

REFERENCE TITLE: reporting; groundwater pumping; measuring

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
First Regular Session  
2025

## **HB 2162**

Introduced by  
Representatives Crews: Gutierrez, Travers

AN ACT

AMENDING SECTIONS 45-402, 45-604, 45-632 AND 45-2602, ARIZONA REVISED  
STATUTES; RELATING TO THE GROUNDWATER CODE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 45-402, Arizona Revised Statutes, is amended to  
3 read:

4 45-402. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Accounting period" means the calendar year, except such other  
7 twelve-month period as may be otherwise agreed on by the director and the  
8 owner of a farm or a district on behalf of its landowners.

9 2. "Active management area" means a ~~geographical~~ GEOGRAPHIC area  
10 that has been designated pursuant to article 2 of this chapter as  
11 requiring active management of groundwater or, in the case of the Santa  
12 Cruz active management area, active management of any water, other than  
13 stored water, withdrawn from a well.

14 3. "Animal industry use" means the production, growing and feeding  
15 of livestock, range livestock or poultry, as ~~such~~ THOSE terms are defined  
16 in section 3-1201. Animal industry use is included in the term and  
17 general treatment of industry in this chapter, unless specifically  
18 provided otherwise.

19 4. "City" or "town" means a city or town incorporated or chartered  
20 under the constitution and laws of this state.

21 5. "Conservation district" means a multi-county water conservation  
22 district established under title 48, chapter 22.

23 6. "Convey" means to transfer the ownership of a grandfathered  
24 right from one person to another.

25 7. "Date of the designation of the active management area" means:

26 (a) With respect to an initial active management area, June 12,  
27 1980.

28 (b) With respect to a subsequent active management area, the date  
29 on which the director's order designating the active management area  
30 becomes effective as provided in section 45-414 or the date on which the  
31 final results of an election approving the establishment of the active  
32 management area pursuant to section 45-415 are certified by the board of  
33 supervisors of the county or counties in which the active management area  
34 is located.

35 8. "Exempt well" means a well that has a pump with a maximum  
36 capacity of not more than thirty-five gallons per minute and that is used  
37 to withdraw groundwater pursuant to section 45-454.

38 9. "Expanded animal industry use" means increased water use by an  
39 animal industrial enterprise on the land in use by the enterprise on June  
40 12, 1980 or on immediately adjoining land, excluding irrigation uses.

41 10. "Farm" means an area of irrigated land that is under the same  
42 ownership, that is served by a water distribution system common to the  
43 irrigated land and to which can be applied common conservation, water  
44 measurement and water accounting procedures.

1           11. "Farm unit" means:

2           (a) With respect to areas outside an active management area and  
3 with respect to an active management area other than the Santa Cruz active  
4 management area, one or more farms that are irrigated with groundwater and  
5 that are contiguous or in proximity to each other with similar soil  
6 conditions, crops and cropping patterns.

7           (b) With respect to the Santa Cruz active management area, one or  
8 more farms that are irrigated with water, other than stored water,  
9 withdrawn from a well and that are contiguous or in proximity to each  
10 other with similar soil conditions, crops and cropping patterns.

11           12. "Grandfathered right" means a right to withdraw and use  
12 groundwater pursuant to article 5 of this chapter based on the fact of  
13 lawful withdrawals and use of groundwater before the date of the  
14 designation of an active management area.

15           13. "Groundwater basin" means an area that, as nearly as known  
16 facts allow as determined by the director pursuant to this chapter, may be  
17 designated so as to enclose a relatively hydrologically distinct body or  
18 related bodies of groundwater, which shall be described horizontally by  
19 surface description.

20           14. "Groundwater replenishment district" or "replenishment  
21 district" means a district that is established pursuant to title 48,  
22 chapter 27.

23           15. "Groundwater withdrawal permit" means a permit issued by the  
24 director pursuant to article 7 of this chapter.

25           16. "Initial active management area" means the Phoenix, Prescott or  
26 Pinal active management area established by section 45-411, the Tucson  
27 active management area established by section 45-411 and modified by  
28 section 45-411.02 and the Santa Cruz active management area established by  
29 section 45-411.03.

30           17. "Integrated farming operation" means:

31           (a) With respect to land within an irrigation non-expansion area,  
32 more than ten acres of land that are contiguous or in close proximity,  
33 that may be irrigated pursuant to section 45-437, that are not under the  
34 same ownership and that are farmed as a single farming operation.

35           (b) With respect to land ~~within an active management area,~~ **OUTSIDE**  
36 **OF AN IRRIGATION NON-EXPANSION AREA,** two or more farms that are contiguous  
37 or in close proximity, that collectively have more than ten irrigation  
38 acres and that are farmed as a single farming operation.

39           18. "Irrigate" means to apply water to two or more acres of land to  
40 produce plants or parts of plants for sale or human consumption, or for  
41 use as feed for livestock, range livestock or poultry, as ~~such~~ **THOSE** terms  
42 are defined in section 3-1201.

43           19. "Irrigation acre" means an acre of land, as determined in  
44 section 45-465, subsection B, to which an irrigation grandfathered right  
45 is appurtenant.

1           20. "Irrigation district" means a political subdivision, however  
2 designated, established pursuant to title 48, chapter 17 or 19.

3           21. "Irrigation grandfathered right" means a grandfathered right  
4 determined pursuant to section 45-465.

5           22. "Irrigation non-expansion area" means a ~~geographical~~ GEOGRAPHIC  
6 area that has been designated pursuant to article 3 of this chapter as  
7 having insufficient groundwater to provide a reasonably safe supply for  
8 the irrigation of the cultivated lands at the current rate of withdrawal.

9           23. "Irrigation use" means:

10           (a) With respect to areas outside an active management area and  
11 with respect to an active management area other than the Santa Cruz active  
12 management area, the use of groundwater on two or more acres of land to  
13 produce plants or parts of plants for sale or human consumption, or for  
14 use as feed for livestock, range livestock or poultry, as ~~such~~ THOSE terms  
15 are defined in section 3-1201.

16           (b) With respect to the Santa Cruz active management area, the use  
17 of water, other than stored water, withdrawn from a well on two or more  
18 acres of land to produce plants or parts of plants for sale or human  
19 consumption, or for use as feed for livestock, range livestock or poultry,  
20 as ~~such~~ THOSE terms are defined in section 3-1201.

21           24. "Irrigation water duty" or "water duty" means the amount of  
22 water in acre-feet per acre that is reasonable to apply to irrigated land  
23 in a farm unit during the accounting period, as determined by the director  
24 pursuant to sections 45-564 through 45-568 or as prescribed in section  
25 45-483.

26           25. "Member land" means real property that qualifies as a member  
27 land of a conservation district as provided by title 48, chapter 22.

28           26. "Member service area" means the service area of a city, town or  
29 private water company that qualifies as a member service area of a  
30 conservation district as provided by title 48, chapter 22.

31           27. "Non-irrigation grandfathered right" means a grandfathered  
32 right determined pursuant to section 45-463, 45-464, 45-469 or 45-472.

33           28. "Non-irrigation use" means:

34           (a) With respect to areas outside an active management area and  
35 with respect to an active management area other than the Santa Cruz active  
36 management area, a use of groundwater other than an irrigation use.

37           (b) With respect to the Santa Cruz active management area, a use of  
38 water, other than stored water, withdrawn from a well, other than an  
39 irrigation use.

40           29. "Person" means an individual, public or private corporation,  
41 company, partnership, firm, association, society, estate or trust, any  
42 other private organization or enterprise, the United States, any state,  
43 territory or country or a governmental entity, political subdivision or  
44 municipal corporation organized under or subject to the constitution and  
45 laws of this state.

1           30. "Private water company" means:

2           (a) With respect to areas outside an active management area and  
3 with respect to an active management area other than the Santa Cruz active  
4 management area, any entity that distributes or sells groundwater, except  
5 a political subdivision or an entity that is established pursuant to title  
6 48 and that is not regulated as a public service corporation by the  
7 Arizona corporation commission under a certificate of public convenience  
8 and necessity. A city or town is not a private water company.

9           (b) With respect to the Santa Cruz active management area, any  
10 entity that distributes or sells water, other than stored water, withdrawn  
11 from a well, except a political subdivision or an entity that is  
12 established pursuant to title 48 and that is not regulated as a public  
13 service corporation by the Arizona corporation commission under a  
14 certificate of public convenience and necessity. A city or town is not a  
15 private water company.

16           31. "Service area" means:

17           (a) With respect to a city or town, the area of land actually being  
18 served water, for a non-irrigation use, by the city or town plus:

19           (i) Additions to such area that contain an operating distribution  
20 system owned by the city or town primarily for the delivery of water for a  
21 non-irrigation use.

22           (ii) The service area of a city, town or private water company that  
23 obtains its water from the city pursuant to a contract entered into before  
24 the date of the designation of the active management area.

25           (b) With respect to a private water company, the area of land of  
26 the private water company actually being served water, for a  
27 non-irrigation use, by the private water company plus additions to such  
28 area that contain an operating distribution system owned by the private  
29 water company primarily for the delivery of water for a non-irrigation  
30 use.

31           32. "Service area of an irrigation district" means:

32           (a) With respect to an irrigation district that was engaged in the  
33 withdrawal, delivery and distribution of groundwater as of the date of the  
34 designation of the active management area, the area of land within the  
35 boundaries of the irrigation district actually being served water by the  
36 irrigation district at any time during the five years preceding the date  
37 of the designation of the active management area plus any areas as of the  
38 date of the designation of the active management area within the  
39 boundaries of the irrigation district that contain an operating system of  
40 canals, flumes, ditches and other works owned or operated by the  
41 irrigation district. The service area may be modified pursuant to section  
42 45-494.01.

43           (b) With respect to an irrigation district that was not engaged in  
44 the withdrawal, delivery and distribution of groundwater as of the date of  
45 the designation of the active management area:

1 (i) The acres of member lands within the boundaries of the  
2 irrigation district that were legally irrigated at any time from  
3 January 1, 1975 through January 1, 1980 for initial active management  
4 areas or during the five years preceding the date of the designation of  
5 the active management area for subsequent active management areas.

6 (ii) Any areas of land that contain an operating system of canals,  
7 flumes, ditches and other works owned or operated by the irrigation  
8 district for the withdrawal, delivery and distribution of water, except  
9 that additional areas containing an operating system of canals, flumes,  
10 ditches and other works owned or operated by the irrigation district may  
11 not be added after December 31, 2027.

12 33. "Stored water" means water that is stored underground for the  
13 purpose of recovery pursuant to a permit issued under chapter 3.1 of this  
14 title.

15 34. "Subbasin" means an area that, as nearly as known facts allow  
16 as determined by the director pursuant to this chapter, may be designated  
17 so as to enclose a relatively hydrologically distinct body of groundwater  
18 within a groundwater basin, which shall be described horizontally by  
19 surface description.

20 35. "Subsequent active management area" means an active management  
21 area established after June 12, 1980 pursuant to article 2 of this  
22 chapter.

23 36. "Subsidence" means the settling or lowering of the surface of  
24 land that results from the withdrawal of groundwater.

25 37. "Transportation" means the movement of groundwater from the  
26 point of withdrawal to the point of use.

27 38. "Type 1 non-irrigation grandfathered right" means a  
28 non-irrigation grandfathered right associated with retired irrigated land  
29 and determined pursuant to section 45-463, 45-469 or 45-472.

30 39. "Type 2 non-irrigation grandfathered right" means a  
31 non-irrigation grandfathered right not associated with retired irrigated  
32 land and determined pursuant to section 45-464.

33 40. "Water district" means an active management area water district  
34 that is established under title 48, chapter 28 and that has adopted an  
35 ordinance or resolution to undertake water district groundwater  
36 replenishment obligations as defined and used in title 48, chapter 28,  
37 article 7.

38 41. "Water district member land" means real property that qualifies  
39 as water district member land of a water district as provided by title 48,  
40 chapter 28.

41 42. "Water district member service area" means the service area of  
42 the city, town or private water company that qualifies as a water district  
43 member service area of a water district as provided by title 48,  
44 chapter 28.

1 43. "Well" means a man-made opening in the earth through which  
2 water may be withdrawn or obtained from beneath the surface of the earth  
3 except as provided in section 45-591.01.

4 Sec. 2. Section 45-604, Arizona Revised Statutes, is amended to  
5 read:

6 45-604. Water measuring devices

7 A. Except as provided in subsections B, C, ~~and~~ D AND E of this  
8 section, a person who withdraws groundwater from a nonexempt well in an  
9 active management area or an irrigation non-expansion area, a person who  
10 withdraws water from a ~~non-exempt~~ NONEXEMPT well in the Santa Cruz active  
11 management area, ~~or~~ a person who withdraws groundwater for transportation  
12 to an initial active management area pursuant to article 8.1 of this  
13 chapter OR A PERSON WHO WITHDRAWS GROUNDWATER FROM A NONEXEMPT WELL UNDER  
14 ANY OTHER CIRCUMSTANCES AND IN ANY OTHER LOCATION shall use a water  
15 measuring device approved by the director.

16 B. A person who holds a type 2 non-irrigation grandfathered right  
17 or a groundwater withdrawal permit in the amount of ten or fewer acre-feet  
18 per year is not required to use a water measuring device to measure  
19 withdrawals pursuant to that grandfathered right or groundwater withdrawal  
20 permit unless the person holds more than one such right or permit in the  
21 aggregate amount of more than ten acre-feet per year and withdraws more  
22 than ten acre-feet of groundwater per year pursuant to those rights or  
23 permits from one well.

24 C. In an irrigation non-expansion area:

25 1. A person who withdraws ten or fewer acre-feet of groundwater per  
26 year from a ~~non-exempt~~ NONEXEMPT well for a non-irrigation use is not  
27 required to use a water measuring device to measure withdrawals from that  
28 well.

29 2. A person who withdraws groundwater from a ~~non-exempt~~ NONEXEMPT  
30 well for an irrigation use is not required to use a water measuring device  
31 to measure withdrawals from that well if both of the following apply:

32 (a) Groundwater withdrawn from the well for an irrigation use is  
33 used only on land that is owned by a person who has the right under  
34 section 45-437 to irrigate ten or fewer contiguous acres at the place of  
35 the use.

36 (b) Groundwater withdrawn from the well is not used on land that is  
37 part of an integrated farming operation.

38 D. In an active management area, a person, other than an irrigation  
39 district, who withdraws groundwater from a ~~non-exempt~~ NONEXEMPT well for  
40 use pursuant to an irrigation grandfathered right that is appurtenant to  
41 ten or fewer irrigation acres is not required to use a water measuring  
42 device to measure withdrawals from that well unless groundwater withdrawn  
43 from the well is also used pursuant to either a service area right  
44 pursuant to article 6 of this chapter or a grandfathered groundwater right  
45 other than an irrigation grandfathered right that is appurtenant to

1 irrigation acres that are exempt from irrigation water duties pursuant to  
2 section 45-563.02.

3 E. FOR A NONEXEMPT WELL OTHER THAN A NONEXEMPT WELL PRESCRIBED BY  
4 SUBSECTIONS B, C AND D OF THIS SECTION:

5 1. A PERSON WHO WITHDRAWS TEN OR FEWER ACRE-FEET OF GROUNDWATER PER  
6 YEAR FROM A NONEXEMPT WELL FOR A NON-IRRIGATION USE IS NOT REQUIRED TO USE  
7 A WATER MEASURING DEVICE TO MEASURE WITHDRAWALS FROM THAT WELL.

8 2. A PERSON WHO WITHDRAWS GROUNDWATER FROM A NONEXEMPT WELL FOR AN  
9 IRRIGATION USE IS NOT REQUIRED TO USE A WATER MEASURING DEVICE TO MEASURE  
10 WITHDRAWALS FROM THAT WELL IF BOTH OF THE FOLLOWING APPLY:

11 (a) GROUNDWATER WITHDRAWN FROM THE WELL FOR AN IRRIGATION USE IS  
12 USED ONLY ON LAND THAT IS OWNED BY A PERSON WHO HAS THE RIGHT TO IRRIGATE  
13 TEN OR FEWER CONTIGUOUS ACRES AT THE PLACE OF THE USE.

14 (b) GROUNDWATER WITHDRAWN FROM THE WELL IS NOT USED ON LAND THAT IS  
15 PART OF AN INTEGRATED FARMING OPERATION.

16 ~~E.~~ F. The director shall adopt rules setting forth the  
17 requirements and specifications for water measuring devices.

18 Sec. 3. Section 45-632, Arizona Revised Statutes, is amended to  
19 read:

20 45-632. Records and annual report of groundwater pumping,  
21 transportation and use; penalty

22 A. Each person who is required to file an annual report under this  
23 section or who files an annual report under subsection E of this section  
24 shall maintain current accurate records of the person's withdrawals,  
25 transportation, deliveries and use of groundwater and, in the Santa Cruz  
26 active management area, current accurate records of the person's  
27 withdrawals, deliveries and use of all water withdrawn from a well, as  
28 prescribed by the director under subsection ~~P~~ Q of this section.

29 B. Except as provided in subsections C and D of this section, an  
30 annual report shall be filed with the director by each person who:

31 1. Owns or leases a right under this chapter to withdraw, receive  
32 or use groundwater in an active management area, unless a report is filed  
33 for that person by an irrigation district under subsection E of this  
34 section or by another person in a form acceptable to the director.

35 2. Uses groundwater ~~which~~ THAT is transported from an active  
36 management area.

37 3. Is an individual user subject to a municipal conservation  
38 requirement for appropriate conservation measures included in a management  
39 plan adopted by the director pursuant to article 9 of this chapter.

40 4. Withdraws groundwater for transportation to an initial active  
41 management area pursuant to article 8.1 of this chapter.

42 5. Withdraws water from a well in the Santa Cruz active management  
43 area or who uses water, other than stored water, withdrawn from a  
44 ~~non-exempt~~ NONEXEMPT well in the Santa Cruz active management area.

1           6. WITHDRAWS GROUNDWATER FROM A NONEXEMPT WELL IN A LOCATION  
2 OUTSIDE OF AN ACTIVE MANAGEMENT AREA AND OUTSIDE OF AN IRRIGATION  
3 NON-EXPANSION AREA, EXCEPT THAT A PERSON WHO WITHDRAWS GROUNDWATER FOR AN  
4 IRRIGATION USE FROM A NONEXEMPT WELL IS EXEMPT FROM ANNUAL REPORTING  
5 REQUIREMENTS IF THE GROUNDWATER IS USED ONLY ON LAND THAT IS OWNED BY A  
6 PERSON WHO HAS THE RIGHT TO IRRIGATE TEN OR FEWER CONTIGUOUS ACRES AT THE  
7 PLACE OF USE AND THE LAND IS NOT PART OF AN INTEGRATED FARMING OPERATION  
8 OF MORE THAN TEN ACRES.

9           C. Persons who withdraw groundwater from exempt wells and  
10 non-irrigation customers of cities, towns, private water companies and  
11 irrigation districts, except customers receiving water pursuant to a  
12 permit, are exempt from the record keeping and reporting requirements of  
13 this section for such water.

14           D. A person who owns or leases an irrigation grandfathered right  
15 that is appurtenant to ten or fewer irrigation acres is exempt from the  
16 record keeping and reporting requirements of this section for the  
17 irrigation grandfathered right unless one of the following applies:

18           1. The land to which the irrigation grandfathered right is  
19 appurtenant is part of an integrated farming operation.

20           2. Groundwater is withdrawn from the land to which the irrigation  
21 grandfathered right is appurtenant and delivered for use pursuant to  
22 either a service area right pursuant to article 6 of this chapter or a  
23 grandfathered groundwater right other than an irrigation grandfathered  
24 right that is appurtenant to irrigation acres that are exempt from  
25 irrigation water duties pursuant to section 45-563.02.

26           3. Groundwater is withdrawn from land that is both owned by the  
27 owner of the irrigation grandfathered right and contiguous to the land to  
28 which the irrigation grandfathered right is appurtenant and delivered for  
29 use pursuant to either a service area right pursuant to article 6 of this  
30 chapter or a grandfathered groundwater right other than an irrigation  
31 grandfathered right that is appurtenant to irrigation acres that are  
32 exempt from irrigation water duties pursuant to section 45-563.02.

33           E. An irrigation district ~~which~~ THAT delivers and distributes  
34 groundwater in an active management area may file an annual report with  
35 the director for each person who holds an irrigation grandfathered right  
36 appurtenant to irrigation acres within the service area of the irrigation  
37 district, if the irrigation district delivers all the water used on the  
38 person's irrigation acres. If an irrigation district files an annual  
39 report for such a person, the irrigation district shall report the  
40 following information for each such person:

41           1. The name of the person and the certificate number of the  
42 person's irrigation grandfathered right.

43           2. The quantity of groundwater, if any, delivered during the  
44 calendar year.

1 F. Persons who are required to report under subsection B, paragraph  
2 1 of this section and who withdraw groundwater during the calendar year in  
3 an active management area shall report the following information for each  
4 well:

5 1. The registration number and location of the well.

6 2. The quantity of groundwater withdrawn from the well during the  
7 calendar year. A person who, under section 45-604, subsection B, is not  
8 required to use and does not use a water measuring device to measure  
9 withdrawals made pursuant to a type 2 non-irrigation grandfathered right  
10 or a groundwater withdrawal permit shall estimate the quantity of  
11 groundwater withdrawn pursuant to the grandfathered right or withdrawal  
12 permit.

13 3. The quantity of fuel or electricity consumed by the pump during  
14 the calendar year.

15 4. The uses to which the groundwater was applied or the persons to  
16 whom the groundwater was delivered during the calendar year.

17 G. Persons who are required to report under subsection B, paragraph  
18 1 of this section and who use groundwater during the calendar year in an  
19 active management area and persons who are required to report under  
20 subsection B, paragraph 2 of this section shall report the following  
21 information:

22 1. The source of the groundwater, including:

23 (a) The name of the person from whom the groundwater was obtained.

24 (b) The registration number and location of the well, if known.

25 2. The quantity of groundwater used during the calendar year.

26 3. The specific uses to which the groundwater was applied during  
27 the calendar year.

28 H. Persons who are required to report under subsection B, paragraph  
29 4 of this section and who transport groundwater during the calendar year  
30 to an initial active management area under article 8.1 of this chapter  
31 shall report the following information:

32 1. The registration number and location of each well.

33 2. The quantity of groundwater withdrawn from each well during the  
34 calendar year.

35 3. The quantity of groundwater transported during the calendar year  
36 to an initial active management area.

37 4. The quantity of groundwater that was withdrawn during the  
38 calendar year and that was not transported to an initial active management  
39 area and the uses to which the groundwater was applied.

40 5. The quantity of fuel or electricity consumed by each pump during  
41 the calendar year.

42 6. The uses to which the groundwater was applied or the persons to  
43 whom the groundwater was delivered during the calendar year.

1 I. Persons who are required to report under subsection B, paragraph  
2 1 of this section and who neither withdraw nor use groundwater during the  
3 calendar year shall report the following information:

4 1. The fact that no groundwater was withdrawn or used during the  
5 calendar year.

6 2. The registration number and location of each well, if any.

7 J. Persons who are required to report under subsection B, paragraph  
8 5 of this section and who withdraw water from a ~~non-exempt~~ NONEXEMPT well  
9 in the Santa Cruz active management area during the calendar year shall  
10 report the following information:

11 1. The registration number and location of the well.

12 2. The quantity of water, by type, withdrawn from the well during  
13 the calendar year.

14 3. The quantity of fuel or electricity consumed by the pump during  
15 the calendar year.

16 4. The uses to which the ~~water~~ GROUNDWATER was applied or the  
17 persons to whom the water was delivered during the calendar year.

18 K. Persons who are required to report under subsection B, paragraph  
19 5 of this section and who use water withdrawn from a ~~non-exempt~~ NONEXEMPT  
20 well in the Santa Cruz active management area during the calendar year  
21 shall report the following information:

22 1. The source of the water, including:

23 (a) The name of the person from whom the water was obtained.

24 (b) The registration number and location of the well, if known.

25 2. The quantity of the water, by type, used during the calendar  
26 year.

27 3. The specific uses to which the water was applied during the  
28 calendar year.

29 L. PERSONS WHO ARE REQUIRED TO REPORT UNDER SUBSECTION B, PARAGRAPH  
30 6 OF THIS SECTION AND WHO WITHDRAW GROUNDWATER FROM A NONEXEMPT WELL  
31 DURING THE CALENDAR YEAR SHALL REPORT THE FOLLOWING INFORMATION:

32 1. THE REGISTRATION NUMBER AND LOCATION OF THE WELL.

33 2. THE QUANTITY OF GROUNDWATER WITHDRAWN FROM THE WELL DURING THE  
34 CALENDAR YEAR, EXCEPT THAT A PERSON WHO, UNDER SECTION 45-604, SUBSECTION  
35 E, PARAGRAPH 1, IS NOT REQUIRED TO USE A WATER MEASURING DEVICE SHALL  
36 ESTIMATE THE QUANTITY OF GROUNDWATER WITHDRAWN.

37 3. THE QUANTITY OF FUEL OR ELECTRICITY CONSUMED BY THE PUMP DURING  
38 THE CALENDAR YEAR.

39 4. THE USES TO WHICH THE GROUNDWATER WAS APPLIED OR THE PERSONS TO  
40 WHOM THE GROUNDWATER WAS DELIVERED DURING THE CALENDAR YEAR.

41 5. THE QUANTITY OF THE GROUNDWATER USED DURING THE CALENDAR YEAR.

42 ~~L~~ M. If a person both withdraws groundwater in an active  
43 management area and uses such water, the person may combine the  
44 information required by subsections F and G of this section into one  
45 report. If a person both withdraws water, other than stored water, from a

1 non-exempt well in the Santa Cruz active management area and uses such  
2 water, the person may combine the information required by subsections J  
3 and K of this section into one report.

4 ~~M.~~ N. The director may require such other information in the  
5 report as may be necessary to accomplish the management goals of the  
6 applicable active management area.

7 ~~N.~~ O. Each report shall contain either a sworn statement or a  
8 certification, under penalty of perjury, that the information contained in  
9 the report is true and correct according to the best belief and knowledge  
10 of the person filing the report.

11 ~~O.~~ P. The annual report shall be maintained on a calendar year  
12 basis and shall be filed with the director no later than March 31 of each  
13 year for the preceding calendar year. If a person who is required under  
14 this section to file an annual report for calendar year 1985 or any  
15 subsequent calendar year fails to file a report for the calendar year in  
16 question on or before March 31 of the following year, the director may  
17 assess and collect a penalty of ~~twenty-five dollars~~ \$25 for each month or  
18 portion of a month that the annual report is delinquent. The total  
19 penalty assessed under this subsection shall not exceed ~~one hundred fifty~~  
20 ~~dollars~~ \$150. The director shall deposit, pursuant to sections 35-146 and  
21 35-147, all penalties collected under this subsection in the state general  
22 fund.

23 ~~P.~~ Q. The records and reports required to be kept and filed under  
24 this section shall be in such form as the director prescribes. The  
25 director shall prepare blank forms and distribute them on a timely  
26 schedule throughout each active management area and furnish them ~~upon~~ ON  
27 request. Failure to receive or obtain the forms does not relieve any  
28 person from keeping the required records or making any required report.  
29 The director shall cooperate with cities and towns, private water  
30 companies and irrigation districts in establishing the form of the records  
31 and reports to be kept and filed by them.

32 Sec. 4. Section 45-2602, Arizona Revised Statutes, is amended to  
33 read:

34 45-2602. Establishment of southside protection zones;  
35 reporting requirements

36 A. The following southside protection zones are established on ~~the~~  
37 ~~effective date of this section~~ DECEMBER 14, 2007:

- 38 1. The eastern protection zone north.
- 39 2. The eastern protection zone south.
- 40 3. The western municipal and industrial protection zone.
- 41 4. The western municipal protection zone.
- 42 5. The central protection zone.

1 B. The boundaries of the southside protection zones established  
2 under subsection A **OF THIS SECTION** are shown on the maps that are dated  
3 March 25, 2002 and that are on file in the department. The maps shall be  
4 available for examination by the public during regular business hours.

5 C. Each person in the Pinal active management area who withdraws  
6 underground water during a calendar year in a southside protection zone  
7 established under this section, other than the central protection zone,  
8 shall file an annual report with the director no later than March 31 of  
9 each year for the preceding calendar year. The report shall contain the  
10 following information in addition to any other information required by  
11 section 45-632:

12 1. The amount of underground water withdrawn within the southside  
13 protection zone and the name of the protection zone.

14 2. If the underground water was used for a nonirrigation use, the  
15 purpose for which the underground water was used, the location of the use,  
16 the acreage of the parcel or parcels of land on which the underground  
17 water was used and the date the use commenced.

18 3. The amount of any water replenished during the year pursuant to  
19 section 45-2611, subsection B, paragraph 2, the water use for which the  
20 water was replenished and the manner in which the water was replenished.

21 4. The amount of any water replaced during the year pursuant to  
22 section 45-2611, subsection B, paragraph 3, the water use for which the  
23 water was replaced and the manner in which the water was replaced.

24 D. A person who is required to file an annual report for a year  
25 under subsection C of this section:

26 1. Shall use a water measuring device approved by the director  
27 unless exempt under section 45-604.

28 2. Shall maintain current accurate records of the person's  
29 withdrawals, transportation, deliveries and use of underground water as  
30 prescribed by the director.

31 3. May combine the report with an annual report for the same year  
32 filed under section 45-632.

33 4. Shall comply with the requirements prescribed in section 45-632,  
34 subsections ~~N~~, O, ~~and~~ P and Q **AND** is subject to the penalties prescribed  
35 in section 45-632, subsection ~~O~~ P as if the report was required by  
36 section 45-632.

37 E. A person who withdraws underground water from an exempt well is  
38 exempt from the record keeping and reporting requirements of subsections C  
39 and D of this section. For the purposes of this subsection, "exempt well"  
40 means a well that has a pump with a maximum capacity of not more than  
41 thirty-five gallons per minute, that is used to withdraw underground water  
42 and that would qualify as an exempt well under section 45-454 if used to  
43 withdraw groundwater.

- 1           F. If stored water is withdrawn in the Pinal active management area  
2 in a southside protection zone established under this section, other than  
3 the central protection zone, the annual report filed under section  
4 45-875.01, subsection D shall include:
- 5           1. The amount of stored water withdrawn within the southside  
6 protection zone and the name of the protection zone.
- 7           2. If the stored water was used for a nonirrigation use, the  
8 purpose for which the water was used, the acreage of the parcel or parcels  
9 of land on which the water was used, the location of the use and the date  
10 the use commenced.
- 11           3. The identification of the storage facility in which the water  
12 was stored.
- 13           4. The amount of any water replenished during the year pursuant to  
14 section 45-2611, subsection B, paragraph 2, the water use for which the  
15 water was replenished and the manner in which the water was replenished.
- 16           5. The amount of any water replaced during the year pursuant to  
17 section 45-2611, subsection B, paragraph 3, the water use for which the  
18 water was replaced and the manner in which the water was replaced.