

REFERENCE TITLE: water; rural management areas

State of Arizona  
Senate  
Fifty-sixth Legislature  
First Regular Session  
2023

## **SB 1667**

Introduced by  
Senator Mendez

### **AN ACT**

AMENDING TITLE 45, CHAPTER 2, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 13; RELATING TO WATERS.

(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 2, Arizona Revised Statutes, is  
3 amended by adding article 13, to read:

4 ARTICLE 13. RURAL MANAGEMENT AREAS

5 45-651. Department assessment; designation of rural  
6 management area; conditions; hearing; management  
7 goals

8 A. EVERY FIVE YEARS, THE DEPARTMENT SHALL ASSESS ALL BASINS AND  
9 SUBBASINS IN THIS STATE THAT ARE OUTSIDE OF AN ACTIVE MANAGEMENT AREA TO  
10 DETERMINE WHETHER THE CONDITIONS PRESCRIBED BY SUBSECTION B OF THIS  
11 SECTION EXIST AND SHALL NOTIFY THE COUNTY BOARD OF SUPERVISORS OF EACH  
12 COUNTY IN WHICH THE CONDITIONS ARE FOUND.

13 B. A COUNTY BOARD OF SUPERVISORS OF A COUNTY OUTSIDE OF AN ACTIVE  
14 MANAGEMENT AREA SHALL DESIGNATE BY RESOLUTION ONE OR MORE GROUNDWATER  
15 BASINS OR SUBBASINS IN THE COUNTY AS A RURAL MANAGEMENT AREA IF THE  
16 DIRECTOR FINDS THAT ONE OR MORE OF THE FOLLOWING CONDITIONS EXIST IN THE  
17 PROPOSED RURAL MANAGEMENT AREA:

18 1. THERE HAS BEEN A SIGNIFICANT INCREASE IN RECENT WATER USE OR  
19 PROJECTED PROSPECTIVE WATER USE IN ONE OR MORE SPECIFIC AQUIFERS OR  
20 GROUNDWATER BASINS OR SUBBASINS WITHOUT SUFFICIENT ARTIFICIAL RECHARGE OF  
21 WATER TO OFFSET THE INCREASED USES.

22 2. THERE ARE PHYSICAL INDICATIONS OF OVERPUMPING OF WATER THAT ARE  
23 DOCUMENTED OR RELIABLY OBSERVED. PHYSICAL INDICATIONS MAY INCLUDE  
24 DECLINING WATER LEVELS IN EXISTING WELLS, DECREASING WATER LEVELS OR FLOW  
25 IN HYDROLOGICALLY CONNECTED SURFACE WATER OR LAND SUBSIDENCE.

26 3. AVAILABLE GROUNDWATER AT THE APPLICABLE REGULATORY DEPTH BELOW  
27 LAND SURFACE IN THE AREA WILL LIKELY LAST LESS THAN ONE HUNDRED YEARS,  
28 BASED ON CREDIBLE EVIDENCE REGARDING THE CURRENT LEVELS OF PUMPING,  
29 PROJECTED LEVELS OF WATER USE AND KNOWN PLANS FOR USE.

30 4. SIGNIFICANT SURFACE WATER RESOURCES ARE HYDROLOGICALLY CONNECTED  
31 TO GROUNDWATER RESOURCES AND ARE DEMONSTRATING DECLINING BASE FLOWS.

32 C. THE COUNTY BOARD OF SUPERVISORS SHALL ADOPT A RESOLUTION  
33 PURSUANT TO SUBSECTION B OF THIS SECTION AFTER ALL OF THE FOLLOWING:

34 1. PROVIDING NOTICE OF THE PROPOSED RESOLUTION TO THE PUBLIC AND TO  
35 CITIES, TOWNS, INDUSTRIAL AND AGRICULTURAL USERS AND WATER-RELATED SPECIAL  
36 TAXING DISTRICTS IN THE PROPOSED RURAL MANAGEMENT AREA AND REQUESTING  
37 PUBLIC COMMENT ON THE PROPOSED RESOLUTION. THE NOTICE SHALL BE PUBLISHED  
38 IN A NEWSPAPER OF GENERAL CIRCULATION IN THE PROPOSED RURAL MANAGEMENT  
39 AREA AND ON THE COUNTY'S WEBSITE.

40 2. PROVIDING NOTICE OF THE PROPOSED RESOLUTION TO THE DEPARTMENT.

41 3. ALLOWING AT LEAST THIRTY DAYS FOR PUBLIC COMMENT AND COMMENTS  
42 FROM THE DEPARTMENT AND CITIES, TOWNS, INDUSTRIAL AND AGRICULTURAL USERS  
43 AND WATER-RELATED SPECIAL TAXING DISTRICTS ON THE PROPOSED RESOLUTION.

44 4. HOLDING AT LEAST TWO PUBLIC MEETINGS IN THE COMMUNITIES AFFECTED  
45 BY THE PROPOSED RESOLUTION INCLUDING TRIBAL COMMUNITIES WHERE APPLICABLE.

D. THE COUNTY BOARD OF SUPERVISORS SHALL DESIGNATE ONE OR MORE GROUNDWATER BASINS OR SUBBASINS AS A RURAL MANAGEMENT AREA BY MAJORITY VOTE ON THE RESOLUTION. THE RESOLUTION ALSO SHALL PROVIDE FOR THE FORMATION OF A RURAL MANAGEMENT AREA ADVISORY COUNCIL.

E. IF THE GROUNDWATER BASIN OR SUBBASIN TO BE DESIGNATED BY THE COUNTY BOARD OF SUPERVISORS LIES IN MORE THAN ONE COUNTY, THE COUNTY BOARD OF SUPERVISORS FOR THE COUNTY THAT CONTAINS THE MAJORITY OF LAND IN THE BASIN OR SUBBASIN HAS AUTHORITY TO DESIGNATE THE RURAL MANAGEMENT AREA.

F. ON ADOPTION OF THE RESOLUTION, THE RURAL MANAGEMENT AREA IS DESIGNATED AND THE COUNTY BOARD OF SUPERVISORS SHALL RECORD A MAP OF THE DESIGNATED RURAL MANAGEMENT AREA IN THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY IN WHICH THE RURAL MANAGEMENT AREA IS LOCATED.

G. THE MANAGEMENT GOALS OF A RURAL MANAGEMENT AREA ARE STABILIZATION OF GROUNDWATER LEVELS AND SUSTAINING BASE FLOWS IN ANY HYDROLOGICALLY CONNECTED SURFACE WATERS.

45-652. Rural management area advisory council; membership; director

A. A RURAL MANAGEMENT AREA ADVISORY COUNCIL SHALL BE ESTABLISHED IN EACH DESIGNATED RURAL MANAGEMENT AREA CONSISTING OF FIVE MEMBERS. THE COUNTY BOARD OF SUPERVISORS SHALL APPOINT MEMBERS OF THE COUNCIL AND ON THE BASIS OF THEIR KNOWLEDGE OF, INTEREST IN AND EXPERIENCE WITH PROBLEMS RELATING TO THE DEVELOPMENT, USE AND CONSERVATION OF WATER CONSISTING OF LOCAL STAKEHOLDERS, INCLUDING LOCAL ADVOCATES FOR WATER CONSERVATION AND SUSTAINED FLOWS IN SURFACE WATER, REPRESENTATIVES OF TRIBES AND SCIENCE-BASED EXPERTS.

B. THE TERM OF OFFICE OF EACH MEMBER IS SIX YEARS. THE TERMS OF TWO MEMBERS SHALL EXPIRE ON THE THIRD MONDAY OF JANUARY EACH EVEN NUMBERED YEAR, EXCEPT THAT EACH THIRD EVEN NUMBERED YEAR THE TERM OF ONE MEMBER SHALL EXPIRE.

C. MEMBERS OF THE COUNCIL SHALL SERVE WITHOUT COMPENSATION, EXCEPT THAT EACH MEMBER SHALL BE REIMBURSED FOR TRAVEL AND SUBSISTENCE WHILE ENGAGED IN BUSINESS OF THE ADVISORY COUNCIL IN THE SAME MANNER AS IS PROVIDED BY LAW FOR STATE OFFICERS.

D. THE DIRECTOR SHALL APPOINT A RURAL MANAGEMENT AREA DIRECTOR IN THE DEPARTMENT TO ASSIST IN THE OPERATIONS OF THE RURAL MANAGEMENT AREA. ONE PERSON MAY BE THE AREA DIRECTOR FOR MORE THAN ONE RURAL MANAGEMENT AREA AND ACTIVE MANAGEMENT AREA SIMULTANEOUSLY. THE RURAL MANAGEMENT AREA DIRECTOR SHALL SERVE AT THE PLEASURE OF THE DIRECTOR OF WATER RESOURCES. THE RURAL MANAGEMENT AREA DIRECTOR IS SUBJECT TO TITLE 41, CHAPTER 4, ARTICLE 4 AND IS ENTITLED TO RECEIVE COMPENSATION AS DETERMINED PURSUANT TO SECTION 38-611.

1           45-653. Rural management area advisory council: duties:  
2                           management plan; hearing

3           A. THE RURAL MANAGEMENT AREA ADVISORY COUNCIL SHALL:

4           1. AFTER CONSULTATION WITH THE DEPARTMENT, INTERESTED PARTIES AND  
5 THE PUBLIC, DEVELOP PLANS TO ENSURE STABILIZATION OF GROUNDWATER LEVELS  
6 AND SUSTAINED BASE FLOWS IN ANY HYDROLOGICALLY CONNECTED SURFACE WATERS.

7           2. IDENTIFY AND ANALYZE BEST MANAGEMENT PRACTICES AND OTHER  
8 POSSIBLE MANAGEMENT ACTIONS FOR USE IN ACHIEVING THE MANAGEMENT GOALS FOR  
9 THE RURAL MANAGEMENT AREA.

10          3. AFTER PROVIDING THIRTY DAYS OF PUBLIC NOTICE BY PUBLICATION AND  
11 HOLDING A HEARING TO RECEIVE PUBLIC COMMENT ON ANY PROPOSED MANAGEMENT  
12 PLAN OR REVISED PLAN, SUBMIT TO THE DIRECTOR A PROPOSED MANAGEMENT PLAN OR  
13 A REVISED PLAN FOR THE RURAL MANAGEMENT AREA THAT INCLUDES METHODS FOR  
14 ACHIEVING THE MANAGEMENT GOALS AND THAT INCLUDE BEST MANAGEMENT PRACTICES.

15          B. THE RURAL MANAGEMENT AREA ADVISORY COUNCIL MAY:

16          1. REQUEST HYDROLOGIC MODELING AND OTHER TECHNICAL ASSISTANCE FROM  
17 THE DEPARTMENT, INCLUDING CREATING OR REFINING A GROUNDWATER MODEL OR  
18 OTHER MODELING OF FUTURE WATER RESOURCE CONDITIONS AND OUTCOMES AND OF THE  
19 POTENTIAL EFFECTIVENESS OF DIFFERENT TOOLS FOR MEETING THE RURAL  
20 MANAGEMENT AREA MANAGEMENT GOALS.

21          2. REQUEST ASSISTANCE FROM THE DEPARTMENT IN CREATING A MANAGEMENT  
22 PLAN FOR THE RURAL MANAGEMENT AREA.

23          3. GATHER INFORMATION AND DATA.

24          4. COMMISSION OR CREATE REPORTS.

25          5. RECOMMEND BEST MANAGEMENT PRACTICES AND OTHER MEASURES FOR  
26 IMPLEMENTATION IN THE RURAL MANAGEMENT AREA TO ACHIEVE THE GOALS OF THE  
27 RURAL MANAGEMENT AREA.

28          6. COOPERATE WITH CITIES, TOWNS AND COUNTIES AND OTHER PUBLIC OR  
29 PRIVATE AGENCIES OR ORGANIZATIONS TO ENGAGE IN COORDINATED REGIONAL  
30 PLANNING RELATED TO WATER RESOURCES.

31          7. ESTABLISH A STEERING COMMITTEE, ADVISORY COMMITTEE OR OTHER  
32 SIMILAR ORGANIZATIONAL STRUCTURE TO SOLICIT AND RECEIVE PARTICIPATION,  
33 COMMENT AND ADVICE FROM RESIDENTS OF THE RURAL MANAGEMENT AREA AND OTHER  
34 INTERESTED PARTIES REGARDING THE DEVELOPMENT AND OPERATION OF A MANAGEMENT  
35 PLAN.

36          8. RECOMMEND THAT ANY PERSON WHO FILES A NOTICE OF INTENTION TO  
37 DRILL A NONEXEMPT WELL INSIDE A DESIGNATED RURAL MANAGEMENT AREA BE  
38 REQUIRED BY THE APPROVED MANAGEMENT PLAN TO RECORD A COPY OF THE NOTICE IN  
39 THE OFFICE OF THE COUNTY RECORDER IN WHICH THE WELL IS TO BE LOCATED AND,  
40 ON COMPLETION OF THE WELL, RECORD A COPY OF THE WELL COMPLETION REPORT  
41 PRESCRIBED BY SECTION 45-600. FOR THE PURPOSES OF THIS PARAGRAPH,  
42 "NONEXEMPT WELL" MEANS A WELL WITH A MAXIMUM PUMPING CAPACITY OF MORE THAN  
43 THIRTY-FIVE GALLONS PER MINUTE.

44          9. SEEK AND RECEIVE PUBLIC AND PRIVATE MONIES TO ASSIST WITH ITS  
45 PLANNING AND MANAGEMENT FUNCTIONS.

45-654. Rural management area advisory council:  
administrative duties

THE RURAL MANAGEMENT AREA ADVISORY COUNCIL SHALL:

1. ADVISE THE AREA DIRECTOR FOR THE RURAL MANAGEMENT AREA.

2. KEEP THE MINUTES OF ITS MEETINGS AND ALL RECORDS, REPORTS AND OTHER INFORMATION RELATIVE TO ITS WORK AND PROGRAMS IN PERMANENT FORM INDEXED AND SYSTEMATICALLY FILED.

3. ELECT FROM ITS MEMBERS A CHAIRPERSON AND VICE CHAIRPERSON FOR TERMS OF TWO YEARS EXPIRING ON THE THIRD MONDAY OF JANUARY OF EACH EVEN NUMBERED YEAR.

4. DESIGNATE THE PERSON OR PERSONS WHO SHALL EXECUTE ALL DOCUMENTS AND INSTRUMENTS ON BEHALF OF THE ADVISORY COUNCIL.

5. MANIFEST AND RECORD ITS ACTIONS BY MOTION, RESOLUTION OR OTHER APPROPRIATE MEANS.

6. MAKE A COMPLETE RECORD OF ITS PROCEEDINGS, WHICH SHALL BE OPEN TO PUBLIC INSPECTION DURING REGULAR BUSINESS HOURS.

45-655. Best management practices; other management measures

FOR THE PURPOSES OF THIS ARTICLE, BEST MANAGEMENT PRACTICES AND OTHER MANAGEMENT MEASURES FOR A RURAL MANAGEMENT AREA MAY INCLUDE ANY ONE OR MORE OF THE FOLLOWING:

1. VOLUNTARY OR MANDATORY CONSERVATION PROGRAMS OR PRACTICES FOR PERSONS WITHDRAWING, DISTRIBUTING OR RECEIVING GROUNDWATER THAT ARE DESIGNED TO ACHIEVE REDUCTIONS IN WITHDRAWALS OF GROUNDWATER WITHIN THE RURAL MANAGEMENT AREA.

2. VOLUNTARY OR MANDATORY PROGRAMS OR PRACTICES FOR MEASURING, METERING, MONITORING OR REPORTING GROUNDWATER WITHDRAWALS AND USES WITHIN THE RURAL MANAGEMENT AREA.

3. PROGRAMS TO IMPLEMENT OR INCENTIVIZE AQUIFER RECHARGE OR THE MITIGATION OF IMPACTS CAUSED BY GROUNDWATER WITHDRAWALS.

45-656. Submission of management plan; director's action;  
effect

AFTER COMPLETING THE PROPOSED MANAGEMENT PLAN OR REVISED PLAN, INCLUDING RECOMMENDED BEST MANAGEMENT PRACTICES OR OTHER MANAGEMENT METHODS OF ACHIEVING THE MANAGEMENT GOAL, AND AFTER PROVIDING THIRTY DAYS OF PUBLIC NOTICE BY PUBLICATION AS PRESCRIBED BY SECTION 45-653, SUBSECTION A, THE RURAL MANAGEMENT AREA ADVISORY COUNCIL SHALL HOLD A HEARING TO RECEIVE PUBLIC COMMENT ON ANY PROPOSED MANAGEMENT PLAN OR REVISED PLAN. WITHIN THIRTY DAYS AFTER THE PUBLIC HEARING, THE PLAN OR REVISED PLAN SHALL BE SUBMITTED TO THE DIRECTOR WITH THE COMMENTS AND RESPONSES THAT RESULT FROM THE PUBLIC HEARING. THE DIRECTOR SHALL TAKE ACTION ON THE PLAN WITHIN THIRTY DAYS AFTER RECEIPT, MAY APPROVE, REJECT OR REQUEST REVISIONS TO THE PLAN AND MAY REQUEST FURTHER INFORMATION BASED ON THE LIKELIHOOD OF THE PLAN MEETING THE MANAGEMENT GOALS. BEFORE APPROVING ANY MANAGEMENT PLAN OR REVISED PLAN, THE DIRECTOR SHALL HOLD A HEARING ON THE PLAN PURSUANT TO PROCEDURES PRESCRIBED IN SECTION 45-570

AND SHALL MAKE FINDINGS ON THE PLAN PURSUANT TO PROCEDURES PRESCRIBED IN SECTION 45-571. IN TAKING ACTION ON THE PLAN, THE DIRECTOR SHALL CONSIDER WHETHER THE PROPOSED MANAGEMENT PLAN WILL ACHIEVE THE MANAGEMENT GOALS IN THE RURAL MANAGEMENT AREA. IF THE DIRECTOR DETERMINES THE MANAGEMENT PLAN WILL NOT ACHIEVE THE MANAGEMENT GOALS, THE DIRECTOR MAY NOT APPROVE THE PLAN AND THE RURAL MANAGEMENT AREA ADVISORY COUNCIL SHALL REVISE AND RESUBMIT THE PLAN UNTIL THE DIRECTOR DETERMINES THE PLAN WILL ACHIEVE THE MANAGEMENT GOALS. ON APPROVAL BY THE DIRECTOR, THE PLAN AND ITS APPROVED PRACTICES AND OTHER MEASURES APPLY IN THE RURAL MANAGEMENT AREA.

45-657. Subsequent review of rural management area:  
additional measures; county measures

AFTER A RURAL MANAGEMENT AREA IS FORMED:

1. THE DIRECTOR MAY AUTHORIZE THE IMPLEMENTATION OF REDUCED MEASURES BY THE RURAL MANAGEMENT AREA IF BOTH OF THE FOLLOWING APPLY:

(a) THE DIRECTOR DETERMINES THAT A BASIN OR SUBBASIN IN THE RURAL MANAGEMENT AREA NO LONGER MEETS THE CRITERIA IN SECTION 45-651.

(b) THE DIRECTOR DETERMINES THAT THE REDUCED MEASURES WILL MAINTAIN THE RURAL MANAGEMENT AREA AT ITS MANAGEMENT GOALS.

2. THE DIRECTOR MAY IMPLEMENT OR REQUIRE IMPLEMENTATION BY THE RURAL MANAGEMENT AREA OF ADDITIONAL MEASURES THAT ARE DESIGNED TO ENSURE SUFFICIENT PROGRESS TOWARD THE MANAGEMENT GOALS IF THE DIRECTOR DETERMINES THAT A RURAL MANAGEMENT AREA IS NOT MAKING SUFFICIENT PROGRESS TOWARD THE MANAGEMENT GOALS. THESE ADDITIONAL MEASURES MAY INCLUDE LIMITATIONS ON GROUNDWATER PUMPING AND A MORATORIUM ON DRILLING NEW WELLS.

3. THE COUNTY BOARD OF SUPERVISORS MAY IMPLEMENT ADDITIONAL MEASURES THAT ARE DESIGNED TO ENSURE SUFFICIENT PROGRESS TOWARD THE MANAGEMENT GOALS IF A COUNTY BOARD OF SUPERVISORS FOR A COUNTY IN A RURAL MANAGEMENT AREA DETERMINES THAT A RURAL MANAGEMENT AREA IS NOT MAKING SUFFICIENT PROGRESS TOWARD THE MANAGEMENT GOALS. THESE ADDITIONAL MEASURES MAY INCLUDE LIMITATIONS ON GROUNDWATER PUMPING AND A MORATORIUM ON DRILLING NEW WELLS.

45-658. Rural management area fund; matching monies; purpose

A. THE RURAL MANAGEMENT AREA FUND IS ESTABLISHED CONSISTING OF LEGISLATIVE APPROPRIATIONS, GIFTS GRANTS AND DONATIONS. THE DIRECTOR MAY ACCEPT AND SPEND FEDERAL MONIES AND PRIVATE GRANTS, GIFTS, CONTRIBUTIONS AND DEVICES TO ASSIST IN CARRYING OUT THE PURPOSES OF THIS ARTICLE. THE DEPARTMENT SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

B. MONIES IN THE FUND SHALL BE USED TO ASSIST COUNTIES THAT CONTAIN A RURAL MANAGEMENT AREA TO IMPLEMENT MEASURES NECESSARY OR APPROPRIATE TO ACHIEVE THE MANAGEMENT GOALS CONSISTENT WITH THE RURAL MANAGEMENT AREA'S MANAGEMENT PLAN. A COUNTY SHALL PROVIDE FIFTY PERCENT IN MATCHING MONIES IN ORDER TO BE AWARDED MONIES FROM THE FUND. A COUNTY MAY PROVIDE THESE MATCHING MONIES FROM ANY SOURCE LAWFULLY AVAILABLE TO THE COUNTY.