

REFERENCE TITLE: **system conservation fund; appropriation.**

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

HB 2541

Introduced by
Representatives Bowers: Griffin

AN ACT

AMENDING TITLE 45, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTION 45-118; REPEALING SECTION 45-118, ARIZONA REVISED STATUTES;
APPROPRIATING MONIES; RELATING TO THE DEPARTMENT OF WATER RESOURCES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 45, chapter 1, article 1, Arizona Revised
3 Statutes, is amended by adding section 45-118, to read:

4 45-118. Arizona system conservation fund; purpose; report

5 A. THE ARIZONA SYSTEM CONSERVATION FUND IS ESTABLISHED CONSISTING
6 OF LEGISLATIVE APPROPRIATIONS, GRANTS AND CONTRIBUTIONS FROM PRIVATE AND
7 PUBLIC ENTITIES. THE DIRECTOR SHALL ADMINISTER THE FUND. MONIES IN THE
8 FUND ARE CONTINUOUSLY APPROPRIATED FOR THE PURPOSES OF THIS SECTION. THE
9 DIRECTOR MAY SPEND MONIES FROM THE FUND TO CONTRACT WITH COLORADO RIVER
10 WATER USERS IN THIS STATE THAT HOLD ENTITLEMENTS TO COLORADO RIVER WATER
11 UNDER THE DECREE IN ARIZONA V. CALIFORNIA TO FORGO WATER DELIVERIES OR
12 DIVERSIONS FOR THE PURPOSE OF CREATING SYSTEM CONSERVATION. CONTRACTS
13 ENTERED INTO PURSUANT TO THIS SECTION ARE EXEMPT FROM TITLE 41,
14 CHAPTER 23.

15 B. SYSTEM CONSERVATION CREATED THROUGH THE USE OF THE FUND SHALL
16 PROVIDE FOR COLORADO RIVER WATER TO BE CONSERVED IN LAKE MEAD THROUGH A
17 VERIFIED REDUCTION IN EXISTING CONSUMPTIVE USE IN ORDER TO DECREASE THE
18 LIKELIHOOD OF LAKE ELEVATIONS DROPPING TO LEVELS THAT COULD RESULT IN
19 REDUCTIONS TO THIS STATE'S COLORADO RIVER ALLOCATION. SYSTEM CONSERVATION
20 MUST BE CREATED FOR THE BENEFIT OF THE COLORADO RIVER SYSTEM AND NOT FOR
21 THE BENEFIT OF ANY INDIVIDUAL COLORADO RIVER WATER USER.

22 C. ON NOTICE FROM THE DIRECTOR, THE STATE TREASURER SHALL INVEST
23 AND DIVEST MONIES EARNED AS PROVIDED BY SECTION 35-313, AND MONIES EARNED
24 FROM INVESTMENT SHALL BE CREDITED TO THE FUND. MONIES IN THE FUND ARE
25 EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF
26 APPROPRIATIONS.

27 D. BEGINNING JULY 1, 2021 AND ON JULY 1 EACH YEAR THEREAFTER, THE
28 DIRECTOR SHALL SUBMIT A DETAILED REPORT TO THE GOVERNOR, THE PRESIDENT OF
29 THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND PROVIDE A
30 COPY OF THIS REPORT TO THE SECRETARY OF STATE. THE REPORT SHALL DESCRIBE
31 THE EXPENDITURES MADE FROM THE FUND DURING THE PREVIOUS FISCAL YEAR AND
32 THE VOLUME OF WATER THAT WAS CONSERVED IN LAKE MEAD.

33 Sec. 2. Delayed repeal

34 Section 45-118, Arizona Revised Statutes, as added by this act, is
35 repealed from and after March 31, 2027.

36 Sec. 3. Appropriation; Arizona system conservation fund;
37 exemption

38 A. The sum of \$30,000,000 is appropriated from the state general
39 fund in fiscal year 2019-2020 to the Arizona system conservation fund
40 established by section 45-118, Arizona Revised Statutes, as added by this
41 act.

1 B. The appropriation made in subsection A of this section is exempt
2 from the provisions of section 35-190, Arizona Revised Statutes, relating
3 to lapsing of appropriations.

4 Sec. 4. Emergency

5 This act is an emergency measure that is necessary to preserve the
6 public peace, health or safety and is operative immediately as provided by
7 law.