the Director the authority to determine, any time between the second anniversary and the eighth anniversary of the Plan, that the Plan is no longer consistent with the management goal for one or more AMA. Currently, the Director has this authority only between the second and sixth anniversary of the Plan.
- Require CAGRDR to submit any revised Plan within one calendar year of the ADWR Director's notification to submit a revised plan, unless the Director extends this time for good cause. Currently, CAGRDR has two years to submit a revised Plan.

Purpose: Help ensure that CAGRDR is operating under a Plan that continues to demonstrate consistency with the management goals of the Phoenix, Tucson, and Pinal AMAs.

Proposed statutory changes related to the Expiration of the Plan of Operation would:

- Prevent provisions of the current ten-year Plan from expiring that are not affected by the ADWR Director's determination that a revised Plan is not consistent with the management goal of an AMA.
- Ensure that the current ten-year Plan remains effective until at least one year after the date the next ten-year Plan must be submitted to ADWR.

Purpose: Help ensure that CAGR D can continue to fulfill its responsibilities under the Plan, even if certain portions of the Plan are no longer consistent with the management goal of an AMA, and CAGR D is operating under a valid Plan, while ADWR reviews the next proposed Plan.