ARIZONA HOUSE OF REPRESENTATIVES

HB2544: effluent; recharge; credits

PRIME SPONSOR: Representative Bowers, LD 25

BILL STATUS: <u>Natural Resources, Energy and Water</u>

Overview

Repeals the current 2025 sunset date for effluent to be considered as water that cannot reasonably be used directly (waterBUD) and outlines long-term storage credit (LTSC) allowances for stored effluent.

History

Current statute allows LTSCs to be accrued for water that is stored in an underground storage facility (USF). To accrue a LTSC, the stored water must be water that cannot reasonably be used directly (waterBUD) in an AMA, and the water cannot be recovered on an annual basis (A.R.S. § 45-852.01).

Current statute permits effluent to be considered *water that cannot reasonably be used directly* (waterBUD) until 2025. Effluent currently receives LTSCs at 50% of the amount stored at a recharge facility, and 100% for effluent stored at a USF or groundwater savings facility (GSF) designated to add value to a national park, monument or state park. Additionally, statute prohibits LTSCs for stored effluent from being used to demonstrate an assured or adequate water supply.

Provisions

- 1. Permits effluent to be considered as *water that cannot reasonably be used directly* (waterBUD) past the current 2025 sunset date. (Sec. 2,3)
- 2. Credits the recoverable amount of stored effluent as follows:
 - a. 50% for effluent stored at a USF that does not qualify as an existing effluent managed USF;
 - b. 95% for effluent stored at an existing effluent managed USF; and
 - c. 100% for effluent stored at a constructed or managed USF or GSF that was designated at the time of storage as a facility that could add value to a national park, national monument or state park. (Sec. 4,5)
- 3. Allows effluent stored at *an existing effluent managed USF* to be used to demonstrate an assured or adequate water supply if the LTSCs were accrued after the effective date of this legislation. (Sec. 6)
- 4. Defines *existing effluent managed USF* as a managed USF that meets one of the following:
 - a. it is operated pursuant to a permit that authorizes the storage of effluent at the facility and was issued prior to January 1, 2019;
 - it is operated pursuant to a renewed or modified permit that was issued after January 1, 2019
 if the original permit authorized the storage of effluent at the facility and was issued prior to
 January 1, 2019;
 - c. it is operated pursuant to a permit that was issued after January 1, 2019 and authorizes the storage of effluent at a location where the permit holder was authorized to store effluent pursuant to a permit that was issued prior to January 1, 2019; or

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- d. it is operated pursuant to a permit that was issued after January 1, 2019 and authorizes the storage of effluent at the facility and the application to operate the facility was on file as of January 1, 2019. (Sec. 2,3)
- 5. Makes technical and conforming changes. (Sec. 1-5)
- 6. Contains an emergency clause. (Sec. 7)