



NEWS RELEASE

Arizona House of Representatives
Majority Leader Michael Carbone (R-25)
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FOR IMMEDIATE RELEASE

Governor Hobbs' Water Policies Are Creating Arizona's Housing Crisis

STATE CAPITOL, PHOENIX – Arizona House Majority Leader Michael Carbone applauds House Speaker Steve Montenegro for authorizing a [lawsuit](#) against the Arizona Department of Water Resources (ADWR), in partnership with the Home Builders Association of Central Arizona (HBACA) and the Arizona Senate for the agency's adoption of an illegal 33.3% groundwater tax, which threatens to increase the cost of housing for thousands of Arizonans.

“Water policy is land use policy, and land use policy is housing policy,” said Majority Leader Carbone. **“We’ve all heard about the illegal ‘housing moratorium’ that’s in place. Just to be clear, that’s a water policy, and it’s designed to stop housing growth. Not only was the moratorium adopted illegally, but it also renders hundreds of thousands of acres of affordable land undevelopable, land that could be used to help address the housing shortage. This drives demand toward cities, increasing demand where land is already extremely limited. This makes housing even less affordable for Arizona families. Make no mistake—Governor Hobbs’ water policies are driving Arizona’s housing crisis.”**

According to a recent [study](#), Governor Hobbs’ housing moratorium is increasing housing costs by \$19,600 to \$23,700 per home. The report also estimates that new home costs will rise by an additional \$5,100 to \$7,900 per home due to the agency’s illegal 33.3% groundwater tax.

“These illegal actions aren’t about water security; they’re about government control,” Majority Leader Carbone added. **“The Governor wants to dictate where and how Arizona families live, limiting all future growth to cities and driving up home prices. Arizonans deserve better than a governor who plays politics with their future. Homebuilders have replenished 100% of their groundwater annually since 1995, yet they are the only industry being penalized by the Governor. Affordable housing is central to the American Dream. We will continue to fight to stop the agency’s illegal water policies and ensure that state agencies operate within the law—not outside of it.”**

Michael Carbone is a Republican member of the Arizona House of Representatives serving Legislative District 25 which includes portions of Yuma, Maricopa, and La Paz Counties. He also serves as House Majority Leader. Follow him on X at @MichaelCarbone.

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