



ARIZONA STATE SENATE
Fiftieth Legislature, Second Regular Session

FACT SHEET FOR H.B. 2363

harvested water; committee

Purpose

An emergency measure that establishes the Joint Legislative Study Committee on Macro-Harvested Water.

Background

The Arizona Department of Water Resources (ADWR), established in 1980, administers and enforces Arizona's groundwater code and surface water rights law. In 1987, the Legislature enacted laws providing for the underground storage of water and related aquifer recharging activities (A.R.S. § 45-801.01 et seq.). According to A.R.S. § 45-801.01, it is the public policy of this state to protect Arizona's general economy and welfare by encouraging the use of renewable water supplies, instead of groundwater, through a flexible and effective regulatory program for the underground storage, savings and replenishment of water. Laws 1996, Chapter 308, (A.R.S. Title 45, Chapter 14) established the Arizona Water Banking Authority (AWBA) which firms Arizona's water supply to be used in times of shortage. The AWBA utilizes a long-term storage credit program in which excess Colorado River water is recharged into aquifers for credit and can be redeemed in the future.

Laws 2005, Chapter 292, created an individual income tax credit for the installation of a water conservation system and a corporation income tax credit for the installation of a water conservation system plumbing stub out for the collection of rainwater and residential gray water on a micro-level for future use at the same residential property (A.R.S. § 43-1090.01). This tax credit expired January 1, 2012. Arizona currently does not provide for water harvesting on a macro-level.

Other states in the southwest have enacted the following water harvesting programs or legislation to firm water supplies:

- a) Texas: House Bill 3391 (82nd Texas Legislature, 2011) requires certain government buildings in areas receiving greater than 20 inches of rainfall a year to incorporate rainwater-harvesting systems for potable and non-potable water uses into the building design. Additionally, House Bill 3391 encourages each municipality and county to offer incentives related to rainwater harvesting equipment.
- b) Utah: Laws 2010 (Utah Code Annotated, Title 73, Chapter 3, Section 1.5) allow any property owner to capture and store certain amounts of rainwater.
- c) Colorado: The Legislature enacted House Bill 09-1129 in 2009, authorizing ten rainwater harvesting pilot programs (C.R.S. § 37-60-115).
- d) California: The Department of Public Works funded the Santa Fe Spreading Grounds, a storm water recharge project, in 1995 to supplement existing water supplies by diverting excess storm water into recharge basins.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Establishes the Joint Legislative Study Committee on Macro-Harvested Water (Committee) composed of 29 members including:
 - a) three Senators, appointed by the President of the Senate, no more than two of whom are of the same political party;
 - b) three Representatives, appointed by the Speaker of the House of Representatives, no more than two of whom are of the same political party;
 - c) the Director of ADWR or their designee;
 - d) the State Land Commissioner or their designee;
 - e) the Director of the Department of Environmental Quality or their designee; and
 - f) one representative from 20 specific municipalities, associations or other interests, jointly appointed by the President of the Senate and Speaker of the House of Representatives.
2. Prohibits Committee members from receiving compensation or reimbursement of expenses.
3. Requires the Legislature to provide staff support and meeting facilities.
4. Instructs the Committee to:
 - a) propose a definition for *macro-harvested water*;
 - b) study, analyze and evaluate issues arising from the collection and recovery of macro-harvested water;
 - c) review relevant administrative rules and guidelines adopted by ADWR for AMA recharge projects;
 - d) submit a status report of findings to the Governor, President of the Senate and Speaker of the House of Representatives no later than December 15, 2012, and provide a copy to the Secretary of State; and
 - e) submit a final report of findings and recommendations including proposed legislation to the Governor, President of the Senate and Speaker of the House of Representatives no later than September 30, 2013, and provide a copy to the Secretary of State.
5. Repeals the Committee on October 1, 2014.
6. Becomes effective on signature of the Governor, if the emergency clause is enacted.

House Action

AW	1/19/12	DPA	8-0-0-1
3 rd Read	2/27/12		53-0-6-0-1