

REFERENCE TITLE: supply and demand; assessment; groundwater.

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

SB 1202

Introduced by
Senator Shope

AN ACT

AMENDING SECTION 45-105, ARIZONA REVISED STATUTES; RELATING TO THE
DEPARTMENT OF WATER RESOURCES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 45-105, Arizona Revised Statutes, is amended to
3 read:

4 45-105. Powers and duties of director

5 A. The director may:

6 1. Formulate plans and develop programs for the practical and
7 economical development, management, conservation and use of surface water,
8 groundwater and the watersheds in this state, including the management of
9 water quantity and quality.

10 2. Investigate works, plans or proposals pertaining to surface
11 water and groundwater, including management of watersheds, and acquire,
12 preserve, publish and disseminate related information the director deems
13 advisable.

14 3. Collect and investigate information on and prepare and devise
15 means and plans for the development, conservation and use of all
16 waterways, watersheds, surface water, groundwater and groundwater basins
17 in this state and of all related matters and subjects, including
18 irrigation, drainage, water quality maintenance, regulation of flow,
19 diversion of running streams adapted for development in cooperating with
20 the United States or by this state independently, flood control, use of
21 water power, prevention of soil waste and storage, conservation and
22 development of water for every useful purpose.

23 4. Measure, survey and investigate the water resources of this
24 state and their potential development and cooperate and contract with
25 agencies of the United States for such purposes.

26 5. Acquire, hold and dispose of property, including land,
27 rights-of-way, water and water rights, as necessary or convenient for the
28 performance of the groundwater and water quality management functions of
29 the department.

30 6. Acquire, other than by condemnation, construct, improve,
31 maintain and operate early warning systems for flood control purposes and
32 works for the recovery, storage, treatment and delivery of water.

33 7. Accept grants, gifts or donations of money or other property
34 from any source, which may be used for any purpose consistent with this
35 title. All property acquired by the director is public property and is
36 subject to the same tax exemptions, rights and privileges granted to
37 municipalities, public agencies and other public entities.

38 8. Enter into an interagency contract or agreement with any public
39 agency pursuant to title 11, chapter 7, article 3 and contract, act
40 jointly or cooperate with any person to carry out the purposes of this
41 title.

42 9. Prosecute and defend all rights, claims and privileges of this
43 state respecting interstate streams.

44 10. Initiate and participate in conferences, conventions or
45 hearings, including congressional hearings, court hearings or hearings of

1 other competent judicial or quasi-judicial departments, agencies or
2 organizations, and negotiate and cooperate with agencies of the United
3 States or of any state or government and represent this state concerning
4 matters within the department's jurisdiction.

5 11. Apply for and hold permits and licenses from the United States
6 or any agency of the United States for reservoirs, dam sites and
7 rights-of-way.

8 12. Receive and review all reports, proposed contracts and
9 agreements from and with the United States or any agencies, other states
10 or governments or their representatives and recommend to the governor and
11 the legislature action to be taken on such reports, proposed contracts and
12 agreements. The director shall take action on such reports, if authorized
13 by law, and review and coordinate the preparation of formal comments of
14 this state on both the preliminary and final reports relating to water
15 resource development of the United States army corps of engineers, the
16 United States secretary of the interior and the United States secretary of
17 agriculture, as provided for in the flood control act of 1944 (58 Stat.
18 887; 33 United States Code section 701-1).

19 13. Contract with any person for imported water or for the
20 acquisition of water rights or rights to withdraw, divert or use surface
21 water or groundwater as necessary for the performance of the groundwater
22 management functions of the director prescribed by chapter 2 of this
23 title. If water becomes available under any contract executed under this
24 paragraph, the director may contract with any person for its delivery or
25 exchange for any other water available.

26 14. Recommend to the administrative heads of agencies, boards and
27 commissions of this state, and political subdivisions of this state, rules
28 to promote and protect the rights and interests of this state and its
29 inhabitants in any matter relating to the surface water and groundwater in
30 this state.

31 15. Conduct feasibility studies and remedial investigations
32 relating to groundwater quality and enter into contracts and cooperative
33 agreements under section 104 of the comprehensive environmental response,
34 compensation, and liability act of 1980 (P.L. 96-510) to conduct such
35 studies and investigations.

36 16. Dispose informally by stipulation, agreed settlement, consent
37 order or alternative means of dispute resolution, including arbitration,
38 if the parties and director agree, or by default of any case in which a
39 hearing before the director is required or allowed by law.

40 17. Cooperate and coordinate with the appropriate governmental
41 entities in Mexico regarding water planning in areas near the border
42 between Mexico and Arizona and for the exchange of relevant hydrological
43 information.

1 B. The director shall:

2 1. Exercise and perform all powers and duties vested in or imposed
3 on the department and adopt and issue rules necessary to carry out the
4 purposes of this title.

5 2. Administer all laws relating to groundwater, as provided in this
6 title.

7 3. Be responsible for the supervision and control of reservoirs and
8 dams of this state and, when deemed necessary, conduct investigations to
9 determine whether the existing or anticipated condition of any dam or
10 reservoir in this state is or may become a menace to life and property.

11 4. Coordinate and confer with and may contract with:

12 (a) The Arizona power authority, the game and fish commission, the
13 state land department, the Arizona outdoor recreation coordinating
14 commission, the Arizona commerce authority, the department of health
15 services, active management area water authorities or districts and
16 political subdivisions of this state with respect to matters within their
17 jurisdiction relating to surface water and groundwater and the development
18 of state water plans.

19 (b) The department of environmental quality with respect to title
20 49, chapter 2 for its assistance in the development of state water plans.

21 (c) The department of environmental quality regarding water plans,
22 water resource planning, water management, wells, water rights and
23 permits, and other appropriate provisions of this title pertaining to
24 remedial investigations, feasibility studies, site prioritization,
25 selection of remedies and implementation of the water quality assurance
26 revolving fund program pursuant to title 49, chapter 2, article 5.

27 (d) The department of environmental quality regarding coordination
28 of databases that are necessary for activities conducted pursuant to title
29 49, chapter 2, article 5.

30 5. Cooperate with the Arizona power authority in the performance of
31 the duties and functions of the authority.

32 6. Maintain a permanent public depository for existing and future
33 records of stream flow, groundwater levels and water quality and other
34 data relating to surface water and groundwater.

35 7. Maintain a public docket of all matters before the department
36 that may be subject to judicial review pursuant to this title.

37 8. Investigate and take appropriate action on any complaints
38 alleging withdrawals, diversions, impoundments or uses of surface water or
39 groundwater that may violate this title or the rules adopted pursuant to
40 this title.

41 9. Adopt an official seal for the authentication of records,
42 orders, rules and other official documents and actions.

43 10. Provide staff support to the Arizona water protection fund
44 commission established by chapter 12 of this title.

1 11. Exercise and perform all powers and duties invested in the
2 chairperson of the Arizona water banking authority commission as
3 prescribed by chapter 14 of this title.

4 12. Provide staff support to the Arizona water banking authority
5 established by chapter 14 of this title.

6 13. In the year following each regular general election, present
7 information to the committees with jurisdiction over water issues in the
8 house of representatives and the senate. A written report is not required
9 but the presentation shall include information concerning the following:

10 (a) The current status of the water supply in this state and any
11 likely changes in that status.

12 (b) Issues of regional and local drought effects, short-term and
13 long-term drought management efforts and the adequacy of drought
14 preparation throughout the state.

15 (c) The status of current water conservation programs in this
16 state.

17 (d) The current state of each active management area and the level
18 of progress toward management goals in each active management area.

19 (e) Issues affecting management of the Colorado River and the
20 reliability of this state's two million eight hundred thousand acre-foot
21 allocation of Colorado River water, including the status of water supplies
22 in and issues related to the Colorado River basin states and Mexico.

23 (f) The status of any pending or likely litigation regarding
24 surface water adjudications or other water-related litigation and the
25 potential impacts on this state's water supplies.

26 (g) The status of Indian water rights settlements and related
27 negotiations that affect this state.

28 (h) Other matters related to the reliability of this state's water
29 supplies, the responsibilities of the department and the adequacy of the
30 department's and other entities' resources to meet this state's water
31 management needs.

32 14. ~~Not later than December 1, 2023 and~~ On or before December 1 of
33 each year ~~thereafter~~, prepare and issue a water supply and demand
34 assessment for at least six of the fifty-one groundwater basins
35 established pursuant to section 45-403. The director shall ensure that a
36 water supply and demand assessment is completed for all groundwater basins
37 and initial active management areas at least once every five years. The
38 director may contract with outside entities to perform some or all of the
39 assessments and those outside entities shall be identified in the
40 assessment. **THE DIRECTOR SHALL INCLUDE ALL OF THE FOLLOWING IN EACH**
41 **FIVE-YEAR WATER SUPPLY AND DEMAND ASSESSMENT FOR EACH GROUNDWATER BASIN:**

42 (a) **THE AVERAGE DEPTH-TO-STATIC LEVEL ACROSS THE GROUNDWATER BASIN**
43 **AT THE END OF THE ASSESSMENT PERIOD, MEASURED IN FEET.**

- 1 (b) THE AVERAGE NET INCREASE OR DECREASE IN THE AVERAGE
2 DEPTH-TO-STATIC LEVEL ACROSS THE GROUNDWATER BASIN OVER EACH OF THE FIVE
3 YEARS PRECEDING THE END OF THE ASSESSMENT PERIOD, MEASURED IN FEET.
- 4 (c) THE MAXIMUM DEPTH OF BEDROCK AT THE DEEPEST POINT IN THE
5 GROUNDWATER BASIN, MEASURED IN FEET.
- 6 (d) THE AVERAGE DEPTH-TO-BEDROCK LEVEL ACROSS THE GROUNDWATER
7 BASIN, MEASURED IN FEET.
- 8 (e) THE TOTAL NUMBER OF ACTIVE INDEX WELLS IN THE GROUNDWATER
9 BASIN, MEASURED IN WHOLE NUMBERS.
- 10 (f) THE AVERAGE DISTANCE BETWEEN EACH ACTIVE INDEX WELL IN THE
11 GROUNDWATER BASIN, MEASURED IN MILES.
- 12 (g) THE AVERAGE GEOGRAPHIC DISTRIBUTION OR DENSITY OF ACTIVE INDEX
13 WELLS IN THE GROUNDWATER BASIN, MEASURED IN NUMBER OF ACTIVE INDEX WELLS
14 PER SECTION OF LAND.
- 15 (h) THE TOTAL ESTIMATED VOLUME OF GROUNDWATER IN STORAGE IN THE
16 GROUNDWATER BASIN TO A DEPTH OF ONE THOUSAND TWO HUNDRED FEET AT THE END
17 OF THE ASSESSMENT PERIOD, MEASURED IN ACRE-FEET.
- 18 (i) THE TOTAL ESTIMATED NUMBER OF YEARS' WORTH OF GROUNDWATER
19 AVAILABLE IN THE GROUNDWATER BASIN TO A DEPTH OF ONE THOUSAND TWO HUNDRED
20 FEET AT THE CURRENT ANNUAL AVERAGE RATE OF CHANGE IN THE GROUNDWATER
21 BASIN, MEASURED IN YEARS.
- 22 (j) THE TOTAL NUMBER OF ACTIVE AND PASSIVE STORMWATER AND
23 GROUNDWATER RECHARGE PROJECTS IN THE GROUNDWATER BASIN, MEASURED IN WHOLE
24 NUMBERS.
- 25 (k) THE TOTAL VOLUME OF INCREASED GROUNDWATER RECHARGED IN THE
26 GROUNDWATER BASIN DUE TO ACTIVE AND PASSIVE STORMWATER AND GROUNDWATER
27 RECHARGE PROJECTS IN THE GROUNDWATER BASIN IN EACH OF THE FIVE YEARS
28 PRECEDING THE END OF THE ASSESSMENT PERIOD, MEASURED IN ACRE-FEET.