

REFERENCE TITLE: **unbuilt certificates; assured water supply**

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

SB 1521

Introduced by
Senator Dunn

AN ACT

**AMENDING TITLE 45, CHAPTER 2, ARTICLE 9, ARIZONA REVISED STATUTES, BY
ADDING SECTION 45-576.11; RELATING TO GROUNDWATER MANAGEMENT.**

(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, article 9, Arizona Revised
3 Statutes, is amended by adding section 45-576.11, to read:

4 45-576.11. Certificates of assured water supply; transfer;
5 sale; aggregation; definitions

6 A. NOTWITHSTANDING ANY OTHER LAW, A PERSON MAY SELL, AGGREGATE OR
7 TRANSFER AN UNBUILT CERTIFICATE OF ASSURED WATER SUPPLY SEPARATE FROM THE
8 ORIGINAL LOT OR PARCELS WHERE THE CERTIFICATE WAS GRANTED SUBJECT TO THE
9 FOLLOWING CONDITIONS:

10 1. THE TRANSACTION IS TO ANOTHER LOT OR PARCEL IN THE SAME SUBBASIN
11 IN THE SAME ACTIVE MANAGEMENT AREA. ANY WELLS COMMITTED TO AN UNBUILT
12 CERTIFICATE OF ASSURED WATER SUPPLY ARE LOCATED IN THE SAME SUBBASIN IN
13 THE SAME ACTIVE MANAGEMENT AREA AS THE LOT OR PARCEL THAT WILL RECEIVE THE
14 UNBUILT CERTIFICATE OR A PORTION OF THE UNBUILT CERTIFICATE PURSUANT TO
15 THE TRANSACTION.

16 2. THE PERSON THAT RECEIVES THE UNBUILT CERTIFICATE USES THE
17 GROUNDWATER ALLOCATED TO THE UNBUILT CERTIFICATE OF ASSURED WATER SUPPLY
18 FOR THE SAME PROPOSED USE.

19 3. IF THE TRANSACTION IS TO ANOTHER LOT OR PARCEL LOCATED WITHIN
20 THE SAME OVERALL MASTER PLANNED COMMUNITY OR COMMON PROMOTIONAL PLAN, THE
21 TRANSACTION WILL RESULT IN THE CONSTRUCTION OR GROUNDBREAKING ON THE
22 PROPOSED LOT OR SUBDIVISION WHERE THE UNBUILT CERTIFICATE OF ASSURED WATER
23 SUPPLY WILL BE APPLIED WITHIN TEN YEARS AFTER THE DATE OF THE TRANSACTION.

24 4. IF THE TRANSACTION IS TO ANOTHER LOT OR PARCEL LOCATED OUTSIDE
25 THE OVERALL MASTER PLANNED COMMUNITY OR COMMON PROMOTIONAL PLAN, THE
26 TRANSACTION WILL RESULT IN THE CONSTRUCTION OR GROUNDBREAKING ON THE
27 PROPOSED LOT OR SUBDIVISION WHERE THE UNBUILT CERTIFICATE OF ASSURED WATER
28 SUPPLY WILL BE APPLIED WITHIN FIVE YEARS AFTER THE DATE OF THE
29 TRANSACTION.

30 B. NOTWITHSTANDING SUBSECTION A OF THIS SECTION, IF THE UNBUILT
31 CERTIFICATE OF ASSURED WATER SUPPLY IS TO BE SERVED BY A MUNICIPAL
32 PROVIDER, A PERSON MAY SELL, TRANSFER OR AGGREGATE THE UNBUILT CERTIFICATE
33 OR A PORTION OF THE UNBUILT CERTIFICATE TO ANY LOT OR PARCEL WITHIN THE
34 SAME MUNICIPAL SERVICE AREA WITHOUT REGARD TO WHERE THE MUNICIPAL PROVIDER
35 WOULD HAVE ACQUIRED WATER TO SERVE THE UNBUILT SUBDIVISION THAT RECEIVED
36 THE ORIGINAL CERTIFICATE OF ASSURED WATER SUPPLY.

37 C. A PERSON THAT CONDUCTS A TRANSACTION SHALL NOTIFY THE DIRECTOR
38 ON A FORM PRESCRIBED BY THE DIRECTOR THAT INCLUDES THE FOLLOWING
39 INFORMATION:

40 1. THE VOLUME OF WATER IN ACRE-FEET OF AN UNBUILT CERTIFICATE OF
41 ASSURED WATER SUPPLY THAT IS SUBJECT TO THE TRANSACTION.

42 2. THE LOCATION OF THE PARCEL OR PROPOSED SUBDIVISION THAT IS PART
43 OF THE TRANSACTION.

1 3. WHETHER THE TRANSACTION IS FOR PARCELS OR PROPOSED SUBDIVISIONS
2 THAT ARE LOCATED IN THE SAME SERVICE AREA OF A MUNICIPAL PROVIDER.

3 D. FOR THE PURPOSES OF THIS SECTION:

4 1. "COMMON PROMOTIONAL PLAN" HAS THE SAME MEANING PRESCRIBED IN
5 SECTION 32-2101.

6 2. "MASTER PLANNED COMMUNITY" HAS THE SAME MEANING PRESCRIBED IN
7 SECTION 32-2101.

8 3. "TRANSACTION" MEANS THE SALE, TRANSFER OR AGGREGATION OF AN
9 UNBUILT CERTIFICATE OF ASSURED WATER SUPPLY.