

REFERENCE TITLE: stormwater storage; replenishment credits

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SB 1176

Introduced by
Senator Petersen

AN ACT

AMENDING SECTION 45-831.01, ARIZONA REVISED STATUTES; AMENDING TITLE 45, CHAPTER 3.1, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 45-837.01; RELATING TO WATER STORAGE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 45-831.01, Arizona Revised Statutes, is amended
3 to read:

4 45-831.01. Water storage permits

5 A. A person may apply to the director for a water storage permit
6 and may store water at a storage facility only pursuant to a water storage
7 permit.

8 B. The director may issue a water storage permit to store water at
9 a storage facility if the director determines that all of the following
10 apply:

11 1. The applicant has a right to use the proposed source of water **OR**
12 **THE PROPOSED SOURCE OF WATER IS STORMWATER AS DEFINED IN SECTION 45-837.01**
13 **THAT WILL BE RECHARGED FOR AQUIFER REPLENISHMENT IN A CONSTRUCTED**
14 **UNDERGROUND STORAGE FACILITY PURSUANT TO SECTION 45-837.01.** Any
15 determination made by the director for purposes of this subsection
16 regarding the validity, nature, extent or relative priority of a water
17 right claimed by the applicant or another person is not binding in any
18 other administration proceeding or in any judicial proceeding.

19 2. The applicant has applied for any water quality permit required
20 by the department of environmental quality under title 49, chapter 2,
21 article 3 and by federal law.

22 3. The water storage will occur at a permitted storage facility.

23 C. In addition to the requirements of subsection B of this section,
24 if the applicant has applied for a water storage permit to store water at
25 a groundwater savings facility, the director shall not issue the water
26 storage permit unless the applicant has agreed in writing to comply with
27 the plan by which the quantity of groundwater saved at the facility will
28 be proved each year.

29 D. If the director issues a water storage permit, the director may
30 make, if possible, the following determinations:

31 1. Whether the water to be stored is water that cannot reasonably
32 be used directly by the applicant and otherwise meets the requirements of
33 section 45-852.01 for long-term storage credits.

34 2. If use of the water to be stored is appurtenant to a particular
35 location, and if so, where the water may be legally used after recovery.
36 Any determination made by the director for purposes of this subsection
37 regarding the validity, nature, extent or relative priority of a water
38 right claimed by the applicant or another person is not binding in any
39 other administrative proceeding or in any judicial proceeding.

40 E. The director may issue a water storage permit for a period of
41 not more than fifty years, except that:

42 1. On request of the holder of the permit, the director may renew
43 the permit if the director determines that the requirements of subsection
44 B of this section apply and, if the requirement of subsection C of this

1 section applied at the time of issuance, that the requirement of
2 subsection C of this section applies at the time of renewal.

3 2. Subject to the provisions of this chapter, the holder of
4 long-term storage credits earned pursuant to the permit may recover the
5 water over a period longer than the duration of the permit.

6 F. The holder of a water storage permit may apply to the director
7 for approval to convey the permit to another person. The director may
8 approve the conveyance if the director determines that the person to whom
9 the permit is to be conveyed and the water storage will continue to meet
10 the applicable requirements of this section. If long-term storage credits
11 accrued pursuant to the water storage permit are being assigned pursuant
12 to section 45-854.01 with the water storage permit, the director shall be
13 given notice of the impending assignment of long-term storage credits at
14 the time the holder of the water storage permit applies to convey the
15 permit.

16 G. A person who holds a water storage permit may apply to the
17 director on a form approved by the director for a modification of that
18 water storage permit. The director may modify the permit within twenty
19 days ~~of~~ AFTER receiving the application without complying with section
20 45-871.01 if all of the following apply:

21 1. The holder of the storage facility permit with which the water
22 storage permit is affiliated has consented to the modification.

23 2. The modification to the water storage permit does not require a
24 modification of the affiliated water storage facility permit.

25 3. The only modification requested is to add an amount of Colorado
26 river water as a type of water to be stored under the water storage
27 permit.

28 4. Water storage of Colorado river water has previously been
29 permitted at the affiliated storage facility.

30 5. The person requesting the modification has the right to use the
31 Colorado river water.

32 H. A water storage permit shall include the following information:

33 1. The name and mailing address of the person to whom the permit is
34 issued.

35 2. The storage facility where the water storage will occur and the
36 name of the active management area, irrigation non-expansion area,
37 groundwater basin or groundwater ~~sub-basin~~ SUBBASIN, as applicable, in
38 which that facility is located.

39 3. The maximum annual amount of water that may be stored.

40 4. If the applicable finding of subsection D of this section has
41 been made, whether the water to be stored is water that cannot reasonably
42 be used directly by the applicant.

43 5. If the applicable finding of subsection D of this section has
44 been made, any restrictions on where the water to be stored may legally be
45 used.

1 E. NOTWITHSTANDING ANY OTHER LAW, THE DIRECTOR MAY ISSUE A PERMIT
2 TO AN UNDERGROUND STORAGE FACILITY SOLELY FOR THE STORAGE OF STORMWATER AS
3 PROVIDED IN THIS SECTION OR FOR A COMBINATION OF WATER SOURCES.

4 F. THE STORAGE OF STORMWATER PURSUANT TO THIS SECTION DOES NOT
5 AFFECT, INFRINGE ON OR INTERFERE WITH VESTED OR EXISTING RIGHTS TO THE USE
6 OF WATER.

7 G. FOR THE PURPOSES OF THIS SECTION, "STORMWATER":

8 1. MEANS WATER THAT HAS BEEN COLLECTED IN A SYSTEM DESIGNED TO
9 CARRY RAINFALL RUNOFF FROM STREETS, SIDEWALKS, GUTTERS AND OTHER
10 IMPERVIOUS SURFACES, INCLUDING THOSE IN SUBDIVISIONS, TO A LOCATION WHERE
11 THE WATER IS RETAINED.

12 2. DOES NOT INCLUDE SURFACE WATER, EFFLUENT, INCIDENTAL RECHARGE AS
13 DEFINED IN SECTION 45-561 OR NET NATURAL RECHARGE AS DEFINED IN SECTION
14 48-4401.