

Natural Resources, Energy & Water Committee

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NATURAL RESOURCES, ENERGY & WATER COMMITTEE

LEGISLATION ENACTED

energy; water; savings accounts (S.B. 1056/H.B. 2333) – Chapter 39

Extends the maximum term for a municipal or county energy or water cost savings contract and repayment agreement to 25 years, rather than the shorter of 15 years or the term of the financial agreement, and allows a school district or agent to use a shorter capital repayment schedule. Prescribes a definition for *energy cost savings* as it applies to an energy or water cost savings contract and repayment agreement.

state lands; partial tracts; patents (S.B. 1065) – Chapter 121

Removes the prohibition on the State Land Commissioner issuing a patent for a partial tract of land that is either less than one-fourth of the entire tract sold or less than 10 acres.

water banking; storage credits; subcontractors. (S.B. 1147) – Chapter 227

Authorizes the Arizona Water Banking Authority to distribute long-term storage credits directly to the Central Arizona Water Conservation District's municipal and industrial subcontractors. The credits may not be sold, and the subcontractor is responsible for applicable water banking fees and recovery costs.

forfeiture of office; technical correction (NOW: solid waste; advanced recycling facilities) (S.B. 1156) – Chapter 277

Exempts recovered feedstocks processed through advanced recycling from the statutory definition of *solid waste* for the purposes of solid waste management regulations. Advanced recycling is a manufacturing process using pyrolysis, gasification, depolymerization, catalytic cracking, reforming, hydrogenation, solvolysis and other similar technologies to convert post-use polymers and recovered feedstocks into basic hydrocarbon raw materials, feedstocks, chemicals, monomers, oligomers, plastics, plastics and chemical feedstocks, basic and unfinished chemicals, crude oil, naphtha, liquid transportation fuels and coatings and other products.

Subjects an advanced recycling facility to requirements for wind and surface dispersion control, discharge of hazardous substances and storage of recovered feedstocks or post-use polymers. An advanced recycling facility must notify the Arizona Department of Environmental Quality upon opening a new facility and is subject to routine inspections to ensure compliance. Includes grants to or contracts with political subdivisions, nonprofit organizations or private enterprises for new technologies in permissive uses of Recycling Fund monies.

state of emergency; tolling; permits (S.B. 1258) – Chapter 212 E

[SEE THE COMMERCE COMMITTEE.](#)

assured water supply; subdivisions. (S.B. 1274/H.B. 2336) – Chapter 17

Modifies requirements for the designation of assured water supply in the Pinal Active Management Area (Pinal AMA). If the provider's to-date water use has not exceeded the total volume included in the original designation, the Director of the Arizona Department of Water Resources (Director) may not review the physical availability of groundwater and stored water recovered outside the area of impact in determining the reissuance of the assured water supply designation. The Director may not consider a change in the number of housing units or lots to a plat since the issuance of a certificate of assured water supply as a material change if there is a reduction in total water demand for the subdivision. Prescribes requirements for consideration of water as physically available for purposes of an assured water supply designation in the Pinal AMA.

The Director may revise the assured water supply rules to apply the Pinal AMA requirements for determining the physical availability of water to other AMAs.

~~water; wastewater system; county operation~~ (NOW: water; wastewater system; corrective actions) (S.B. 1307) – Chapter 214

Requires, rather than allows, the Arizona Department of Environmental Quality (ADEQ) to make a written request for the Arizona Corporation Commission (ACC) to take necessary corrective actions for a regulated wastewater treatment facility or system or a regulated public water system that is out of compliance and directs the ACC to commence the corrective actions within 30 days of the written request. ADEQ must provide a copy of the request to the governing body of any local jurisdiction served by the facility or system.

fire districts; amendments (S.B. 1351) – Chapter 145

[SEE THE GOVERNMENT COMMITTEE.](#)

~~remediated water; groundwater; use~~ (NOW: remediated groundwater use; date; extension) (S.B. 1366) – Chapter 272

Extends the expiration date, from 2025 to 2050, for Active Management Area (AMA) management goal exemptions for remediated groundwater withdrawn from Comprehensive Environmental Response, Compensation and Liability Act priority sites. An aggregate of 65,000 acre-feet of groundwater withdrawn within all AMAs pursuant to approved remedial action projects is considered consistent with the management goal of the AMA. The municipal water provider's remediated groundwater may not exceed the amount the provider is legally obligated to use or withdraw.

environmental quality; program terminations; repeal (S.B. 1370) – Chapter 69 E

An emergency measure effective March 18, 2021, that eliminates the sunset dates for various programs under the jurisdiction of the Arizona Department of Environmental Quality (ADEQ) and transfers the administration of the Oil and Gas Conservation Commission to ADEQ. Retroactive to July 1, 2020, reinstates the ADEQ Monitoring Assistance Program.

certified applicators; fingerprinting requirement (S.B. 1414) – Chapter 283

Adds, to the duties of the Director of the Arizona Department of Agriculture (Director), educating the public on licensure, certification and registration requirements of the Pest Management Division (Division). Authorizes the Director to maintain a list of persons who have unlawfully engaged in the business of pest management and prescribes requirements for the list. Beginning January 1, 2022, an individual who applies for certification as a new pest management applicator must submit a full set of fingerprints and any prescribed fees for a criminal records check.

solid waste services; private provider (S.B. 1429) – Chapter 149

Prohibits a county, city or town from providing a criminal penalty for violating a local ordinance or regulation of solid waste collection services and from enforcing a criminal penalty against a person who refuses to purchase solid waste collection services from a private service provider, unless the private service provider contracts with the county, city or town to provide collection services that are billed through the county, city or town.

hazardous vegetation removal; state forester (S.B. 1442/H.B. 2440) – Chapter 44

Authorizes the State Forester to enter into an intergovernmental agreement (IGA) or memorandum of understanding (MOU) with a public agency to identify and remove vegetative natural products where vegetation is hazardous for the purposes of fire prevention, forest and watershed restoration and critical infrastructure protection. The State Forester may use legislative appropriations and public and private monies for uses outlined in the respective IGA or MOU. Consent of the property owner is required to remove hazardous vegetation on private land and consent of the tribe is required to remove hazardous vegetation on tribal land.

Arizona department of agriculture; continuation. (NOW: agricultural operations; nuisance; costs; damages) (S.B. 1448) – Chapter 218

Authorizes the court to award costs and expenses to the prevailing party in a nuisance action against an agricultural operation on farmland. The court may not award punitive damages unless the alleged nuisance emanated from an operation that has been subject to a criminal conviction or a civil action from a governmental agency. The court must award reasonable costs and attorney fees to the other party if the complaint was: 1) not filed in good faith; 2) not grounded in fact or based on law; or 3) filed for an improper purpose. A local government may not declare an operation to be a nuisance if the practices are lawful, customary, reasonable, safe and necessary to the agricultural industry.

agricultural property; reclassification; notice ([S.B. 1734](#)) – Chapter 151

[SEE THE FINANCE COMMITTEE.](#)

environment; budget reconciliation; 2021-2022 ([S.B. 1822/H.B. 2894](#)) – Chapter 407

[SEE THE APPROPRIATIONS COMMITTEE.](#)

supporting; ~~hardrock mining~~ (NOW: border security; border crisis) ([S.C.R. 1011](#))

[SEE THE GOVERNMENT COMMITTEE.](#)

unauthorized racing meetings; penalties; racketeering ([H.B. 2012/S.B. 1239](#)) – Chapter 6

[SEE THE COMMERCE COMMITTEE.](#)

state mine inspector; qualifications ([H.B. 2033/S.B. 1367](#)) – Chapter 20

Requires the State Mine Inspector to have at least eight years of experience in direct operational mining or mining management at a mine, four of which must have been in Arizona. Additionally, the State Mine Inspector must have knowledge of state and federal mining regulations and annually complete continuing education on mine safety and health regulations. Any person desiring to become a candidate for State Mine Inspector must sign an affidavit that is filed with the nomination paperwork attesting that the person fulfills these requirements.

noxious weeds; government projects ([H.B. 2034/S.B. 1223](#)) – Chapter 9

[SEE THE GOVERNMENT COMMITTEE.](#)

electric cooperatives; broadband service; fees ([H.B. 2036/S.B. 1137](#)) – Chapter 3

[SEE THE COMMERCE COMMITTEE.](#)

geological survey; state geologist ([H.B. 2037](#)) – Chapter 92

Reconciles previous conflicting enactments by transferring the authority of the Arizona Geological Survey to the University of Arizona. The State Geologist must either be a registered geologist or a trained geologist and serve at the pleasure of the Arizona Board of Regents, rather than at the pleasure of the Governor. Repeals the July 1, 2022, sunset date of the Arizona Geological Survey.

salvage permit; big game animals (H.B. 2038) – Chapter 128

Expands the list of persons authorized to obtain a nontransferable big game salvage permit from a peace officer or an authorized employee of the Arizona Game and Fish Department. The issuing officer or employee may inspect the carcass before issuing the permit, rather than within 20 days after issuing the permit, and may not issue a permit if the carcass is suspected to be diseased or spoiled. Removes permission for the permittee to place the carcass in storage at a commercial food establishment and modifies permit form requirements.

groundwater replenishment reserves (H.B. 2041/S.B. 1446) – Chapter 21

Modifies the calculation of a multi-county water conservation district's target replenishment reserve by requiring the projected replenishment obligation for each Active Management Area for each of the 100 years following submission of the plan of operation first to be added together, then subtracted from the sum of the replenishment obligation over the 100-year period, rather than subtracting the 100-year replenishment obligation.

aquifer protection permits; injection wells (H.B. 2042/S.B. 1364) – Chapter 32

Applies the exemption from an aquifer protection permit for class V wells that are covered by an underground injection control (UIC) permit on September 29, 2021, rather than not until the U.S. Environmental Protection Agency approves the state UIC Program. The UIC permit exemption for class V wells no longer applies, and instead the wells must operate pursuant to state and federal UIC Program rules.

Requires contested provisions of an Arizona Pollutant Discharge Elimination System permit that are subject to a notice of appeal to be stayed pending an appeal before the Water Quality Appeals Board, rather than for the duration of the pending appeal.

underground storage tanks; performance standards (H.B. 2043/S.B. 1365) – Chapter 37

Increases the threshold for installation of new piping that requires an underground storage tank (UST) owner to bring all connected piping into federal compliance from 25 percent to 50 percent of the total piping. New installation of a UST or UST system parts must meet the federal secondary containment performance standards in effect on January 1, 2020.

water conservation notice; no forfeiture (H.B. 2056/S.B. 1368) – Chapter 22

Allows a person who is entitled to use surface water to file a water conservation plan notice with the Director of the Arizona Department of Water Resources and outlines requirements for the notice. Conservation of water included in a filed conservation plan does not constitute abandonment or forfeiture of the water conserved and is sufficient cause for nonuse of the water. A person may not accrue long-term storage credits for the conserved water. The Legislature's intent is prospective application and that water conservation contributes to the practical and economical management, conservation and use of surface water without affecting associated water rights or claims.

groundwater; waterlogged area exemption; date ([H.B. 2078/S.B. 1021](#)) – Chapter 4

Extends, in the Buckeye Waterlogged Area, groundwater withdrawal exemptions from water duties and conservation requirements and groundwater withdrawal fees and water quality assurance fees until December 31, 2034. Exempted withdrawals for irrigation are subject to a \$0.25 per-acre water duty exemption fee. When determining compliance with conservation requirements for the Phoenix Active Management Area, the Director of the Arizona Department of Water Resources (Director) must continue to account for groundwater withdrawn in the Buckeye Waterlogged Area by a drainage water withdrawal permittee as surface water, if the groundwater is used at a turf-related facility or riparian habitat within the area. The Director must submit a recommendation regarding further extension of the exemptions by November 15, 2031.

conservation districts; water; invasive vegetation ([H.B. 2079](#)) – Chapter 190

Grants natural resource conservation districts (NRCDs) the power to administer a soil health program and to conduct surveys, investigations and research relating to eradicating invasive vegetation. Includes approved methods of eradicating invasive vegetation into the NRCD programming. Allows a conservation plan to be filed with an NRCD in order to qualify for the Credit for Agricultural Water Conservation System.

agricultural employment relations board; continuation ([H.B. 2080](#)) – Chapter 168

Continues the Agricultural Employment Relations Board for eight years, until July 1, 2029, retroactive to July 1, 2021.

Arizona department of agriculture; continuation ([H.B. 2081](#)) – Chapter 75

Continues the Arizona Department of Agriculture for eight years, until July 1, 2029, retroactive to July 1, 2021.

renewable energy storage equipment; valuation ([H.B. 2153](#)) – Chapter 417

[SEE THE FINANCE COMMITTEE.](#)

G&F; private lands; trespassing ([H.B. 2246](#)) – Chapter 104

Deems it unlawful to take wildlife from private land without authorization if a *no trespassing* sign is posted or the person remains on the land after a request to leave has been made. Modifies requirements for valid notice or posted *no trespassing* signs and allows the landowner or lessee to grant permission for access by means other than in writing.

state lands; leases; renewal applications (H.B. 2249/S.B. 1413) – Chapter 33

Requires the Arizona State Land Department to accept lease renewal applications by mail and allows the acceptance of applications electronically.

Requires the State Land Commissioner and the Director of the Arizona Department of Water Resources to locate at least six potentially acceptable sites to construct additional water storage facilities and to submit a report to the Governor and the Legislature by December 31, 2021.

citrus research council; fee increase (H.B. 2289) – Chapter 105 RFE

Beginning March 24, 2021, and subject to the requirements for enactment (Proposition 108), which requires the affirmative vote of at least two-thirds of the members of each house of the Legislature, increases, from one and one-half cent to five cents, the maximum fee authorized to be assessed by the Arizona Citrus Research Council (Council) on a standard carton of citrus produced or per 40 pounds of equivalent citrus weight in bulk bins. The Council may assess a different fee amount for citrus produced for juice production.

centrally assessed property; valuation; pipelines (H.B. 2316/S.B. 1111) – Chapter 26

[SEE THE FINANCE COMMITTEE.](#)

air quality; omnibus (H.B. 2329/S.B. 1371) – Chapter 27

Conditionally upon U.S. Environmental Protection Agency approval, replaces current emissions requirements in Area A, in the Phoenix metropolitan area, and Area B, in the Tucson metropolitan area, with onboard diagnostic testing requirements for qualifying vehicles and prescribes alternative methods of compliance for certain vehicles. Adds cranes, permitted oversized vehicles and vehicles that are not in use and owned by an Arizona resident on active military duty to the vehicles the Director of the Arizona Department of Environmental Quality (ADEQ) is authorized to exempt from emissions testing requirements.

Replaces ADEQ's requirement to conduct research to quantify the effect of alternative fuels on toxic components of vehicular emissions with the permissive authority for ADEQ to conduct research to quantify the effect of vehicular emissions. ADEQ may hire consultants to analyze all emissions reduction measures, rather than only carbon monoxide reduction measures.

Replaces the requirement for certain counties to operate a Voluntary Vehicle Repair and Retrofit Program with a requirement for ADEQ to administer a statewide program in areas that are subject to vehicle emissions inspections. Modifies program requirements and eligibility.

additional wagering facilities; cap; removal (H.B. 2374) – Chapter 171

[SEE THE COMMERCE COMMITTEE.](#)

class 2 property; guest ranches (H.B. 2376) – Chapter 185

[SEE THE FINANCE COMMITTEE.](#)

~~water supply development fund; appropriation~~ (NOW: water supply development fund) (H.B. 2388) – Chapter 262

Increases, from \$100,000 to \$250,000, the maximum amount for a single grant to a water provider from the Water Supply Development Revolving Fund (Fund) for the planning or design of water supply development projects. Expands qualifying entities for financial assistance from the Fund.

water; substitute acreage (H.B. 2441) – Chapter 85

Allows a person with rights to use water to retire irrigation acres and substitute for other acres within the same farm unit if the irrigation acres were damaged by floodwaters or are subject to a limiting condition that impedes the implementation of efficient irrigation and the farm owner follows the prescribed process for notification. The Director of the Arizona Department of Water Resources must post the notice of substituted irrigation acres on its website.

environmental quality omnibus (H.B. 2580) – Chapter 88

Arizona Department of Environmental Quality (ADEQ) Administration – Repeals outlined ADEQ rulemaking authority for attainment area designations and remedial action site boundary adjustments. Removes outlined ADEQ requirements relating to local government fund distribution criteria, remedial action site community advisory board meetings, facility pollution prevention plan notice of inadequacy and the use of recycled newsprint. Repeals the Director of ADEQ's authorization to acquire, develop and contract for a hazardous waste disposal site in Maricopa County and the related trust fund. Repeals the Joint Legislative Review Committee on State Plans Relating to Carbon Dioxide Emissions from Existing Power Plants and all associated requirements and permissions.

Emissions and Air Quality – Extends the timeframe for a required public hearing for a proposed air contaminant rule. Removes the requirement that ADEQ establish a roadside testing program for certain diesel-powered motor vehicles and the requirement that modifications to a contracted emissions inspection agreement be reviewed by the Joint Legislative Budget Committee.

computer data centers; tax incentives (H.B. 2649) – Chapter 266

[SEE THE FINANCE COMMITTEE.](#)

technical correction; underground storage; closure (NOW: underground storage tanks; standards; reimbursements) (H.B. 2671) – Chapter 440

Requires an underground storage tank (UST) and certain system parts upon new installation to meet federal performance standards, detection requirements and codes of practice in effect on January 1, 2020. Eliminates the January 1, 2024, repeal date for the UST excise tax and requires the UST excise tax and supported programs to be reviewed during the legislative sunset review of the Arizona Department of Environmental Quality (ADEQ). Modifies criteria for reimbursement from the UST Revolving Fund and expands reimbursement eligibility for specified claims.

Extends the deadline to file for preapproval and reimbursement of eligible costs and lengthens the period for conducting baseline assessments for UST noncorrective actions and the time limit in which approved UST Revolving Fund monies may be used for noncorrective actions. Limits ADEQ's authority to place liens against a property for unrecovered corrective action costs and allows ADEQ to forgo a lien on a property when the Director of ADEQ orders necessary corrective actions to protect human health, safety or the environment.

agricultural management practices; general permit (H.B. 2677) – Chapter 134

Asserts that fugitive PM₁₀ emissions from activities that are subject to an agricultural general permit are not subject to an air quality permit issued by the Arizona Department of Environmental Quality, with exceptions and conditions.

groundwater permits; technical correction (NOW: ADEQ; water quality program; WOTUS) (H.B. 2691) – Chapter 325

Establishes permitting and water quality standards for surface waters that are not federally regulated under the federal definition of *Waters of the United States* (WOTUS) and a process for identifying non-WOTUS protected surface waters that are impaired. Directs the Director of the Arizona Department of Environmental Quality (Director) to maintain and publish a list of state-protected surface waters and outlines included and excluded waters and types of waters for the list. The Director must adopt new water quality standards for non-WOTUS protected surface waters by December 31, 2022, and must use a best management practices approach for permitting discharges to non-WOTUS protected surface waters.

environmental technology; biomass; forestry products (H.B. 2714) – Chapter 200

[SEE THE FINANCE COMMITTEE.](#)

emissions inspection; collectible vehicles; dealers (H.B. 2758) – Chapter 116

Allows a licensed motor vehicle dealer in Area A, in the Phoenix metropolitan area, or Area B, in the Tucson metropolitan area, to deliver a collectible vehicle that has not passed an emissions inspection to a purchaser if the purchaser obtains collectible vehicle or classic automobile insurance.

~~archaeology advisory commission~~ (NOW: Sierra Vista; hummingbird capital) ([H.B. 2807](#)) – Chapter 362

[SEE THE GOVERNMENT COMMITTEE.](#)

salt cedars; urging eradication ([H.C.M. 2001](#))

Urges the U.S. Congress to appropriate monies to the State of Arizona to eradicate salt cedars from Arizona waterways. Urges the U.S. Department of the Interior and the U.S. Department of Agriculture to develop innovative solutions to control the proliferation of salt cedars.

Colorado river; urging augmentation ([H.C.M. 2003](#))

Urges the Secretary of the U.S. Department of the Interior to take all necessary measures to fulfill its obligations to provide for Colorado River water augmentation and conservation.

floodwater harvesting; study; urging Congress ([H.C.M. 2004](#))

Urges the U.S. Congress to fund a technological and feasibility study of developing a diversion dam and pipeline to harvest floodwater from the Mississippi River to replenish the Colorado River and prevent flood damage along the Mississippi River and to implement the diversion dam and pipeline if shown to be feasible.

hardrock mining; supporting ([H.C.R. 2009](#))

[SEE MEMORIALS & RESOLUTIONS.](#)

forests; proper management ([H.R. 2003](#))

[SEE MEMORIALS & RESOLUTIONS.](#)

supporting funding; water conservation ([H.R. 2016](#))

[SEE MEMORIALS & RESOLUTIONS.](#)

LEGISLATION VETOED

~~nutrition assistance; benefit match; appropriation~~ (NOW: nutrition assistance; benefit match) ([S.B. 1176](#)) – VETOED

[SEE THE APPROPRIATIONS COMMITTEE.](#)

FIRST SPECIAL SESSION (2021)

appropriations; fire suppression (H.B. 2001/S.B. 1001) – Chapter 1 (First Special Session)

Beginning June 18, 2021, makes the following supplemental appropriations from the state General Fund in FY 2021 to the Department of Forestry and Fire Management (DFFM): 1) \$75,000,000 for wildfire emergency response efforts; and 2) \$24,541,800 and 122 full-time equivalent (FTE) positions for wildfire mitigation. Outlines authorized uses for the appropriation for wildfire emergency response efforts and limits the following uses to a maximum of \$10,000,000 each: 1) state capital expenditures and equipment for fire suppression and pre-positioning activities; and 2) financial assistance to landowners for emergency infrastructure repairs. DFFM must seek federal reimbursement, as appropriate, and report expenditures for wildfire emergency response efforts to the Legislature on a monthly basis. The appropriation for wildfire mitigation is for the following purposes: 1) \$16,999,300 and 122 FTE positions for fire mitigation personnel and operating costs; 2) \$3,910,000 for vehicle purchases; 3) \$2,250,000 for contracted hazardous vegetation removal; and 4) \$1,382,500 for vehicle operating costs.