

House Engrossed

management plan; water loss; percent

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HOUSE BILL 2052

AN ACT

AMENDING SECTION 45-568, ARIZONA REVISED STATUTES; 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. Section 45-568, Arizona Revised Statutes, is amended to
3 read:

4 45-568. Management plan for fifth management period;
5 guidelines

6 A. For the fifth management period, 2020 to 2025, the director
7 shall promulgate a management plan for each initial active management area
8 not later than January 1, 2019 pursuant to the guidelines prescribed in
9 section 45-567, subsections A and B, except that:

10 1. The director shall establish the historic annual net natural
11 recharge for any groundwater replenishment district in the active
12 management area, computed by determining the net natural recharge, as
13 defined by section 48-4401, for the groundwater basin beneath the district
14 during calendar years 1988 through 2017 and dividing the result by thirty.

15 2. The director may adjust the highest twenty-five ~~per cent~~ PERCENT
16 of the irrigation water duties established within an area of similar
17 farming conditions pursuant to section 45-567 by reducing each water duty
18 in an amount up to five ~~per cent~~ PERCENT, except that in making the
19 adjustment, no water duty may be reduced to an amount less than the
20 greater of the following:

21 (a) The highest water duty within the lowest seventy-five ~~per cent~~
22 PERCENT of the water duties computed within the area of similar farming
23 conditions for the fifth management period.

24 (b) A water duty computed for the farm unit under this paragraph
25 using an irrigation efficiency of eighty ~~per cent~~ PERCENT.

26 3. A person who is entitled to use groundwater pursuant to an
27 irrigation grandfathered right may apply to the director at any time
28 during the management period for an exemption from the irrigation water
29 duties established pursuant to this section. The director shall grant the
30 exemption if the person demonstrates to the director's satisfaction that
31 granting the exemption is consistent with achieving the management goal of
32 the active management area and that one of the following applies:

33 (a) Withdrawal of groundwater pursuant to the irrigation
34 grandfathered right during the management period will intercept
35 groundwater that would otherwise flow out of and be lost to the active
36 management area in the next fifteen years without entering another active
37 management area.

38 (b) Withdrawal of groundwater pursuant to the irrigation
39 grandfathered right during the management period will prevent encroachment
40 of a rising depth to groundwater level that will cause waterlogging
41 problems within the next fifteen years.

42 4. THE DIRECTOR SHALL REQUIRE A CITY, TOWN OR PRIVATE WATER COMPANY
43 THAT HAS BEEN DESIGNATED AS HAVING AN ASSURED WATER SUPPLY PURSUANT TO
44 SECTION 45-576 IN AN INITIAL ACTIVE MANAGEMENT AREA AND THAT RECEIVES
45 CENTRAL ARIZONA PROJECT WATER TO LIMIT THE TOTAL QUANTITY OF LOST AND

1 UNACCOUNTED FOR WATER OF THE CITY'S, TOWN'S OR PRIVATE WATER COMPANY'S
2 DISTRIBUTION SYSTEM IN THE INITIAL ACTIVE MANAGEMENT AREA TO TEN PERCENT
3 OR LESS OF THE TOTAL QUANTITY OF WATER FROM ANY SOURCE, INCLUDING
4 EFFLUENT, THAT ENTERS THE CITY'S, TOWN'S OR PRIVATE WATER COMPANY'S
5 DISTRIBUTION SYSTEM IN THE INITIAL ACTIVE MANAGEMENT AREA. THE DIRECTOR
6 SHALL CALCULATE THE TOTAL QUANTITY OF LOST AND UNACCOUNTED FOR WATER ON
7 EITHER A CALENDAR YEAR BASIS OR A THREE-YEAR AVERAGE BASIS BASED ON THE
8 APPLICABLE CALENDAR YEAR AND THE TWO PRECEDING CALENDAR YEARS. ACHIEVING
9 EIGHT PERCENT OR LESS OF LOST AND UNACCOUNTED FOR WATER IS A GOAL THAT
10 SHOULD BE CONSIDERED A BEST MANAGEMENT PRACTICE.

11 B. Within thirty days after the management plan for the fifth
12 management period is adopted, the director shall give written notice in
13 the manner and to the persons prescribed in section 45-565, subsection B
14 and shall give written notice of the non-per capita conservation program
15 established pursuant to section 45-568.01 to all municipal providers. Two
16 years before the compliance date specified in the management plan for any
17 irrigation water duty, intermediate water duty, conservation requirement
18 or intermediate conservation requirement, the director shall give
19 additional written notice by first class mail to the last known addresses
20 of the persons prescribed in section 45-565, subsection B and this
21 subsection.

22 C. Except for a person who is exempt from irrigation water duties
23 under section 45-563.02, subsection A, all persons notified pursuant to
24 subsection B of this section shall comply with the applicable irrigation
25 water duty or conservation requirements for the fifth management period
26 not later than January 1, 2025 and shall remain in compliance until the
27 legislature determines otherwise.