

Senate Engrossed

~~water protection, technical correction~~
(now: rural groundwater)

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SENATE BILL 1520

AN ACT

AMENDING TITLE 45, CHAPTER 2, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 3.1; AMENDING SECTION 49-1270, ARIZONA REVISED STATUTES; RELATING TO GROUNDWATER.

(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 3.1, to read:

ARTICLE 3.1. BASIN MANAGEMENT AREAS

45-445. Basin management area; initiation procedures; petition; definition

7 A. THE DESIGNATION OF A BASIN MANAGEMENT AREA MAY BE INITIATED IN
8 THE GILA BEND, HUALAPAI VALLEY OR WILLCOX GROUNDWATER BASIN BY EITHER OF
9 THE FOLLOWING:

10 1. THE DESIGNATION OF THE DIRECTOR AND THE DIRECTOR'S FINDING THAT
11 ANY OF THE FOLLOWING APPLIES:

12 (a) LAND SUBSIDENCE WITHIN THE GROUNDWATER BASIN THAT IS DUE TO
13 GROUNDWATER WITHDRAWAL IS ENDANGERING PROPERTY OR POTENTIAL STORAGE
14 CAPACITY.

15 (b) THERE HAS BEEN ACCELERATED DECLINE IN GROUNDWATER LEVELS WITHIN
16 THE GROUNDWATER BASIN OVER THE PRECEDING FIVE YEARS AS MEASURED BY AT
17 LEAST TEN INDEX WELLS ACROSS THE BASIN.

18 (c) THE GROUNDWATER BASIN WAS PREVIOUSLY DESIGNATED AS A SUBSEQUENT
19 IRRIGATION NON-EXPANSION AREA THAT IS LOCATED OUTSIDE OF A BASIN OR
20 SUBBASIN FROM WHICH GROUNDWATER MAY BE TRANSPORTED TO AN ACTIVE MANAGEMENT
21 AREA PURSUANT TO ARTICLE 8.1 OF THIS CHAPTER.

22 (d) THE DEPARTMENT HAS REPORTED OBSERVED MEAN DECLINES IN
23 GROUNDWATER LEVELS IN THE BASIN GREATER THAN FIFTY FEET DURING THE PERIOD
24 FROM 2000 THROUGH 2020.

25 2. A PETITION TO THE DIRECTOR THAT IS SIGNED BY AT LEAST TEN
26 PERCENT OF THE REGISTERED VOTERS WHO RESIDE WITHIN THE BOUNDARIES OF THE
27 GROUNDWATER BASIN SPECIFIED IN THE PETITION AS OF THE MOST RECENT REPORT
28 COMPILED BY THE COUNTY RECORDER IN COMPLIANCE WITH SECTION 16-168,
29 SUBSECTION H.

30 B. IF A GROUNDWATER BASIN IS LOCATED IN TWO OR MORE COUNTIES, THE
31 NUMBER OF REGISTERED VOTERS REQUIRED TO SIGN THE PETITION PRESCRIBED BY
32 SUBSECTION A, PARAGRAPH 2 OF THIS SECTION SHALL BE AT LEAST TEN PERCENT OF
33 THE REGISTERED VOTERS WHO RESIDE WITHIN THE BOUNDARIES OF THE GROUNDWATER
34 BASIN, AS OF THE MOST RECENT REPORT COMPILED BY THE COUNTY RECORDER IN
35 COMPLIANCE WITH SECTION 16-168, SUBSECTION H.

36 C. THE FORM OF THE PETITION PRESCRIBED BY SUBSECTION A, PARAGRAPH 2
37 OF THIS SECTION SHALL BE SUBSTANTIALLY SIMILAR TO AN INITIATIVE PETITION,
38 AND THE APPLICANT FOR THE PETITION SHALL COMPLY WITH SECTION 19-111,
39 SUBSECTIONS A, B AND E, EXCEPT THAT THE DUTIES REQUIRED OF THE SECRETARY
40 OF STATE SHALL BE PERFORMED BY THE COUNTY RECORDERS OF THE COUNTIES IN
41 WHICH THE REGISTERED VOTERS OF THE GROUNDWATER BASIN RESIDE. THE PETITION
42 MUST BE INITIATED IN THE OFFICE OF THE RELEVANT COUNTY RECORDER BY A
43 PERSON WHO HAS RESIDED IN THE BASIN FOR AT LEAST FIVE YEARS. A PETITION
44 MAY NOT BE ACCEPTED MORE THAN ONE HUNDRED EIGHTY DAYS AFTER THE DATE OF
45 SUBMISSION OF THE APPLICATION FOR PETITION. FOR THE PURPOSES OF THIS

1 SECTION, ON REQUEST OF A COUNTY RECORDER, THE DIRECTOR SHALL TRANSMIT TO
2 THE COUNTY RECORDER ANY FACTUAL DATA CONCERNING THE BOUNDARIES OF THE
3 GROUNDWATER BASIN THAT MAY AID THE COUNTY RECORDER IN DETERMINING WHICH
4 REGISTERED VOTERS OF THE COUNTY ARE RESIDENTS AND, FOR THE PURPOSES OF
5 THIS SECTION, ARE ELIGIBLE VOTERS OF THE GROUNDWATER BASIN. THE
6 TRANSMITTED DATA SHALL INCLUDE A MAP OF THE RESIDENCES IN THE GROUNDWATER
7 BASIN.

8 D. ON THE VALID SUBMISSION OF THE REQUISITE SIGNATURES, THE
9 RESPECTIVE COUNTY BOARD OF SUPERVISORS SHALL COOPERATE TO INCLUDE A
10 QUESTION ON THE NEXT GENERAL ELECTION BALLOT FOR ALL REGISTERED VOTERS WHO
11 RESIDE IN THE GROUNDWATER BASIN. THE BALLOT QUESTION SHALL BE WORDED,
12 "SHOULD THE (NAME OF GROUNDWATER BASIN) BE DESIGNATED A BASIN MANAGEMENT
13 AREA?" FOLLOWED BY THE WORDS "YES" AND "NO".

14 E. WITHIN THIRTY DAYS AFTER THE GENERAL ELECTION RESULTS ARE
15 CERTIFIED, IF A MAJORITY OF ELIGIBLE VOTERS VOTED IN FAVOR OF THE
16 FORMATION OF THE BASIN MANAGEMENT AREA, THE DIRECTOR SHALL DO BOTH OF THE
17 FOLLOWING:

18 1. MAKE AND FILE IN THE DIRECTOR'S OFFICE WRITTEN FINDINGS WITH
19 RESPECT TO MATTERS CONSIDERED DURING THE PUBLIC MEETINGS. IF THE DIRECTOR
20 DECIDES TO DESIGNATE A BASIN MANAGEMENT AREA, THE DIRECTOR SHALL MAKE AND
21 FILE AN ORDER DESIGNATING THE BASIN MANAGEMENT AREA.

22 2. FILE A TRUE MAP OF THE BASIN MANAGEMENT AREA IN THE OFFICE OF
23 THE COUNTY RECORDER OF THE COUNTY OR COUNTIES IN WHICH THE BASIN
24 MANAGEMENT AREA IS ESTABLISHED.

25 F. FOR THE PURPOSES OF THIS SECTION, "LAND SUBLIMATION":

26 1. MEANS THE SETTLING OR LOWERING OF THE SURFACE OF LAND THAT
27 RESULTS FROM THE WITHDRAWAL OF GROUNDWATER.

28 2. DOES NOT INCLUDE THE SETTLING OF THE ALLUVIUM OF A RIVER
29 CHANNEL.

30 45-445.01. Meetings; boundaries; notice; establishment

31 A. IF THE DIRECTOR DESIGNATES A BASIN AS A BASIN MANAGEMENT AREA
32 INDEPENDENT OF A GENERAL ELECTION, THE DIRECTOR SHALL HOLD A SERIES OF
33 PUBLIC MEETINGS AS FOLLOWS:

34 1. THE DIRECTOR SHALL GIVE REASONABLE NOTICE OF EACH MEETING,
35 INCLUDING PUBLISHING THE NOTICE ONCE EACH WEEK FOR TWO CONSECUTIVE WEEKS
36 IN A NEWSPAPER OF GENERAL CIRCULATION IN EACH COUNTY IN WHICH THE PROPOSED
37 BASIN MANAGEMENT AREA IS LOCATED. THE DIRECTOR AND THE COUNTIES IN WHICH
38 THE PROPOSED BASIN MANAGEMENT AREA IS LOCATED SHALL POST THE NOTICE ON THE
39 DEPARTMENT'S AND COUNTIES' WEBSITES. THE NOTICE SHALL CONTAIN THE TIME
40 AND PLACE OF THE MEETING, THE LEGAL DESCRIPTION AND A MAP CLEARLY
41 IDENTIFYING AND DESCRIBING ALL LANDS TO BE INCLUDED IN THE PROPOSED BASIN
42 MANAGEMENT AREA AND ANY OTHER INFORMATION THE DIRECTOR DEEMS NECESSARY.

43 2. THE FIRST AND SECOND MEETINGS SHALL BE HELD AT A LOCATION IN THE
44 COUNTY IN WHICH THE MAJOR PORTION OF THE PROPOSED BASIN MANAGEMENT AREA IS
45 LOCATED NOT MORE THAN SIXTY DAYS AFTER THE FIRST PUBLICATION OF THE NOTICE

1 OF THE MEETING. AT THE MEETING, THE DIRECTOR SHALL PRESENT ANY DATA ON
2 GROUNDWATER LEVELS FOR THE PROPOSED BASIN MANAGEMENT AREA FROM THE
3 DEPARTMENT AND SHALL DESCRIBE THE EFFECTS OF THE PROPOSED FORMATION OF THE
4 BASIN MANAGEMENT AREA, THE COST OF APPLICATIONS THAT USERS MAY SUBMIT TO
5 THE DEPARTMENT AND THE EFFECTS OF WATER CONSERVATION. ANY PERSON MAY
6 APPEAR AT THE MEETING, EITHER IN PERSON OR BY REPRESENTATIVE, AND MAY
7 SUBMIT ORAL OR DOCUMENTARY INFORMATION REGARDING THE PROPOSED ACTION OR
8 ANY SECONDARY MODELING CHALLENGING THE MODELING COMPLETED BY THE
9 DEPARTMENT PURSUANT TO SECTION 45-445.

10 3. THE DIRECTOR MAY CALL ANY OTHER PUBLIC MEETINGS THE DIRECTOR
11 DEEMS NECESSARY.

12 B. WITHIN THIRTY DAYS AFTER THE FINAL PUBLIC MEETING AS DECLARED BY
13 THE DIRECTOR, THE DIRECTOR SHALL DO BOTH OF THE FOLLOWING:

14 1. DECLARE WHETHER THE BASIN MANAGEMENT AREA WILL BE ESTABLISHED.
15 2. IF THE BASIN MANAGEMENT AREA IS ESTABLISHED, FILE A COPY OF THE
16 DIRECTOR'S FINDINGS PURSUANT TO SECTION 45-445, SUBSECTION A AND A TRUE
17 MAP OF THE BASIN MANAGEMENT AREA IN THE OFFICE OF THE COUNTY RECORDER OF
18 THE COUNTY OR COUNTIES IN WHICH THE BASIN MANAGEMENT AREA IS ESTABLISHED.

19 45-445.02. Basin management areas; certificate of groundwater
20 rights; groundwater users; application; annual
21 report

22 A. WITHIN FIFTEEN MONTHS AFTER A BASIN MANAGEMENT AREA IS
23 ESTABLISHED, THE DIRECTOR SHALL GRANT TO EACH WATER USER WHO APPLIES FOR A
24 CERTIFICATE OF GROUNDWATER RIGHTS A CERTIFICATE THAT ENTITLES THE USER TO
25 USE THE ANNUAL ALLOCATED AMOUNT OF WATER AS FOLLOWS:

26 1. FOR MUNICIPAL OR INDUSTRIAL USERS, ON APPLICATION THE DIRECTOR
27 SHALL GRANT THE USER A CERTIFICATE OF GROUNDWATER RIGHTS THAT IS
28 CONSISTENT WITH THE MAXIMUM AMOUNT OF GROUNDWATER WITHDRAWN AND USED BY
29 THE USER IN ACRE-FEET IN ANY ONE YEAR IN THE FIVE PRECEDING YEARS BEFORE
30 THE DATE OF FORMATION OF THE BASIN MANAGEMENT AREA.

31 2. FOR IRRIGATION USERS, THE DIRECTOR SHALL GRANT THE USER A
32 CERTIFICATE OF GROUNDWATER RIGHTS THAT IS CONSISTENT WITH THE AVERAGE USE
33 OF THE IRRIGATION GROUNDWATER USER IN ACRE-FEET OVER THE TEN YEARS
34 PRECEDING THE DATE OF FORMATION OF THE BASIN MANAGEMENT AREA. THE
35 DIRECTOR SHALL EXCLUDE FROM THE CALCULATION OF THE AVERAGE AMOUNT OF WATER
36 USED ANNUALLY BY AN IRRIGATION USER IN THE TEN YEARS PRECEDING DESIGNATION
37 OF THE BASIN MANAGEMENT AREA ANY YEARS DURING WHICH THE IRRIGATION USER
38 DID NOT USE WATER.

39 B. THE DEPARTMENT SHALL INCREASE THE AMOUNT OF WATER ENTITLED TO A
40 USER BY A CERTIFICATE OF GROUNDWATER RIGHTS IF THE USER HAS MADE
41 SUBSTANTIAL CAPITAL INVESTMENT BEFORE THE PETITION IS CIRCULATED FOR A
42 BASIN MANAGEMENT AREA DESIGNATION.

43 C. FOR PLANNED RESIDENTIAL OR MIXED-USE DEVELOPMENTS THAT HAVE BEEN
44 APPROVED BY THE APPLICABLE ZONING AUTHORITY, THE LANDOWNER SHALL BE

1 GRANTED A CERTIFICATE OF GROUNDWATER RIGHTS THAT IS EQUAL TO THE PROJECTED
2 WATER DEMAND OF THE DEVELOPMENT AT BUILD OUT.

3 D. BEGINNING AFTER A BASIN MANAGEMENT AREA PETITION IS APPROVED,
4 NEW GROUNDWATER PUMPING MAY NOT OCCUR IN THE BASIN MANAGEMENT AREA, EXCEPT
5 THAT A USER WITH A CERTIFICATE OF GROUNDWATER RIGHTS MAY RETIRE OR
6 DIMINISH THE GROUNDWATER USER'S WITHDRAWAL FROM AN EXISTING WELL AND
7 WITHDRAW AN EQUAL AMOUNT OF GROUNDWATER FROM A REPLACEMENT WELL OR
8 EXISTING WELL FOR THE SAME USE CONSISTENT WITH THE GROUNDWATER USER'S
9 CERTIFICATED GROUNDWATER RIGHT ON THE SAME PROPERTY OR MAY WITHDRAW
10 INTENTIONALLY RECHARGED WATER OR TRANSFER A CERTIFICATE OF GROUNDWATER
11 RIGHTS AND THE ASSOCIATED GROUNDWATER AS PRESCRIBED BY THIS ARTICLE IF
12 THERE REMAINS A NET BENEFIT OF TEN PERCENT OR MORE TO THE AQUIFER.

13 E. THE DEPARTMENT MAY NOT REQUIRE A GROUNDWATER USER TO METER ANY
14 WELLS LOCATED IN A BASIN MANAGEMENT AREA OR TO REPORT THE USER'S
15 GROUNDWATER USE BEYOND THE REQUIREMENTS PRESCRIBED IN SUBSECTION F OF THIS
16 SECTION.

17 F. A GROUNDWATER USER SHALL ANNUALLY REPORT TO THE DEPARTMENT AN
18 ESTIMATE OF GROUNDWATER USE BASED ON PUMPING CAPACITY AND THE POWER USAGE
19 OF THE USER'S GROUNDWATER PUMPING OR OTHER SIMILARLY RELIABLE AND
20 ACCESSIBLE METHODS. FOR THE PURPOSES OF THIS SUBSECTION:

21 1. A USER MAY VOLUNTARILY ACQUIRE AND REPORT METERING DATA.
22 2. THE ANNUAL REPORT A GROUNDWATER USER SUBMITS TO THE DEPARTMENT
23 IS A PUBLIC RECORD.

24 3. REPORTS AND THE CORRESPONDING DATA MAY BE PRESENTED AS EVIDENCE
25 IN ANY COURT IN THIS STATE ONLY IF THE CASE DOES NOT INVOLVE A GENERAL
26 STREAM ADJUDICATION OR A FEDERALLY RESERVED WATER RIGHT. A GROUNDWATER
27 USER MAY CONSENT TO THE WAIVER OF THIS PRIVILEGE.

28 G. AN APPLICATION FOR A CERTIFICATE OF GROUNDWATER RIGHTS SHALL
29 INCLUDE ALL OF THE FOLLOWING:

30 1. THE APPLICANT'S NAME AND MAILING ADDRESS.
31 2. THE NAME OF THE BASIN MANAGEMENT AREA SUBJECT TO THE APPLICATION
32 FROM WHICH THE APPLICANT HAS WITHDRAWN GROUNDWATER.

33 3. A SWORN STATEMENT THAT ALL INFORMATION CONTAINED IN THE
34 APPLICATION IS TRUE, COMPLETE AND CORRECT ACCORDING TO THE BEST BELIEF AND
35 KNOWLEDGE OF THE APPLICANT.

36 4. IF THE APPLICATION IS FOR MUNICIPAL OR INDUSTRIAL GROUNDWATER
37 USE:

38 (a) THE MAXIMUM AMOUNT OF GROUNDWATER THE APPLICANT WITHDREW AND
39 USED IN ANY ONE YEAR DURING THE FIVE YEARS PRECEDING THE DATE OF FORMATION
40 OF THE BASIN MANAGEMENT AREA.

41 (b) THE APPLICANT'S USE OR TYPE OF USE OF GROUNDWATER WITHDRAWN BY
42 THE APPLICANT.

43 (c) THE LOCATION OF EACH WELL FROM WHICH THE APPLICANT WITHDRAWS
44 GROUNDWATER OR HAS WITHDRAWN GROUNDWATER.

45 5. IF THE APPLICATION IS FOR AGRICULTURAL GROUNDWATER USE:

1 (a) A LEGAL DESCRIPTION AND A MAP OF ALL LAND OWNED BY THE
2 APPLICANT FOR WHICH THE APPLICANT CLAIMS THE RIGHT TO WITHDRAW AND USE
3 GROUNDWATER.

4 (b) THE AMOUNT OF WATER THE APPLICANT HAS USED FOR AGRICULTURAL
5 PURPOSES ON THE LAND EACH YEAR DURING THE TEN YEARS PRECEDING THE DATE OF
6 FORMATION OF THE BASIN MANAGEMENT AREA.

7 H. FOR IRRIGATION USERS, SUBSTANTIAL CAPITAL INVESTMENT INCLUDES:
8 1. THE IMPROVEMENT OF LAND, INFRASTRUCTURE OR ON-SITE IRRIGATION
9 DISTRIBUTION FACILITIES, INCLUDING THE DRILLING OF WELLS.

10 2. THE PURCHASE OR PLANTING OF PERENNIAL CROPS FOR COMMERCIAL
11 AGRICULTURAL PURPOSES. FOR THE PURPOSES OF THIS PARAGRAPH, THE DIRECTOR
12 SHALL ISSUE GROUNDWATER RIGHTS TO AN IRRIGATION USER PURSUANT TO THIS
13 PARAGRAPH IN A VOLUME THAT IS SUFFICIENT TO IRRIGATE THE PERENNIAL CROPS
14 AT FULL MATURITY AS DETERMINED BY THE LAND GRANT UNIVERSITY OF THIS STATE.

15 3. THE IRRIGATION OR PLANTING OF PERMANENT CROPS, INCLUDING PECAN
16 TREES AND PISTACHIO TREES, THAT HAVE NOT YET REACHED MATURITY AS OF THE
17 DATE THE BASIN MANAGEMENT AREA IS ESTABLISHED. FOR THE PURPOSES OF THIS
18 PARAGRAPH, THE DIRECTOR SHALL GRANT THE IRRIGATION USER THAT IRRIGATES
19 PERMANENT CROPS A CERTIFICATE OF GRANDFATHERED RIGHT THAT ALLOCATES THREE
20 ACRE-FEET PER ACRE OF GROUNDWATER FOR THE PERMANENT CROPS. FOR PERMANENT
21 CROPS THAT WERE PLANTED LESS THAN NINE YEARS BEFORE THE DATE THE BASIN
22 MANAGEMENT AREA IS ESTABLISHED AND UNTIL THE PLANTS HAVE BEEN PLANTED FOR
23 NINE YEARS OR MORE, THE IRRIGATION USER MAY NOT CONVEY THE ASSOCIATED
24 VOLUME OF GROUNDWATER OR USE THE ASSOCIATED VOLUME OF GROUNDWATER FOR ANY
25 PURPOSE OTHER THAN IRRIGATION OF THE PERMANENT CROPS.

26 I. FOR NON-IRRIGATION USERS, SUBSTANTIAL CAPITAL INVESTMENT
27 INCLUDES COSTS RELATED TO ANY OF THE FOLLOWING:

28 1. THE ACQUISITION OF PERMITS AND APPROVALS, INCLUDING LEGAL,
29 TECHNICAL AND ENVIRONMENTAL SERVICES THAT ARE NECESSARY FOR THE
30 AUTHORIZATION TO PROCEED WITH THE PROJECT.

31 2. THE ACQUISITION OR LEASE OF LAND FOR PURPOSES OF RIGHTS-OF-WAY,
32 EASEMENT OR OTHER STATE OR FEDERAL LAND USE AUTHORIZATION.

33 3. THE IMPROVEMENT OF LAND FOR THE INTENDED NON-IRRIGATION USE.

34 4. THE CONSTRUCTION OF GROUNDWATER-RELATED INFRASTRUCTURE OR
35 IMPROVEMENTS, INCLUDING WATER DISTRIBUTION FACILITIES, STORAGE FACILITIES,
36 RECHARGE FACILITIES, THE DRILLING OR EQUIPPING OF WELLS, GROUNDWATER
37 TREATMENT FACILITIES WATER AND POWER TRANSMISSION AND OTHER
38 PROJECT-ASSOCIATED FACILITIES.

39 5. THE CONSTRUCTION AND MAINTENANCE OF ANCILLARY STRUCTURES THAT
40 ARE CRITICAL TO A NON-IRRIGATION PROJECT.

41 J. IF AN APPLICANT DEMONSTRATES A SUBSTANTIAL CAPITAL INVESTMENT IN
42 THE FACILITIES ASSOCIATED WITH A NON-IRRIGATION USE, THE DIRECTOR SHALL
43 ISSUE A GROUNDWATER PERMIT FOR THE IDENTIFIED USE. IF THE APPLICANT PUTS
44 GROUNDWATER TO BENEFICIAL USE FOR THE PURPOSES ASSOCIATED WITH THE PERMIT,
45 THAT VOLUME OF WATER BECOMES PERFECTED AND THE DIRECTOR SHALL ISSUE A

1 CERTIFICATE FOR THAT VOLUME OR INCREASE THE GROUNDWATER RIGHT ON THE
2 APPLICANT'S EXISTING CERTIFICATE. FOR THE PURPOSES OF THIS SUBSECTION, A
3 PERMIT HOLDER MAY APPLY TO PERFECT ALL OR PART OF THE PERMIT
4 VOLUME. PERMITS THAT ARE UNPERFECTED CANNOT BE TRANSFERRED AND PERMITS
5 CANNOT EARN FLEXIBILITY CREDITS.

6 K. FOR THE PURPOSES OF THIS ARTICLE, ANY DATA OR ESTIMATE A PERSON
7 SUBMITS REGARDING A PERSON'S GROUNDWATER USE IS A PUBLIC RECORD UNDER
8 TITLE 39, CHAPTER 1 AND MAY BE PRESENTED AS EVIDENCE IN ANY COURT IN THIS
9 STATE ONLY IF THE CASE DOES NOT INVOLVE A GENERAL STREAM ADJUDICATION OR A
10 FEDERALLY RESERVED WATER RIGHT OR THE GROUNDWATER USER CONSENTS TO THE
11 WAIVER OF THIS PRIVILEGE. IF A GROUNDWATER USER VOLUNTARILY SUBMITS
12 EVIDENCE OF WATER CONSERVATION, THE DEPARTMENT SHALL ISSUE THE WATER USER
13 A RECEIPT OF WATER CONSERVATION ACKNOWLEDGING THE AMOUNT OF WATER
14 CONSERVED. THE DEPARTMENT SHALL PROVIDE THE BASIN MANAGEMENT COUNCIL WITH
15 A COPY OF ALL PAST AND FUTURE RECEIPTS GRANTED IN THE GROUNDWATER BASIN
16 PURSUANT TO THIS SECTION.

17 45-445.03. Basin management areas; withdrawals of groundwater
18 right; flexibility account; conveyances; rules;
19 extinguishment

20 A. A PERSON WHO IS ENTITLED TO USE GROUNDWATER PURSUANT TO A
21 CERTIFICATE OF GROUNDWATER RIGHT MAY:

22 1. USE GROUNDWATER IN EXCESS OF THE AMOUNT ALLOWED BY THE RIGHT IN
23 AN AMOUNT DETERMINED PURSUANT TO SUBSECTION E OF THIS SECTION.

24 2. USE LESS THAN THE AMOUNT ALLOWED BY THE RIGHT IN ONE ACCOUNTING
25 PERIOD AND USE THE REMAINING AMOUNT ALLOWED BY THE RIGHT IN A SUCCEEDING
26 ACCOUNTING PERIOD OR PERIODS.

27 B. THE DIRECTOR SHALL ESTABLISH RULES FOR THE MAINTENANCE OF A
28 FLEXIBILITY ACCOUNT FOR EACH CERTIFICATE OF GROUNDWATER RIGHT IN A BASIN
29 MANAGEMENT AREA.

30 C. IF A PERSON WHO IS ENTITLED TO USE GROUNDWATER PURSUANT TO A
31 CERTIFICATE OF GROUNDWATER RIGHT USES SOLELY GROUNDWATER DURING ANY
32 ACCOUNTING PERIOD, THE DIRECTOR SHALL:

33 1. REGISTER A DEBIT TO THE FLEXIBILITY ACCOUNT IF THE AMOUNT OF
34 GROUNDWATER THAT IS USED DURING THE ACCOUNTING PERIOD IS GREATER THAN THE
35 AMOUNT OF THE ANNUAL ALLOCATION OF WATER GRANTED PURSUANT TO A CERTIFICATE
36 OF GROUNDWATER RIGHT OR THE AMOUNT OF WATER THAT THE PERSON IS ENTITLED TO
37 USE UNDER A BASIN MANAGEMENT AREA MANAGEMENT PLAN PURSUANT TO SECTION
38 45-445.12.

39 2. REGISTER A CREDIT TO THE FLEXIBILITY ACCOUNT IF THE AMOUNT OF
40 GROUNDWATER THAT IS USED DURING THE ACCOUNTING PERIOD IS LESS THAN THE
41 AMOUNT OF THE ANNUAL ALLOCATION OF WATER GRANTED PURSUANT TO A CERTIFICATE
42 OF GROUNDWATER RIGHT OR THE AMOUNT OF WATER THAT THE PERSON IS ENTITLED TO
43 USE UNDER A BASIN MANAGEMENT AREA MANAGEMENT PLAN PURSUANT TO SECTION
44 45-445.12.

1 D. IF A PERSON WHO IS ENTITLED TO USE GROUNDWATER PURSUANT TO A
2 CERTIFICATE OF GROUNDWATER RIGHT USES A COMBINATION OF SURFACE WATER,
3 EFFLUENT OR GROUNDWATER OR ANY COMBINATION THEREOF AND THE USES OF WATER
4 BY THE PERSON FROM ALL SOURCES, EXCEPT FOR SURFACE WATER, OTHER THAN
5 COLORADO RIVER WATER, RELEASED FOR BENEFICIAL USE FROM STORAGE, DIVERSION
6 OR DISTRIBUTION FACILITIES TO AVOID SPILLING THAT WOULD OTHERWISE OCCUR
7 DUE TO UNCONTROLLED SURFACE WATER INFLOWS THAT EXCEED FACILITY CAPACITY,
8 IN THE ACCOUNTING PERIOD:

9 1. EXCEED THE AMOUNT OF THE ANNUAL ALLOCATION OF WATER GRANTED
10 PURSUANT TO THE CERTIFICATE OF GROUNDWATER RIGHT OR THE AMOUNT OF WATER
11 THAT THE PERSON IS ENTITLED TO USE UNDER A BASIN MANAGEMENT AREA
12 MANAGEMENT PLAN PURSUANT TO SECTION 45-445.12, THE AMOUNT OF GROUNDWATER
13 USED UP TO THE AMOUNT OF THE EXCESS, LESS ANY EFFLUENT USED, SHALL BE
14 REGISTERED AS A DEBIT TO THE FLEXIBILITY ACCOUNT.

15 2. ARE LESS THAN THE AMOUNT OF THE ANNUAL ALLOCATION OF WATER
16 GRANTED PURSUANT TO THE CERTIFICATE OF GROUNDWATER RIGHT OR THE AMOUNT OF
17 WATER THAT THE PERSON IS ENTITLED TO USE UNDER A BASIN MANAGEMENT AREA
18 MANAGEMENT PLAN PURSUANT TO SECTION 45-445.12, THE AMOUNT OF WATER NOT
19 USED THAT WOULD HAVE BEEN GROUNDWATER SHALL BE REGISTERED AS A CREDIT TO
20 THE FLEXIBILITY ACCOUNT.

21 E. THE MAXIMUM EXCESS AMOUNT OF GROUNDWATER THAT A PERSON MAY USE
22 PURSUANT TO THIS SECTION IN ANY ONE YEAR SHALL BE EQUAL TO TWENTY-FIVE
23 PERCENT OF THE ANNUAL ALLOCATION OF WATER THAT IS GRANTED PURSUANT TO A
24 CERTIFICATE OF GROUNDWATER RIGHT. AN OWNER OF A CERTIFICATE OF
25 GROUNDWATER RIGHT AND THE PERSON USING GROUNDWATER PURSUANT TO THE RIGHT
26 ARE DEEMED TO VIOLATE THIS SECTION IF THE FLEXIBILITY ACCOUNT FOR THE
27 RIGHT IS IN ARREARS AT ANY TIME IN EXCESS OF THIS AMOUNT. GROUNDWATER
28 EQUAL TO THE CREDIT BALANCE IN THE FLEXIBILITY ACCOUNT MAY BE USED AT ANY
29 TIME.

30 F. IF A CERTIFICATE OF GROUNDWATER RIGHT IS CONVEYED IN WHOLE OR IN
31 PART, EACH ACRE-FOOT CONVEYED SHALL CARRY WITH IT A PROPORTIONAL SHARE OF
32 ANY DEBITS OR CREDITS IN THE FLEXIBILITY ACCOUNT FOR THE RIGHT.

33 G. EACH PERSON WHO OWNS A CERTIFICATE OF GROUNDWATER RIGHT AND
34 WHOSE RIGHT HAS REGISTERED A CREDIT BALANCE TO ITS FLEXIBILITY ACCOUNT MAY
35 CONVEY OR SELL ALL OR A PORTION OF THE CREDIT BALANCE TO ANY PERSON,
36 INCLUDING THE CONVEYOR OR SELLER OF THE CREDIT BALANCE, WHO OWNS ANOTHER
37 CERTIFICATE OF GROUNDWATER RIGHT IN THE SAME GROUNDWATER BASIN. A PERSON
38 WHO SELLS OR CONVEYS ALL OR A PORTION OF A CREDIT BALANCE PURSUANT TO THIS
39 SUBSECTION, AND THE PERSON TO WHOM THE CREDIT BALANCE IS SOLD OR CONVEYED,
40 SHALL NOTIFY THE DIRECTOR OF THE SALE OR CONVEYANCE WITHIN THIRTY DAYS
41 AFTER THE SALE OR CONVEYANCE ON A FORM PRESCRIBED AND FURNISHED BY THE
42 DIRECTOR.

43 H. A SALE OR CONVEYANCE OF ALL OR PART OF A CREDIT BALANCE UNDER
44 SUBSECTION G OF THIS SECTION IS EFFECTIVE ONLY IF THE DIRECTOR RECEIVES
45 THE NOTICE REQUIRED BY SUBSECTION G OF THIS SECTION WITHIN THIRTY DAYS

1 AFTER THE SALE OR CONVEYANCE. AFTER RECEIVING THE NOTICE, THE DIRECTOR
2 SHALL REGISTER A DEDUCTION OF THE CREDIT AMOUNT CONVEYED OR SOLD FROM THE
3 CONVEYOR'S OR SELLER'S FLEXIBILITY ACCOUNT BALANCE AND THE CORRESPONDING
4 ADDITION TO THE CONVEYEE'S OR PURCHASER'S FLEXIBILITY ACCOUNT BALANCE.
5 THE DEDUCTION AND ADDITION TO THE FLEXIBILITY ACCOUNT BALANCES ARE
6 EFFECTIVE AS OF THE DATE OF THE SALE OR CONVEYANCE.

7 I. EACH PERSON WHO OWNS A CERTIFICATE OF GROUNDWATER RIGHT AND
8 WHOSE RIGHT HAS REGISTERED A CREDIT BALANCE TO ITS FLEXIBILITY ACCOUNT MAY
9 EXTINGUISH ALL OR A PORTION OF THE CREDIT BALANCE. THE PERSON WHO
10 EXTINGUISHES ALL OR A PORTION OF A CREDIT BALANCE PURSUANT TO THIS
11 SUBSECTION SHALL NOTIFY THE DIRECTOR OF THE EXTINGUISHMENT ON A FORM
12 PRESCRIBED AND FURNISHED BY THE DIRECTOR.

13 J. THE EXTINGUISHMENT OF ALL OR PART OF A CREDIT BALANCE UNDER
14 SUBSECTION I OF THIS SECTION IS EFFECTIVE AS OF THE DATE THE DIRECTOR
15 RECEIVES THE NOTICE REQUIRED BY SUBSECTION I OF THIS SECTION. AFTER
16 RECEIVING THE NOTICE, THE DIRECTOR SHALL REGISTER A DEDUCTION OF THE
17 CREDIT AMOUNT EXTINGUISHED FROM THE FLEXIBILITY ACCOUNT BALANCE OF THE
18 PERSON WHO EXTINGUISHED THE CREDIT BALANCE.

19 45-445.04. Use of municipal and industrial groundwater rights
20 THE OWNER OF A MUNICIPAL AND INDUSTRIAL CERTIFICATE OF GROUNDWATER
21 RIGHTS MAY:

22 1. USE GROUNDWATER WITHDRAWN PURSUANT TO THE CERTIFICATE OF
23 GROUNDWATER RIGHTS FOR ANY NONAGRICULTURAL USE AT ANY LOCATION IN THE
24 BASIN MANAGEMENT AREA SUBJECT TO THE PROVISIONS GOVERNING TRANSPORTATION
25 OF GROUNDWATER PRESCRIBED IN ARTICLE 8 OF THIS CHAPTER.

26 2. WITHDRAW GROUNDWATER PURSUANT TO THE CERTIFICATE OF GROUNDWATER
27 RIGHTS ONLY FROM THOSE WELLS OUTLINED ON THE USER'S CERTIFICATE OF
28 GROUNDWATER RIGHTS.

29 3. REQUEST THE DIRECTOR TO ISSUE A REVISED CERTIFICATE OF
30 GROUNDWATER RIGHTS TO REFLECT NEW OR ADDITIONAL POINTS OF WITHDRAWAL OR
31 NEW OR ADDITIONAL TYPES OF NONAGRICULTURAL USE.

32 4. LEASE ALL OR PART OF THE MUNICIPAL AND INDUSTRIAL GROUNDWATER
33 RIGHT. IF A GROUNDWATER RIGHT IS LEASED, THE LESSEE MAY USE GROUNDWATER
34 WITHDRAWN PURSUANT TO THE GROUNDWATER RIGHT AS PRESCRIBED BY THIS SECTION.

35 45-445.05. Use of agricultural groundwater rights
36 A. THE OWNER OF AN AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS
37 ISSUED PURSUANT TO SECTION 45-445.02 MAY:

38 1. USE GROUNDWATER WITHDRAWN PURSUANT TO THE CERTIFICATE OF
39 GROUNDWATER RIGHTS FOR ANY AGRICULTURAL USE ON ANY LAND DESCRIBED IN THE
40 CERTIFICATE OF GROUNDWATER RIGHTS.

41 2. REQUEST THE DIRECTOR TO ISSUE A REVISED CERTIFICATE OF
42 GROUNDWATER RIGHTS TO REFLECT NEW OR ADDITIONAL ACRES OF LAND WITHIN THE
43 BASIN MANAGEMENT AREA ON WHICH THE OWNER WISHES TO USE GROUNDWATER
44 WITHDRAWN PURSUANT TO THE CERTIFICATE OF GROUNDWATER RIGHTS FOR
45 AGRICULTURAL PURPOSES.

1 B. THE RIGHT TO USE GROUNDWATER PURSUANT TO THIS SECTION IS
2 APPURtenant TO THE ACRES OF LAND DESCRIBED IN THE AGRICULTURAL CERTIFICATE
3 OF GROUNDWATER RIGHTS. AN AGRICULTURAL GROUNDWATER RIGHT IS OWNED BY THE
4 OWNER OF THE LAND TO WHICH THE GROUNDWATER RIGHT IS APPURtenant AND MAY BE
5 LEASED FOR AGRICULTURAL USE WITH THE LAND TO WHICH IT IS APPURtenant.

6 C. THE OWNER OR LESSEE OF AN AGRICULTURAL CERTIFICATE OF
7 GROUNDWATER RIGHTS MAY WITHDRAW OR RECEIVE GROUNDWATER FROM ANY LOCATION
8 IN THE BASIN MANAGEMENT AREA THAT IS SUBJECT TO THE PROVISIONS GOVERNING
9 TRANSPORTATION OF GROUNDWATER PRESCRIBED IN ARTICLE 8 OF THIS CHAPTER.

10 45-445.06. Conversion of agricultural groundwater rights to
11 municipal and industrial use

12 A. THE OWNER OF AN AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS
13 MAY CONVERT ALL OR PART OF THE GROUNDWATER RIGHT TO A MUNICIPAL AND
14 INDUSTRIAL USE.

15 B. A MUNICIPAL OR INDUSTRIAL GROUNDWATER USER MAY WITHDRAW AND USE
16 A CONVERTED AGRICULTURAL GROUNDWATER RIGHT ANNUALLY FOR MUNICIPAL AND
17 INDUSTRIAL USE IN ONE OF THE FOLLOWING AMOUNTS:

18 1. IF THE MUNICIPAL AND INDUSTRIAL USE IS ON LAND DESCRIBED IN THE
19 AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS, EIGHTY-FIVE PERCENT OF THE
20 AMOUNT OF THE AGRICULTURAL GROUNDWATER RIGHT ALLOCATION.

21 2. IF THE MUNICIPAL AND INDUSTRIAL USE IS ON LAND OTHER THAN LAND
22 DESCRIBED IN THE AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS,
23 EIGHTY-FIVE PERCENT OF THE AMOUNT OF THE AGRICULTURAL GROUNDWATER RIGHT
24 ALLOCATION.

25 C. A PERSON WHO PROPOSES TO CONVERT AN AGRICULTURAL GROUNDWATER
26 RIGHT TO A MUNICIPAL AND INDUSTRIAL USE SHALL NOTIFY THE DIRECTOR, ON A
27 FORM PRESCRIBED AND FURNISHED BY THE DIRECTOR, OF THE CONVERSION AND THE
28 LOCATION OF EACH WELL FROM WHICH GROUNDWATER WILL BE WITHDRAWN FOR A
29 MUNICIPAL AND INDUSTRIAL USE AND THE TYPES OF USE FOR WHICH GROUNDWATER
30 WILL BE WITHDRAWN.

31 D. AFTER RECEIVING NOTICE OF A CONVERSION OF AN AGRICULTURAL
32 GROUNDWATER RIGHT TO A MUNICIPAL AND INDUSTRIAL USE, THE DIRECTOR SHALL
33 ISSUE TO THE OWNER A REVISED AGRICULTURAL CERTIFICATE OF GROUNDWATER
34 RIGHTS FOR THE REMAINING AGRICULTURAL USE, IF ANY, AND A NEW MUNICIPAL AND
35 INDUSTRIAL CERTIFICATE OF GROUNDWATER RIGHTS FOR THE CONVERTED MUNICIPAL
36 AND INDUSTRIAL USE.

45-445.07. Conveyance of certificate of groundwater rights

38 A. THE OWNER OF A MUNICIPAL AND INDUSTRIAL CERTIFICATE OF
39 GROUNDWATER RIGHTS MAY SELL OR CONVEY ALL OR PART OF THE GROUNDWATER RIGHT
40 FOR ANY NONAGRICULTURAL USE IN THE SAME GROUNDWATER BASIN. THE FOLLOWING
41 APPLY TO A SALE OR CONVEYANCE OF A MUNICIPAL AND INDUSTRIAL CERTIFICATE OF
42 GROUNDWATER RIGHTS PURSUANT TO THIS SUBSECTION:

43 1. WITHIN THIRTY DAYS AFTER A CONVEYANCE OF A GROUNDWATER RIGHT,
44 THE CONVEYOR OF ALL OR PART OF A MUNICIPAL AND INDUSTRIAL RIGHT AND THE
45 CONVEEYEE OF THE MUNICIPAL AND INDUSTRIAL RIGHT SHALL NOTIFY THE DIRECTOR

1 OF THE CONVEYANCE ON A FORM PRESCRIBED AND FURNISHED BY THE DIRECTOR. THE
2 NOTICE SHALL INCLUDE THE FOLLOWING:

3 (a) THE AMOUNT IN ACRE-FEET THAT IS RETAINED BY THE CONVEYOR, IF
4 ANY.

5 (b) THE AMOUNT IN ACRE-FEET THAT IS TRANSFERRED TO THE CONVEEYEE.

6 (c) THE TYPES OF USE FOR WHICH GROUNDWATER WILL BE WITHDRAWN BY THE
7 CONVEYOR, IF ANY.

8 (d) THE TYPES OF USE FOR WHICH GROUNDWATER WILL BE WITHDRAWN BY THE
9 CONVEEYEE.

10 (e) THE LOCATION OF EACH WELL FROM WHICH GROUNDWATER WILL BE
11 WITHDRAWN BY THE CONVEYOR, IF ANY.

12 (f) THE LOCATION OF EACH WELL FROM WHICH GROUNDWATER WILL BE
13 WITHDRAWN BY THE CONVEEYEE.

14 (g) ANY OTHER INFORMATION THE DIRECTOR REASONABLY REQUIRES.

15 2. AFTER RECEIVING NOTICE OF A CONVEYANCE OF A MUNICIPAL AND
16 INDUSTRIAL GROUNDWATER RIGHT, THE DIRECTOR SHALL ISSUE TO THE CONVEYOR A
17 REVISED MUNICIPAL AND INDUSTRIAL CERTIFICATE OF GROUNDWATER RIGHTS FOR THE
18 PORTION OF THE GROUNDWATER RIGHT THAT IS RETAINED BY THE CONVEYOR, IF ANY,
19 AND ISSUE TO THE CONVEEYEE A NEW MUNICIPAL AND INDUSTRIAL CERTIFICATE OF
20 GROUNDWATER RIGHTS FOR THE PORTION OF THE GROUNDWATER RIGHT CONVEYED.

21 B. THE OWNER OF AN AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS
22 MAY CONVEY LAND DESCRIBED IN THE GROUNDWATER USER'S CERTIFICATE. EACH
23 ACRE CONVEYED SHALL CARRY WITH IT A PROPORTIONAL SHARE OF THE ANNUAL
24 ALLOCATION OF GROUNDWATER THAT IS GRANTED PURSUANT TO THE CERTIFICATE.
25 THE FOLLOWING APPLY TO A CONVEYANCE OF AN AGRICULTURAL CERTIFICATE OF
26 GROUNDWATER RIGHTS PURSUANT TO THIS SUBSECTION:

27 1. WITHIN THIRTY DAYS AFTER THE CONVEYANCE OF LAND DESCRIBED IN AN
28 AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS, THE CONVEYOR AND THE
29 CONVEEYEE SHALL EACH NOTIFY THE DIRECTOR OF THE CONVEYANCE ON A FORM
30 PRESCRIBED AND FURNISHED BY THE DIRECTOR. THE NOTICE SHALL INCLUDE ALL OF
31 THE FOLLOWING:

32 (a) A LEGAL DESCRIPTION AND A MAP OF THE LAND THAT IS RETAINED BY
33 THE CONVEYOR, IF ANY.

34 (b) A LEGAL DESCRIPTION AND A MAP OF THE LAND THAT IS CONVEYED TO
35 THE CONVEEYEE.

36 (c) ANY OTHER INFORMATION THE DIRECTOR REASONABLY REQUIRES.

37 2. AFTER RECEIVING NOTICE OF A SALE OR CONVEYANCE OF AN
38 AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHT, THE DIRECTOR SHALL ISSUE TO
39 THE CONVEYOR A REVISED CERTIFICATE FOR THE PORTION OF THE GROUNDWATER
40 RIGHT THAT IS RETAINED BY THE CONVEYOR, IF ANY, AND ISSUE TO THE CONVEEYEE
41 A NEW AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS FOR THE PORTION OF
42 THE GROUNDWATER RIGHT CONVEYED.

43 C. THE OWNER OF AN AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS
44 MAY SELL OR CONVEY ALL OR PART OF THE RIGHT FOR AGRICULTURAL USE ON OTHER
45 LAND IN THE SAME GROUNDWATER BASIN. THE FOLLOWING APPLY TO THE SALE OR

1 CONVEYANCE OF AN AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS PURSUANT
2 TO THIS SUBSECTION:

3 1. WITHIN THIRTY DAYS AFTER THE SALE OR CONVEYANCE, THE CONVEYOR OF
4 AN AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS AND THE CONVEEYEE SHALL
5 NOTIFY THE DIRECTOR OF THE CONVEYANCE ON A FORM PRESCRIBED AND FURNISHED
6 BY THE DIRECTOR. THE NOTICE PROVIDED BY THE CONVEYOR AND THE CONVEEYEE
7 SHALL INCLUDE THE FOLLOWING:

8 (a) THE AMOUNT IN ACRE-FEET THAT IS RETAINED BY THE CONVEYOR, IF
9 ANY.

10 (b) THE AMOUNT IN ACRE-FEET THAT IS TRANSFERRED TO THE CONVEEYEE.

11 (c) A LEGAL DESCRIPTION AND A MAP OF THE LAND ON WHICH THE CONVEYOR
12 DESIRES TO USE GROUNDWATER FOR AN AGRICULTURAL PURPOSE AND THE PORTION OF
13 THE AGRICULTURAL GROUNDWATER RIGHT RETAINED.

14 (d) A LEGAL DESCRIPTION AND A MAP OF THE LAND ON WHICH THE CONVEEYEE
15 DESIRES TO USE GROUNDWATER FOR AGRICULTURAL USE PURSUANT TO THE
16 AGRICULTURAL GROUNDWATER RIGHT CONVEYED.

17 (e) ANY OTHER INFORMATION THE DIRECTOR REASONABLY REQUIRES.

18 2. AFTER RECEIVING NOTICE OF A SALE OR CONVEYANCE OF AN
19 AGRICULTURAL CERTIFICATE OF GROUNDWATER RIGHTS FOR USE ON OTHER
20 AGRICULTURAL LAND, THE DIRECTOR SHALL ISSUE TO THE CONVEYOR A REVISED
21 CERTIFICATE OF GROUNDWATER RIGHTS FOR THE PORTION OF THE RIGHT RETAINED BY
22 THE CONVEYOR, IF ANY, AND ISSUE TO THE CONVEEYEE A NEW AGRICULTURAL
23 CERTIFICATE OF GROUNDWATER RIGHTS FOR THE PORTION OF THE RIGHT CONVEYED.

24 D. NOTWITHSTANDING ANY OTHER LAW, THE TRANSFER OF FLEXIBILITY
25 CREDITS BETWEEN AN IRRIGATION USER AND A LIVESTOCK INDUSTRIAL USER THAT
26 SHARE COMMON OWNERSHIP IS NOT SUBJECT TO ANY REDUCTION IN THE IRRIGATION
27 GROUNDWATER RIGHT ALLOCATION.

28 45-445.08. Retirement: certificate of groundwater rights

29 A. THE OWNER OF A CERTIFICATE OF GROUNDWATER RIGHTS MAY RETIRE ALL
30 OR PART OF THE GROUNDWATER RIGHTS.

31 B. A PERSON WHO PROPOSES TO RETIRE ALL OR PART OF A CERTIFICATE OF
32 GROUNDWATER RIGHTS SHALL NOTIFY THE DIRECTOR OF THE RETIREMENT ON A FORM
33 PRESCRIBED AND FURNISHED BY THE DIRECTOR. THE NOTICE SHALL INCLUDE THE
34 FOLLOWING:

35 1. THE AMOUNT IN ACRE-FEET OF THE GROUNDWATER RIGHT TO BE RETIRED.

36 2. IF THE GROUNDWATER RIGHT TO BE RETIRED IS A MUNICIPAL AND
37 INDUSTRIAL GROUNDWATER RIGHT:

38 (a) THE TYPE OR TYPES OF USE FOR WHICH GROUNDWATER WILL BE
39 WITHDRAWN UNDER THE PORTION OF THE GROUNDWATER RIGHT NOT RETIRED, IF ANY.

40 (b) THE LOCATION OF EACH WELL FROM WHICH GROUNDWATER WILL BE
41 WITHDRAWN UNDER THE PORTION OF THE GROUNDWATER RIGHT NOT RETIRED, IF ANY.

42 (c) ANY OTHER INFORMATION THE DIRECTOR REASONABLY REQUIRES.

43 3. IF THE GROUNDWATER RIGHT TO BE RETIRED IS AN AGRICULTURAL
44 GROUNDWATER RIGHT:

1 (a) A LEGAL DESCRIPTION AND A MAP OF THE LAND ON WHICH THE PERSON
2 PROPOSING TO RETIRE THE GROUNDWATER RIGHT DESIRES TO USE GROUNDWATER FOR
3 AN AGRICULTURAL PURPOSE AND THE PORTION OF THE GROUNDWATER RIGHT NOT
4 RETIRED, IF ANY.

5 (b) ANY OTHER INFORMATION THE DIRECTOR MAY REQUIRE.

6 C. AFTER RECEIVING NOTICE OF RETIREMENT OF ALL OR PART OF A
7 CERTIFICATE OF GROUNDWATER RIGHTS, THE DIRECTOR SHALL ISSUE TO THE PERSON
8 WHO RETIRES THE GROUNDWATER RIGHT A REVISED CERTIFICATE OF GROUNDWATER
9 RIGHTS FOR THE PORTION OF THE GROUNDWATER RIGHT NOT RETIRED, IF ANY.

10 45-445.09. Basin management area designated as active
11 management area or irrigation non-expansion
12 area; prohibition

13 THE DIRECTOR OR THE VOTERS OF A BASIN MANAGEMENT AREA MAY NOT
14 DESIGNATE A BASIN MANAGEMENT AREA AS AN ACTIVE MANAGEMENT AREA OR
15 IRRIGATION NON-EXPANSION AREA.

16 45-445.10. Irrigation non-expansion area to basin management
17 area

18 IF A BASIN MANAGEMENT AREA IS ESTABLISHED PURSUANT TO THIS ARTICLE
19 IN AN AREA THAT WAS PREVIOUSLY DESIGNATED AS AN IRRIGATION NON-EXPANSION
20 AREA, THE DIRECTOR SHALL DECLARE ALL BASINS IN THE IRRIGATION
21 NON-EXPANSION AREA AS A BASIN MANAGEMENT AREA, AND THE IRRIGATION
22 NON-EXPANSION AREA AND ANY REGULATIONS ADOPTED PURSUANT TO THE DESIGNATION
23 AS AN IRRIGATION NON-EXPANSION AREA TERMINATE.

24 45-445.11. Preemption; groundwater transportation

25 THIS ARTICLE DOES NOT PREEMPT THE TRANSPORTATION OF GROUNDWATER
26 PURSUANT TO ARTICLES 8 AND 8.1 OF THIS CHAPTER.

27 45-445.12. Basin management council: members: term: duties:
28 exemption

29 A. A BASIN MANAGEMENT COUNCIL SHALL BE ESTABLISHED IN EACH BASIN
30 MANAGEMENT AREA CONSISTING OF THE FOLLOWING FIVE MEMBERS:

31 1. ONE MEMBER WHO REPRESENTS OR IS AN INDUSTRIAL USER WITH A
32 CERTIFICATE OF GROUNDWATER RIGHTS IN THE BASIN AND WHO IS A RESIDENT OF
33 THIS STATE.

34 2. TWO MEMBERS WHO REPRESENT OR ARE IRRIGATION USERS WITH A
35 CERTIFICATE OF GROUNDWATER RIGHTS IN THE BASIN AND WHO ARE RESIDENTS OF
36 THIS STATE.

37 3. ONE MEMBER WHO REPRESENTS A MUNICIPAL USER WITH A CERTIFICATE OF
38 GROUNDWATER RIGHTS IN THE BASIN AND WHO IS A RESIDENT OF THIS STATE.

39 4. ONE AT-LARGE MEMBER WHO RESIDES IN THE BASIN.

40 B. THE FOLLOWING ENTITIES SHALL APPOINT MEMBERS OF THE BASIN
41 MANAGEMENT COUNCIL IN THE FOLLOWING ORDER:

42 1. ONE MEMBER WHO IS APPOINTED BY THE GOVERNOR.

43 2. ONE MEMBER WHO IS APPOINTED BY THE SPEAKER OF THE HOUSE OF
44 REPRESENTATIVES.

45 3. ONE MEMBER WHO IS APPOINTED BY THE PRESIDENT OF THE SENATE.

1 4. ONE MEMBER WHO IS APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
2 NAMES THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES PROVIDES TO THE
3 GOVERNOR.

4 5. ONE MEMBER WHO IS APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
5 NAMES THE MINORITY LEADER OF THE SENATE PROVIDES TO THE GOVERNOR.

6 C. IF A COUNCIL MEMBER POSITION IS VACATED, THE APPOINTING
7 AUTHORITY SHALL IMMEDIATELY APPOINT A NEW MEMBER WHO REPRESENTS THE SAME
8 CLASS OF CERTIFICATED GROUNDWATER RIGHT HOLDER OR RESIDENT OF THIS STATE
9 AT LARGE AS THE PRIOR APPOINTEE. COUNCIL MEMBERS MAY BE REMOVED ONLY FOR
10 CAUSE. IF A COUNCIL MEMBER IS REMOVED THE REPLACEMENT MEMBER'S TERM ENDS
11 AT THE SAME TIME AS THE REPLACED MEMBER'S TERM.

12 D. EXCEPT AS PROVIDED IN SUBSECTION F OF THIS SECTION, BASIN
13 MANAGEMENT COUNCIL MEMBERS ARE SUBJECT TO A RETENTION ELECTION EVERY FOUR
14 YEARS AND MAY CONTINUE TO SERVE ONLY IF RETAINED BY A MAJORITY VOTE OF
15 ELIGIBLE VOTERS.

16 E. BASIN MANAGEMENT COUNCIL MEMBERS ARE NOT ELIGIBLE TO RECEIVE
17 COMPENSATION BUT ARE ELIGIBLE FOR REIMBURSEMENT OF EXPENSES PURSUANT TO
18 TITLE 38, CHAPTER 4, ARTICLE 2.

19 F. THE INITIAL BASIN MANAGEMENT COUNCIL MEMBERS SHALL ASSIGN
20 THEMSELVES BY LOT TO CLASS ONE AND CLASS TWO. CLASS ONE SHALL HAVE THREE
21 MEMBERS AND CLASS TWO SHALL HAVE TWO MEMBERS. IF A BASIN MANAGEMENT
22 COUNCIL IS ESTABLISHED SIXTY DAYS OR MORE BEFORE A REGULAR GENERAL
23 ELECTION, CLASS ONE SHALL BE SUBJECT TO RETENTION AT THE NEXT REGULAR
24 GENERAL ELECTION AFTER ESTABLISHMENT AND CLASS TWO SHALL BE SUBJECT TO
25 RETENTION ON THE REGULAR GENERAL ELECTION IMMEDIATELY FOLLOWING THE NEXT
26 REGULAR GENERAL ELECTION AFTER ESTABLISHMENT. IF A BASIN MANAGEMENT
27 COUNCIL IS ESTABLISHED FEWER THAN SIXTY DAYS BEFORE A REGULAR GENERAL
28 ELECTION, CLASS ONE SHALL BE SUBJECT TO RETENTION AT THE SECOND NEXT
29 REGULAR GENERAL ELECTION AFTER ESTABLISHMENT AND CLASS TWO SHALL BE
30 SUBJECT TO RETENTION AT THE THIRD REGULAR GENERAL ELECTION AFTER
31 ESTABLISHMENT.

32 G. AT LEAST SIXTY BUT NOT MORE THAN NINETY DAYS BEFORE THE REGULAR
33 GENERAL ELECTION IN WHICH A BASIN MANAGEMENT COUNCIL MEMBER IS SUBJECT TO
34 RETENTION, A COUNCIL MEMBER WHO DESIRES TO BE RETAINED SHALL FILE, IN THE
35 OFFICE OF THE CLERK OR CLERKS OF THE BOARD OF SUPERVISORS IN WHICH THE
36 BASIN MANAGEMENT AREA IS LOCATED, A DECLARATION OF THE COUNCIL MEMBER'S
37 DESIRE TO BE RETAINED IN OFFICE. IF A COUNCIL MEMBER WHO IS SUBJECT TO
38 RETENTION DOES NOT FILE A DECLARATION OF THE COUNCIL MEMBER'S DESIRE TO BE
39 RETAINED IN OFFICE, THE COUNCIL MEMBER'S OFFICE BECOMES VACANT ON JANUARY
40 1 FOLLOWING THE GENERAL ELECTION IN WHICH THE COUNCIL MEMBER WOULD HAVE
41 BEEN A CANDIDATE FOR RETENTION.

42 H. THE NAME OF ANY BASIN MANAGEMENT COUNCIL MEMBER WHOSE
43 DECLARATION TO BE RETAINED IN OFFICE IS FILED AS PROVIDED IN THIS SECTION
44 SHALL BE PLACED ON THE APPROPRIATE OFFICIAL BALLOT AT THE NEXT REGULAR
45 GENERAL ELECTION UNDER A NONPARTISAN DESIGNATION AND IN SUBSTANTIALLY THE

1 FOLLOWING FORM: SHALL (NAME OF COUNCIL MEMBER) OF THE (NAME OF BASIN)
2 BASIN MANAGEMENT COUNCIL BE RETAINED IN OFFICE? YES NO (MARK X AFTER
3 ONE).

4 I. IF A MAJORITY OF THOSE VOTING ON THE QUESTION VOTE "NO", A
5 VACANCY SHALL EXIST, WHICH SHALL BE FILLED AS PROVIDED IN THIS SECTION. A
6 COUNCIL MEMBER WHO RECEIVES A MAJORITY OF "NO" VOTES IS NOT RETAINED IN
7 OFFICE AND IS NOT ELIGIBLE FOR APPOINTMENT ON ANY BASIN MANAGEMENT
8 COUNCIL. IF A MAJORITY OF THOSE VOTING ON THE QUESTION VOTE "YES", THE
9 COUNCIL MEMBER IS RETAINED IN OFFICE FOR ANOTHER FOUR-YEAR TERM, SUBJECT
10 TO REMOVAL FOR CAUSE ONLY BY THE GOVERNOR OR BY RECALL AS PROVIDED IN
11 TITLE 19, CHAPTER 2.

12 J. COUNCIL MEMBERS WHO ARE REMOVED FOR CAUSE OR WHO ARE RECALLED
13 FROM OFFICE ARE NOT ELIGIBLE FOR APPOINTMENT ON ANY BASIN MANAGEMENT
14 COUNCIL. COUNCIL MEMBERS WHO ARE NOT RECALLED OR REMOVED FOR CAUSE OR WHO
15 DO NOT RECEIVE A MAJORITY OF "NO" VOTES IN A RETENTION ELECTION ARE
16 ELIGIBLE TO SERVE AS MANY TERMS AS DESIRED UNTIL RECALLED, REMOVED FOR
17 CAUSE OR RECEIVING A MAJORITY OF "NO" VOTES IN A RETENTION ELECTION.

18 K. THE BASIN MANAGEMENT COUNCIL SHALL:
19 1. SELECT A CHAIRPERSON FROM THE COUNCIL'S MEMBERSHIP.
20 2. MEET AS OFTEN AS THE CHAIRPERSON DEEMS NECESSARY.
21 3. HOLD AT LEAST TWO PUBLIC MEETINGS IN THE BASIN AND ALLOW PUBLIC
22 COMMENT BEFORE ADOPTING A BASIN MANAGEMENT AREA MANAGEMENT PLAN.

23 4. SUBMIT A PROPOSED BASIN MANAGEMENT AREA MANAGEMENT PLAN TO THE
24 CHAIRPERSONS OF THE HOUSE OF REPRESENTATIVES AND SENATE NATURAL RESOURCES,
25 ENERGY AND WATER COMMITTEES, OR THEIR SUCCESSOR COMMITTEES, BEFORE
26 ADOPTING A MANAGEMENT PLAN.

27 5. ON REQUEST OF THE CHAIRPERSON OF THE HOUSE OF REPRESENTATIVES OR
28 SENATE NATURAL RESOURCES AND ENERGY COMMITTEE, OR ITS SUCCESSOR COMMITTEE,
29 ATTEND A JOINT LEGISLATIVE HEARING TO EVALUATE A PROPOSED BASIN MANAGEMENT
30 AREA MANAGEMENT PLAN.

31 6. IN CONJUNCTION WITH THE DEPARTMENT, APPLY FOR AND DISTRIBUTE
32 GRANTS FOR WATER CONSERVATION, WATER AUGMENTATION OR WATER SYSTEM UPGRADES
33 WITHIN THE BASIN MANAGEMENT AREA. MONIES AWARDED PURSUANT TO THIS
34 PARAGRAPH SHALL BE DISTRIBUTED EQUITABLY ACROSS ALL SECTORS.

35 7. SUBMIT A PLAN FOR WATER MANAGEMENT TO THE DIRECTOR. THE PLAN
36 SHALL BE CONSISTENT WITH THE MANAGEMENT GOALS OF A BASIN MANAGEMENT AREA,
37 SHALL BE LEGALLY AND ECONOMICALLY FEASIBLE AND MUST BE APPROVED BY A
38 MAJORITY OF THE MEMBERS OF THE COUNCIL. THE PLAN MAY NOT REQUIRE MORE
39 THAN A ONE PERCENT ANNUAL REDUCTION IN A WATER USER'S ORIGINAL ALLOTMENT
40 GRANTED PURSUANT TO A CERTIFIED GROUNDWATER RIGHT OR PROHIBIT A
41 GROUNDWATER USER FROM WITHDRAWING INTENTIONALLY CREATED GROUNDWATER
42 RECHARGE, INCLUDING EFFLUENT WITH A TEN PERCENT NET BENEFIT TO THE
43 AQUIFER. THE PLAN SHALL REQUIRE ANY ANNUAL REDUCTION IN WATER USE TO BE
44 EQUAL IN PERCENTAGE FOR ALL USERS WITH A CERTIFIED GROUNDWATER
45 RIGHT. THE PLAN MAY NOT REQUIRE A WATER USER TO REDUCE ANNUAL WATER USE

1 BY MORE THAN TEN PERCENT OF THE ANNUAL ALLOCATION OF WATER THAT THE USER
2 IS ENTITLED TO PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS WITHIN TEN
3 YEARS AFTER THE FORMATION OF THE BASIN MANAGEMENT AREA AND MAY NOT REQUIRE
4 ANY WATER USER TO ACHIEVE TOTAL WATER USE REDUCTIONS IN INCREMENTS GREATER
5 THAN ONE PERCENT PER YEAR.

6 8. PROVIDE EDUCATION TO WATER USERS AND THE PUBLIC ON EFFICIENT
7 WATER MANAGEMENT AND CONSERVATION.

8 L. AFTER RECEIVING THE REPORT OF HYDROLOGICAL CONDITIONS IN THE
9 BASIN PROVIDED BY THE DEPARTMENT IN YEAR FOURTEEN AFTER FORMATION OF THE
10 BASIN MANAGEMENT AREA AND BY AN AFFIRMATIVE VOTE OF FOUR OR MORE COUNCIL
11 MEMBERS, THE COUNCIL MAY:

12 1. INCREASE THE MANDATORY REDUCTION IN THE ANNUAL ALLOCATION OF
13 WATER PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS BEGINNING IN YEAR
14 FIFTEEN AFTER FORMATION OF THE BASIN MANAGEMENT AREA BY NOT GREATER THAN
15 ONE PERCENT EACH YEAR AND IN A TOTAL AGGREGATE AMOUNT THAT IS EQUAL OR
16 LESS THAN THE DIRECTOR'S RECOMMENDATION IF ALL OF THE FOLLOWING APPLY:

17 (a) THE HYDROLOGICAL STUDY DEMONSTRATES THAT THE CONDITIONS IN
18 SUBSECTION M, PARAGRAPH 2, SUBDIVISION (c) OF THIS SECTION EXIST IN THE
19 BASIN.

20 (b) THE COUNCIL HOLDS AT LEAST ONE PUBLIC MEETING ON THE
21 HYDROLOGICAL REPORT AND THE DIRECTOR'S RECOMMENDATION BEFORE VOTING ON ANY
22 REDUCTION IN THE ANNUAL ALLOCATION.

23 (c) THE DIRECTOR RECOMMENDS THAT THE COUNCIL INCREASE THE MANDATORY
24 REDUCTION IN THE ANNUAL ALLOCATION OF WATER PURSUANT TO A CERTIFICATE OF
25 GROUNDWATER RIGHTS BETWEEN ONE AND TEN PERCENT.

26 2. DECREASE THE MANDATORY REDUCTION IN THE ANNUAL ALLOCATION OF
27 WATER PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS BEGINNING IN YEAR
28 FIFTEEN AFTER FORMATION OF THE BASIN MANAGEMENT AREA BY NOT GREATER THAN
29 ONE PERCENT A YEAR IF THE HYDROLOGICAL STUDY DEMONSTRATES THAT THE
30 CONDITIONS IN SUBSECTION M, PARAGRAPH 2, SUBDIVISION (c) OF THIS SECTION
31 EXIST IN THE BASIN.

32 M. THE DIRECTOR SHALL:

33 1. BEGINNING FIVE YEARS AFTER FORMATION OF A BASIN MANAGEMENT AREA,
34 CONDUCT AN ECONOMIC STUDY TO BE RELEASED TO THE PUBLIC THAT EXAMINES THE
35 FOLLOWING:

36 (a) THE COSTS OF PERMANENTLY CLOSING THE BASIN MANAGEMENT AREA,
37 INCLUDING THE REDUCTION IN LOCAL PROPERTY, SALES AND TRANSACTION PRIVILEGE
38 AND INCOME TAXES.

39 (b) THE COSTS OF THE MANDATORY REDUCTION IN ANNUAL GROUNDWATER USE
40 PURSUANT TO CERTIFICATED GROUNDWATER RIGHTS, INCLUDING THE REDUCTION IN
41 LOCAL PROPERTY, SALES AND TRANSACTION PRIVILEGE AND INCOME TAXES.

1 (c) THE TANGIBLE ECONOMIC BENEFITS OF PERMANENTLY CLOSING THE BASIN
2 MANAGEMENT AREA AND THE MANDATORY REDUCTION IN ANNUAL GROUNDWATER USE
3 PURSUANT TO CERTIFICATED GROUNDWATER RIGHTS. FOR THE PURPOSES OF THIS
4 SUBDIVISION, ECOSYSTEM BENEFITS DO NOT CONSTITUTE TANGIBLE ECONOMIC
5 BENEFITS.

6 2. NOT EARLIER THAN TEN YEARS AFTER FORMATION OF A BASIN MANAGEMENT
7 AREA, INITIATE A HYDROLOGICAL ANALYSIS OF THE GROUNDWATER BASIN THAT IS
8 RELEASED TO THE PUBLIC AND THE BASIN MANAGEMENT COUNCIL NOT MORE THAN
9 FOURTEEN YEARS AFTER FORMATION OF THE BASIN MANAGEMENT AREA. THE ANALYSIS
10 SHALL INCLUDE ALL OF THE FOLLOWING:

11 (a) A SUMMARY OF HYDROLOGICAL IMPROVEMENTS IN THE BASIN CAUSED BY
12 THE BASIN CLOSURE AND REGULATION.

13 (b) A REPORT OF TRANSFERS INVOLVING ALL OR PORTIONS OF CERTIFICATES
14 OF GROUNDWATER RIGHTS AND THE VOLUME OF WATER IN ACRE-FEET THAT WAS SAVED
15 AS A RESULT.

16 (c) A DETERMINATION AS TO WHETHER THE FOLLOWING CONDITIONS EXIST IN
17 THE BASIN:

18 (i) LAND SUBSIDENCE WITHIN THE BASIN DUE TO GROUNDWATER WITHDRAWAL
19 IS ENDANGERING PROPERTY OR POTENTIAL STORAGE CAPACITY.

20 (ii) THERE HAS BEEN ACCELERATED DECLINE IN GROUNDWATER LEVELS
21 WITHIN THE GROUNDWATER BASIN OVER THE PRECEDING FIVE YEARS AS MEASURED BY
22 AT LEAST TEN INDEX WELLS ACROSS THE BASIN.

23 (iii) THE DEPARTMENT HAS REPORTED OBSERVED MEAN DECLINES IN
24 GROUNDWATER LEVELS IN THE BASIN GREATER THAN FIFTY FEET DURING THE
25 PRECEDING TEN-YEAR.

26 (d) AN ASSESSMENT WHETHER THE BASIN MANAGEMENT COUNCIL COULD
27 RESTORE ALL OR A PORTION OF USERS' MAXIMUM ANNUAL ALLOCATION OF WATER
28 PURSUANT TO CERTIFICATED GROUNDWATER RIGHTS WITHOUT SUBSTANTIALLY
29 ADVERSELY AFFECTING THE HYDROLOGICAL CONDITIONS IN THE BASIN.

30 (e) A RECOMMENDATION AS TO WHETHER THE BASIN MANAGEMENT COUNCIL
31 SHOULD RESTORE ALL OR A PORTION OF THE BASIN'S GROUNDWATER USERS'
32 CERTIFICATED WATER RIGHTS WITHOUT SUBSTANTIALLY AFFECTING THE BASIN.

33 3. PROVIDE TECHNICAL AND LEGAL SUPPORT TO THE COUNCIL ON REQUEST OF
34 ANY COUNCIL MEMBER.

35 4. NOT REQUIRE ANY USER IN A BASIN MANAGEMENT AREA TO MEASURE OR
36 REPORT WATER USE WITH THE USE OF DEVICES OR METHODS THAT ARE NOT

37 PRESCRIBED IN THIS ARTICLE.
38 5. NOT REQUIRE ANY GROUNDWATER USER IN A BASIN MANAGEMENT AREA TO
39 MEASURE WITHDRAWALS FROM ANY WELLS IN THE BASIN MANAGEMENT AREA EXCEPT AS

40 PRESCRIBED IN THIS ARTICLE.
41 6. ADOPT A WELL-SPACING REQUIREMENT FOR NONEXEMPT WELLS THAT ARE

42 DRILLED AFTER THE BASIN IS CLOSED.
43 7. ALLOW A PERSON TO DEEPEN OR CONSTRUCT A REPLACEMENT WELL AT
44 APPROXIMATELY THE SAME LOCATION WITHOUT CONDUCTING A WELL IMPACT ANALYSIS.

1 N. TWENTY-FOUR YEARS AFTER THE FORMATION OF A BASIN MANAGEMENT AREA
2 AND EVERY FIFTEEN YEARS THEREAFTER, THE BASIN MANAGEMENT COUNCIL SHALL SET
3 A SCHEDULE FOR THE FOLLOWING TEN-YEAR PERIOD OF MANDATORY REDUCTIONS IN
4 ANNUAL ALLOCATIONS OF GROUNDWATER PURSUANT TO CERTIFICATES OF GROUNDWATER
5 RIGHTS IN AN AMOUNT BETWEEN ZERO AND TEN PERCENT, WHICH SHALL TAKE EFFECT
6 AT THE BEGINNING OF THE NEXT YEAR. FOR THE PURPOSES OF THIS SUBSECTION,
7 MANDATORY REDUCTIONS IN ANNUAL ALLOCATIONS SHALL NOT INCREASE OR DECREASE
8 BY MORE THAN ONE PERCENT A YEAR.

9 O. BEGINNING TWENTY-FIVE YEARS AFTER THE FORMATION OF A BASIN
10 MANAGEMENT AREA AND EVERY TEN YEARS THEREAFTER, THE DIRECTOR SHALL RELEASE
11 A HYDROLOGICAL REPORT AS PRESCRIBED BY THIS SECTION BASED ON THE PRIOR
12 TEN-YEAR PERIOD.

13 P. AT THE END OF EVERY TEN-YEAR PERIOD OF MANDATORY REDUCTIONS
14 PRESCRIBED IN SUBSECTION N OF THIS SECTION AND BEFORE THE BEGINNING OF THE
15 FOLLOWING TEN-YEAR PERIOD PRESCRIBED IN SUBSECTION N OF THIS SECTION, ALL
16 MANDATORY REDUCTIONS IN ANNUAL ALLOCATION AS PRESCRIBED BY THE BASIN
17 MANAGEMENT COUNCIL SHALL REMAIN IN EFFECT.

18 Q. NOTWITHSTANDING ANY OTHER LAW, A BASIN MANAGEMENT COUNCIL MAY
19 NOT REDUCE THE ANNUAL ALLOCATION OF GROUNDWATER AWARDED TO AN IRRIGATION
20 USER PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS IF THE IRRIGATION
21 USER FARMS LESS THAN ONE HUNDRED TWENTY ACRES PER YEAR.

22 R. A BASIN MANAGEMENT COUNCIL MAY HAVE ONLY THOSE POWERS GIVEN TO
23 IT BY STATUTE AND MAY EXERCISE THE POWERS OF THE COUNCIL, INCLUDING THE
24 SUBMISSION AND ADOPTION OF A BASIN MANAGEMENT AREA MANAGEMENT PLAN, ONLY
25 ON A MAJORITY VOTE OF THE COUNCIL OR A FOUR PERSON MAJORITY AS PRESCRIBED
26 BY THIS SECTION. UNLESS OTHERWISE AUTHORIZED BY LAW, THE DIRECTOR MAY NOT
27 TAKE ANY ACTION IN A BASIN MANAGEMENT AREA NOT RECOMMENDED BY THE COUNCIL.

28 45-445.13. Basin management areas: goals

29 THE GOALS OF A BASIN MANAGEMENT AREA AND A BASIN MANAGEMENT COUNCIL
30 MAY BE ANY OF THE FOLLOWING AS DETERMINED BY THE COUNCIL:

31 1. TO PROTECT THE ECONOMY WHILE CONSIDERING THE NEED TO PRESERVE
32 GROUNDWATER FOR FUTURE NON-IRRIGATION USES.

33 2. TO GATHER AND OBTAIN A BETTER UNDERSTANDING OF THE GROUNDWATER
34 BASIN AND AQUIFER HEALTH BY INSTALLING INDEX WELLS AND PERSUADING WATER
35 USERS IN THE GROUNDWATER BASIN TO VOLUNTARILY PROVIDE GROUNDWATER DATA TO
36 THE COUNCIL.

37 3. TO PRESERVE EXISTING GROUNDWATER USES IN THE GROUNDWATER BASIN
38 WHILE ALLOWING THE DEVELOPMENT OF OTHER USES AND PRESERVING FUTURE WATER
39 SUPPLIES FOR OTHER USES.

40 4. TO REDUCE THE RATE OF AQUIFER DEPLETION, FROM THE CURRENT
41 DEPLETION RATE AT THE TIME A BASIN MANAGEMENT AREA IS ESTABLISHED TO A SET
42 RATE BY A SET YEAR AS DETERMINED BY THE COUNCIL.

1 5. TO ADDRESS THE ANNUAL AVERAGE DEPTH-TO-STATIC LEVEL ACROSS THE
2 GROUNDWATER BASIN FROM DROPPING BELOW A SET LEVEL.

3 6. TO MAINTAIN GROUNDWATER PROGRAMS IN THE GROUNDWATER BASIN THAT
4 PROVIDE REASONABLE ACCESS TO A SUPPLY OF WATER TO MEET REASONABLE
5 COMMERCIAL AND BASIC DOMESTIC NEEDS.

6 7. TO INCREASE THE TOTAL AMOUNT OF NATURAL, INCIDENTAL OR
7 ARTIFICIAL RECHARGE IN THE GROUNDWATER BASIN EACH YEAR, FROM A SET LEVEL
8 IN ACRE-FEET PER YEAR TO A HIGHER SET LEVEL IN ACRE-FEET PER YEAR, BY A
9 SET YEAR AS DETERMINED BY THE COUNCIL.

10 8. TO INCREASE THE TOTAL AMOUNT OF WATER REUSE IN THE GROUNDWATER
11 BASIN EACH YEAR, FROM A SET LEVEL IN ACRE-FEET PER YEAR TO A HIGHER SET
12 LEVEL IN ACRE-FEET PER YEAR, BY A SET YEAR AS DETERMINED BY THE COUNCIL.

13 Sec. 2. Section 49-1270, Arizona Revised Statutes, is amended to
14 read:

15 49-1270. Definitions

16 In this article, unless the context otherwise requires:

17 1. "Eligible entity" means any of the following:

18 (a) A water provider that distributes or sells water outside of the
19 boundaries of an initial active management area in which part of the
20 central Arizona project aqueduct is located.

21 (b) Any city, town, county, district, commission, authority or
22 other public entity that is organized and that exists under the statutory
23 law of this state or under a voter-approved charter or initiative of this
24 state that is located outside of the boundaries of an initial active
25 management area in which part of the central Arizona project aqueduct is
26 located.

27 (c) A BASIN MANAGEMENT COUNCIL ESTABLISHED PURSUANT TO TITLE 45,
28 CHAPTER 2, ARTICLE 3.1.

29 2. "Loan" means leases, loans or other evidence of indebtedness for
30 water supply development purposes issued from the water supply development
31 revolving fund.

32 3. "Loan repayment agreement" means an agreement to repay a loan
33 issued from the water supply development revolving fund entered into by an
34 eligible entity.

35 4. "Water supply development revolving fund" or "fund" means the
36 water supply development revolving fund established by section 49-1271.

37 Sec. 3. Willcox basin: designation as basin management area;
38 delayed repeal

39 A. On the effective date of this act:

40 1. The Willcox active management area established pursuant to
41 section 45-412, Arizona Revised Statutes, is repealed and supplanted by
42 the Willcox basin management area.

1 2. The director of the department of water resources shall file an
2 order designating the Willcox active management area as repealed and
3 supplanted by the Willcox basin management area. The order shall be
4 published at least once each week for two weeks immediately following the
5 effective date of this act in a newspaper of general circulation in each
6 county where the Willcox basin management area is located.

7 B. This section is repealed from and after December 31, 2025.

8 (ENACTED WITHOUT THE EMERGENCY)

9 Sec. 4. Emergency

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