



Rural Groundwater Management Act Legislation

Rural Leaders Briefing

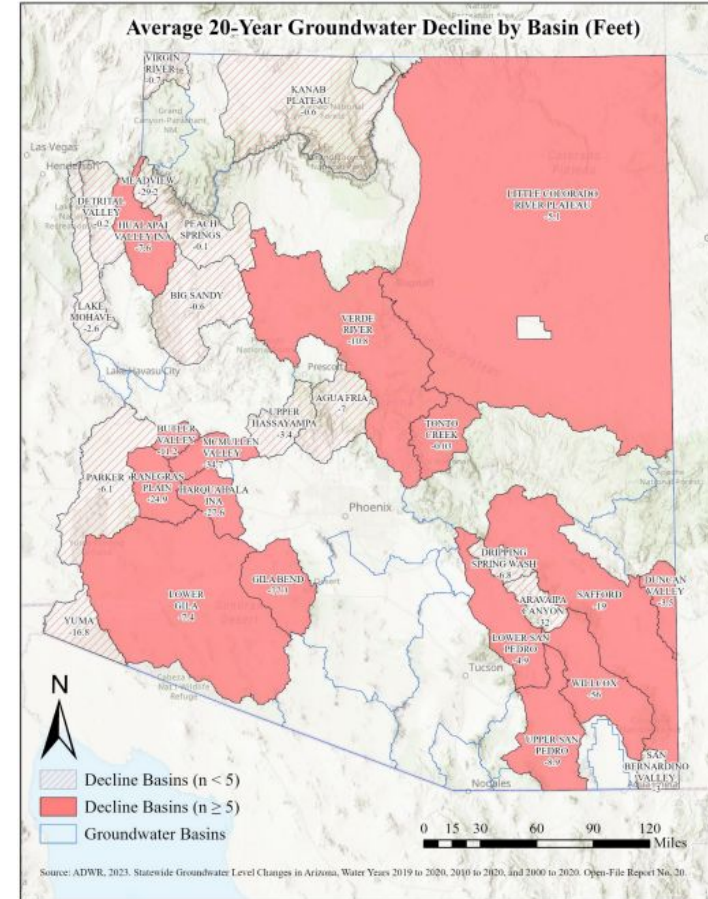
January 27, 2025

ARIZONA
GOVERNOR'S OFFICE OF RESILIENCY

Arizona's Rural Groundwater Problem



- In rural Arizona, more groundwater is being consumed than is replenished. When groundwater is gone, it is essentially gone forever.
- 30 of Arizona's 51 groundwater basins are experiencing an overall average of water level decline across ADWR's 20-year Index Well dataset
- There are currently no limits on new entities locating to rural basins and pumping high volumes, and no conservation or monitoring requirements
- Rural Arizona communities need new tools to protect their groundwater supplies from exploitation, and to conserve groundwater for future generations



Overview of RGMA Process



RGMA Designation

Designation process can be initiated by local voters, County Board, or ADWR.

ADWR holds public meetings and considers criteria to designate an RGMA.

Criteria closely follow AMA eligibility

Water Rights

Entities using water apply to ADWR for a Certificate of Groundwater Use based upon evidence of historic use.

Water rights are flexible and transferable through sale or lease.

Basin is closed. New users must acquire water.

Appointment of RGMA Council

Five members appointed by Governor and Legislative Leadership in bipartisan process

Balanced Representation:
1 agricultural seat
1 municipal seat
1 industrial seat
2 at large seats

6-year Terms

Management Plans

RGMA Council develops a 10-year Management Plan that includes:

- (1) Goals for groundwater management,
- (2) Conservation programs
- (3) Voluntary funding programs

ADWR reviews and approves the Plan based on legality, feasibility, consistency

Implementation & Periodic Review

ADWR implements the Management Plan.

ADWR reviews groundwater conditions every 7 years to determine progress to Management Goal

Council can adjust the Management Plan each decade

4 Management Plans (40 years) authorized

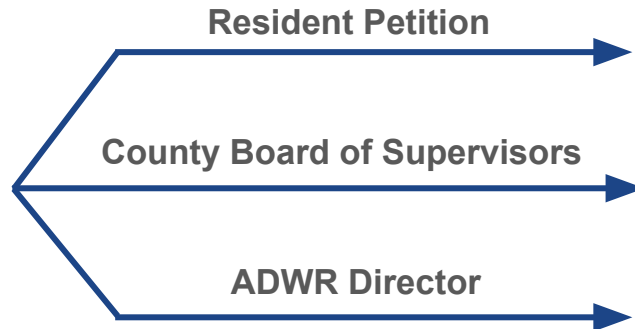
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Three Initiation Paths



ADWR reviews criteria in public process to make determination

1. Management practices are necessary to preserve the existing supply of groundwater for future needs
2. Land subsidence or fissuring is endangering property or groundwater storage capacity
3. Use of groundwater is resulting in actual or threatened water quality degradation

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RGMA's end the free-for-all on rural groundwater basins

- Creating an RGMA **closes** the relevant basin or subbasin. **This means that groundwater is off limits for new large users** unless they pay to lease or purchase a Certificate of Groundwater Use from an existing user.
- Certificates will be issued to existing agricultural and industrial users based on historic use and substantial capital investment.
 - 10-year average for agriculture | 5-year max for Municipal & Industrial
 - Municipal users also will receive certificates based on planned growth and capital investment.
- Certificates are transferable which creates flexibility, while simultaneously managing and reducing groundwater use over time.
 - Transfers are subject to a 15% reduction when leased or sold.
- Certificate holders may utilize a **Compliance Account** that helps with flexibility in years where they use less groundwater, or need to use a bit more. Compliance credits can also be bought and sold with a 20% reduction.

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6-year Terms

RGMA ensure local control on key issues:

- RGMA establish a local Council to guide administration of the RGMA with support from ADWR. The Council is appointed by the Governor with bipartisan selection from the Governor, Speaker of the House, Senate President, and Minority Leaders.
- The Council selects a goal for their community's groundwater and create an enforceable plan to reach that goal. ADWR technical experts would review the plan to ensure that it will achieve the Council's Goal.
- When creating its plan, the Council can also choose whether to create voluntary, compensated water conservation programs or adequate water supply protections for consumers.
- Representation is balanced across multiple water use sectors. No more than 1 councilmember can serve from each water use sector (i.e., Muni, Industry, Ag)

RGMA Management Goals



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The RGMA Council sets water Management Goals based on a statutory menu of options:

01

Reaching Safe-yield

Safe-yield: bringing the aquifer back into stability by balancing inflows (recharge) and outflows (pumping)

02

Reducing Overdraft by at least 50%

Reducing Overdraft by 50% - (i.e., halfway to safe-yield). Significantly extends groundwater supplies

03

Stabilizing water levels for current and future generations

Reducing groundwater pumping to stop the decline of aquifer levels. Goal based on water levels, not just inflows/outflows

RGMA Management Plans & Conservation



Management Plans

RGMA Council develops a 10-year Management Plan that includes:

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The RGMA Council sets water conservation programs and water use reduction requirements each decade with each Management Plan

Municipal Certificate holders must comply with a Best Management Practices program to conserve water and reduce leakage.

Agricultural and Industrial Certificates are subject to a schedule of conservation reductions:

Management Plan	Management Goal: <u>In Progress</u>	Management Goal: <u>Achieved</u>
Plan #1: Years 1-10	10% reduction over first decade	
Plan #2: Years 11-20	RGMA Council sets 5% - 10% additional reduction.	RGMA Council can maintain conservation levels
Plan #3: Years 21-30	RGMA Council sets 5% - 10% additional reduction	RGMA Council can maintain or reduce conservation levels
Plan #4: Years 31-40	RGMA Council sets 5% - 10% additional reduction	RGMA Council can maintain or reduce conservation levels

RGMA Conservation Funding Programs



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A Rural Groundwater Management Area Fund is established to support voluntary programs that help water users and achievement of the Management Goal:

- The Fund receives monies from legislative appropriations, and groundwater withdrawal fees that are paid by pumpers
- The RGMA Council can create voluntary programs and incentives in the Management Plan that receive funding support
- The RGMA Fund will enhance:
 - Conservation efforts & incentives
 - Aquifer recharge
 - Water reuse
- ADWR to set withdrawal fees by rulemaking. Legislative appropriations will be negotiated

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The RGMA Legislation establishes 5 Initial RGMA:

- **Hualapai** Groundwater Basin
- **Gila Bend** Groundwater Basin
- **Ranegras Plain** Groundwater Basin
- **San Simon** Groundwater Sub-Basin
- **Willcox** Groundwater Basin



Other Basins will be eligible for establishment as Subsequent RGMA, and ADWR will review each Basin every 10-years

Looking Ahead: 2025

The RGMA legislation is a starting point for negotiations

Rural advocacy and demonstrations of bipartisan support is key for success

Rural leaders making their voices heard makes an enormous difference

2025 is a critical year to achieve rural groundwater reforms, the time is now

