

State of Arizona  
Senate  
Fifty-third Legislature  
First Regular Session  
2017

**CHAPTER 308**  
**SENATE BILL 1526**

AN ACT

AMENDING SECTIONS 42-5304 AND 49-360, ARIZONA REVISED STATUTES;  
APPROPRIATING MONIES; RELATING TO ENVIRONMENT BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-5304, Arizona Revised Statutes, is amended to  
3 read:

4 42-5304. Disposition of revenues

5 The department shall separately account for monies paid under this  
6 article and shall deposit, pursuant to sections 35-146 and 35-147, the  
7 FIRST \$1,800,000 OF net revenues collected under this article IN THE SAFE  
8 DRINKING WATER PROGRAM FUND ESTABLISHED BY SECTION 49-360 AND THE  
9 REMAINING NET REVENUES in the water quality assurance revolving fund  
10 established by section 49-282.

11 Sec. 2. Section 49-360, Arizona Revised Statutes, is amended to  
12 read:

13 49-360. Monitoring assistance program for public water  
14 systems; fees; monitoring assistance fund; safe  
15 drinking water program fund; rules

16 A. The department shall establish a monitoring assistance program  
17 to assist public water systems in complying with monitoring requirements  
18 under the federal safe drinking water act (P.L. 93-523; 88 Stat. 1660;  
19 P.L. 95-190; 91 Stat. 1393; P.L. 104-182; 110 Stat. 1613; 42 United States  
20 Code sections 300f through 300j-26), as amended. The program shall  
21 provide for the collection, transportation and analysis of baseline  
22 samples from public water systems in a frequency sufficient to keep the  
23 systems in compliance with the federal safe drinking water act  
24 requirements. At a minimum, the program shall include monitoring for the  
25 following categories of contaminants:

- 26 1. Volatile organic chemicals.
- 27 2. Synthetic organic chemicals.
- 28 3. Inorganic chemicals except for copper and lead.
- 29 4. Radiochemicals.

30 B. The department shall contract with one or more private parties  
31 or statewide nonprofit organizations representing water systems to  
32 implement the monitoring assistance program subject to available  
33 funding. Contracts shall be awarded for up to three years, beginning  
34 January 1, 1999. Entities with which the department contracts shall:

- 35 1. Provide updated monitoring schedules, developed in conjunction  
36 with the department, to participating water systems.
- 37 2. Take samples for participating water systems, allow for  
38 certified operators to take samples and train system personnel to take  
39 samples.
- 40 3. Assist participating water systems when resampling is required  
41 by the federal safe drinking water act.
- 42 4. Assist participating water systems to apply for and qualify for  
43 available interim monitoring relief and waivers.

1           5. Provide any other on-site technical assistance necessary to help  
2 the participating water systems comply with the monitoring requirements of  
3 the federal safe drinking water act.

4           C. Any public water systems serving more than ten thousand persons  
5 may elect to participate in the monitoring assistance program subject to  
6 the payment of the fees pursuant to subsection F of this section.

7           D. The department shall ~~utilize~~ USE licensed environmental  
8 laboratories as defined ~~by~~ IN section 36-495 or laboratories certified or  
9 designated by the United States environmental protection agency to analyze  
10 samples collected under the monitoring assistance program. The department  
11 shall establish specific criteria for measuring contractor qualifications  
12 and performance.

13           E. Each environmental laboratory that the department ~~utilizes~~ USES  
14 pursuant to subsection D of this section shall deliver copies of the  
15 analysis results to the water system owner, the monitoring assistance  
16 program contractor and the department.

17           F. The director shall establish fees for the monitoring assistance  
18 program to be collected from all public water systems serving up to ten  
19 thousand persons. The participating water systems shall remit these fees  
20 to the department for deposit in the monitoring assistance fund.

21           G. The monitoring assistance fund is established consisting of fees  
22 collected from participating public water systems pursuant to subsection F  
23 of this section. The director shall administer the fund. If the fund has  
24 a surplus after execution of the previous year's contract, any surplus in  
25 excess of two hundred thousand dollars in any year shall be used to reduce  
26 the fee for the subsequent year in a manner consistent with the program  
27 invoicing system. Monies in the fund shall be used to pay the monitoring  
28 assistance program contractors, the environmental laboratories ~~utilized~~  
29 USED for the purposes of this section and administrative costs incurred by  
30 the department. Monies in the fund are exempt from lapsing pursuant to  
31 section 35-190. Interest earned on monies in the fund shall be credited  
32 to the fund. The allowable administrative costs of the department are  
33 limited to no more than fifteen ~~per cent~~ PERCENT of monies deposited in  
34 the fund annually or one hundred eighty-four thousand dollars, whichever  
35 is less. As used in this subsection, administrative costs include only  
36 those costs necessary to ~~perform~~ DO the following:

- 37           1. ~~To assure~~ ENSURE contractor performance and quality control.
- 38           2. ~~Administration of~~ ADMINISTER the contracts.
- 39           3. ~~Collection of~~ COLLECT fees as provided in subsection F of this  
40 section.
- 41           4. ~~Providing~~ PROVIDE direct technical assistance related to the  
42 implementation of the monitoring assistance program only to the extent the  
43 department's assistance is required by this section.

1 H. THE SAFE DRINKING WATER PROGRAM FUND IS ESTABLISHED CONSISTING  
2 OF MONIES DEPOSITED IN THE FUND PURSUANT TO SECTION 42-5304. THE DIRECTOR  
3 SHALL ADMINISTER THE FUND. SUBJECT TO LEGISLATIVE APPROPRIATION, MONIES  
4 IN THE FUND SHALL BE USED TO PAY FOR THE COSTS OF PROGRAMS REQUIRED BY  
5 THIS ARTICLE INCURRED BY THE DEPARTMENT. MONIES IN THE FUND ARE EXEMPT  
6 FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF  
7 APPROPRIATIONS. INTEREST EARNED ON MONIES IN THE FUND SHALL BE CREDITED  
8 TO THE FUND.

9 ~~H.~~ I. The department shall adopt rules for the monitoring  
10 assistance program.

11 ~~I.~~ J. Any site visit made pursuant to this section by a monitoring  
12 assistance program contractor shall not be regarded as an inspection or  
13 investigation. ~~No~~ Enforcement actions shall NOT be taken as a result of  
14 these site visits, except that ~~nothing in~~ this section ~~affects~~ DOES NOT  
15 AFFECT the authority of the department to enforce this article pursuant to  
16 section 49-354.

17 Sec. 3. Arizona water protection fund; use

18 Notwithstanding section 45-2114, Arizona Revised Statutes, in fiscal  
19 year 2017-2018, the Arizona water protection fund commission may grant to  
20 the department of water resources up to \$336,000 of the unobligated  
21 balance in the Arizona water protection fund established by section  
22 45-2111, Arizona Revised Statutes, to pay for administrative costs of the  
23 department in fiscal year 2017-2018.

24 Sec. 4. Off-highway vehicle recreation fund; use

25 Notwithstanding section 28-1176, Arizona Revised Statutes, the  
26 Arizona state parks board may spend up to \$692,100 from the Arizona state  
27 parks board portion of the off-highway vehicle recreation fund established  
28 by section 28-1176, Arizona Revised Statutes, in fiscal year 2017-2018 for  
29 parks board operating expenses.

30 Sec. 5. Underground storage tank revolving fund; transfer of  
31 monies; use

32 Notwithstanding any other law, the provisions of section 49-1015,  
33 subsection C, Arizona Revised Statutes, are suspended for fiscal year  
34 2017-2018, and the department of environmental quality may transfer up to  
35 \$6,531,000 from the underground storage tank revolving fund established by  
36 section 49-1015, Arizona Revised Statutes, in fiscal year 2017-2018 for  
37 administrative costs of the department.

38 Sec. 6. Arizona water banking fund; use

39 In addition to the purposes provided in section 45-2425, Arizona  
40 Revised Statutes, monies appropriated to the Arizona navigable stream  
41 adjudication commission from the Arizona water banking fund established by  
42 section 45-2425, Arizona Revised Statutes, may be used in fiscal year  
43 2017-2018 to pay legal fees.



1 B. The department of environmental quality is exempt from the  
2 rulemaking requirements of title 41, chapter 6, Arizona Revised Statutes,  
3 until July 1, 2018 for the purpose of establishing fees pursuant to this  
4 section.

5 Sec. 10. Water resources fees; increase; intent; exemption  
6 from rulemaking

7 A. Notwithstanding any other law, the director of water resources  
8 may increase fees in fiscal year 2017-2018 for services in fiscal year  
9 2017-2018.

10 B. Monies received from any fees collected pursuant to subsection A  
11 of this section shall be deposited in the water resources fund established  
12 by section 45-117, Arizona Revised Statutes.

13 C. It is the intent of the legislature that the monies generated by  
14 the fees collected pursuant to subsection A of this section not exceed  
15 \$100,200.

16 D. The department of water resources is exempt from the rulemaking  
17 requirements of title 41, chapter 6, Arizona Revised Statutes, until  
18 July 1, 2018 for the purpose of establishing fees pursuant to this  
19 section.

APPROVED BY THE GOVERNOR MAY 12, 2017.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2017.