

## Test Your Knowledge with the Assured Water Supply Challenge

Last June, the Arizona Department of Water Resources released the updated Phoenix Active Management Area (AMA) Groundwater Model. Its projections showed a groundwater deficit over the next 100 years to meet existing and future demand. Due to those findings, ADWR will not issue any new Certificates of Assured Water Supply that rely solely on groundwater.

The [model's findings](#) re-emphasized the importance of developing within communities with a 100-year Assured Water Supply. These communities, including the ten AMWUA cities, have diverse water portfolios that not only meet the demands of current residents but also future development – residential, commercial, or industrial - over the next 100 years. Growth can continue within their service areas.



Yet, the decision to block groundwater-dependent growth caused a groundswell of opposition from homebuilders and developers, resulting in the introduction of a record number of bills in the current 2024 session of the Arizona Legislature. Some bills seek to modify how an assured water supply is determined. Others would change the assumptions and data ADWR considers in its groundwater model in order to influence the modeling outcome. Still others would "redistribute" to new subdivisions groundwater counted on by municipal water providers.

Arizona's [100-year Assured Water Supply Program](#) is a cornerstone of state water management policy by providing consumer protection to homebuyers and certainty to business leaders who want to invest in Arizona. Let's test your knowledge about this important principle of Arizona water management with *The Assured Water Supply Challenge* by answering true or false to the following questions:

**An assured water supply means that there is sufficient water of adequate quality to serve a subdivision for at least 50 years?**

False. An assured water supply means that the proposed water supply for a subdivision is of adequate quality and physically, legally, and continuously available to meet the needs of the subdivision for **at least 100 years**. This is the platinum standard for groundwater management and consumer protection that no other state offers. In addition, the developer of the subdivision must show that any proposed groundwater use is consistent with the management plan and achievement of the management goal for the Active Management Area (AMA) in

which the subdivision is located and demonstrate the financial capability to construct the treatment and delivery systems necessary to make the water available for the subdivision.

**A subdivision is a parcel of land divided into six or more lots?**

True. All subdivisions within Central Arizona are required to show an assured water supply before lots in the subdivision may be sold. "Subdivision" is defined by the state real estate code and means the division of a parcel of land into six or more lots. If you answered "true," you've been following the news.

**ADWR routinely reviews and revokes Certificates of Assured Water Supply?**

False. ADWR is not required under the Assured Water Supply rules to review Certificates of Assured Water it has previously issued. While ADWR may revoke a Certificate if *any* residential lot within the subdivision has been sold.

**Rio Verde Foothills failed to obtain a Certificate of Assured Water Supply from ADWR?**

This answer is a bit tricky. A much talked about story in 2023 was the predicament of homeowners in the Rio Verde Foothills when they could no longer rely on hauled water. While it's true that Rio Verde Foothills did not obtain a Certificate of Assured Water Supply, the development is a so-called "wildcat subdivision" that was not required to obtain a Certificate. Parcels of land there were divided into fewer than six lots and then sold. So technically, Rio Verde Foothills lot splits did not need a Certificate. Yet, the situation in Rio Verde reinforced the importance of having a 100-year assured water supply and showed how "wildcat subdivisions" are a loophole in providing residents the consumer protection of the Assured Water Supply Program.

**New subdivisions can be built within the service areas of cities, towns, and private water companies that have demonstrated to ADWR that an assured water supply exists?**

True. ADWR designates the service areas of cities, towns, and private water companies that have an assured water supply. These Designations apply to all uses of water served by the provider, from subdivisions to businesses and industries. Importantly, ADWR reviews each Designation at least every 15 years to determine whether the Designation should be modified or revoked, making water service from a Designated water provider the most secure water service in the AMA. Even though the ADWR groundwater model has halted subdivisions outside designated service areas, new subdivisions can move forward within designated service areas because they do not rely solely on groundwater and have other supplies.

**All of the AMWUA member municipalities designated as having an assured water supply?**

True. All ten AMWUA members – Avondale, Chandler, Gilbert, Glendale, Goodyear, Mesa, Peoria, Phoenix, Scottsdale, and Tempe – are proud of their designations and commitment to water security, which has involved investing billions of dollars into water resources and infrastructure.

Why these questions, you might ask? There is a school of thought, reflected in all the proposed legislation mentioned above, that Arizona's economy is being hurt by ADWR's decision to halt

the issuance of Certificates of Assured Water Supply in the Phoenix area if groundwater is the proposed water source. As the argument goes, subdivision growth must continue, even on finite groundwater, if Arizona's citizens are to continue to prosper.

An examination of the past is important here. Over a half-century ago, the Arizona Legislature determined that developers should be required to demonstrate the adequacy of the water supplies for proposed subdivisions. While the history of House Bill 2100 is obscured by the years, its passage was deemed an emergency, requiring an affirmative vote by at least two-thirds of the members of both the State Senate and the House of Representatives. That emergency quite possibly resulted from the reporting of Arizona Republic reporter Don Bolles, who exposed a massive land swindle in Arizona involving more than 1,000 people across the United States, in which unsuspecting buyers purchased land in Arizona lacking a water supply. Under the new law, the Arizona Water Commission—the predecessor of ADWR—determined that an adequate water supply meant a 100-year supply. While homes could be sold without an adequate water supply, the state real estate commissioner was required to ensure that promotional material and contracts for the sale of lots in all subdivisions displayed the Arizona Water Commission's water supply findings.

Four years later, recognizing that groundwater in many of Arizona's groundwater basins was being depleted at alarming rates, the 1977 Legislature established the Arizona Groundwater Management Study Commission, tasking it with developing a comprehensive law to manage this finite resource. In June 1980, the Legislature approved the legislation recommended by the Study Commission, without amendment, and it was signed into law by Governor Bruce Babbitt on June 12, 1980. The 1980 Groundwater Management Act strengthened the adequate water supply requirements within Active Management Areas (AMAs) by requiring developers to prove a 100-year "assured" water supply before subdivision lots may be sold.

The [assured water supply requirement protects consumers](#). If you are fortunate enough to own a home, it may be your most important financial asset, and the water you need to live there isn't an option - it is essential. The final question to ponder is...

**Would Arizona's citizens be better off without a strong 100-year assured water supply requirement that protects our groundwater?**

**What's your answer?**

*For 55 years, the Arizona Municipal Water Users Association has worked to protect our member cities' ability to provide assured, safe, and sustainable water supplies to their communities. For more water information, visit [www.amwua.org](http://www.amwua.org).*