

*Patrick J. Adams, Senior Advisor for Water Policy
Office of Governor Katie Hobbs*

October 10, 2025

ARIZONA
GOVERNOR'S OFFICE OF RESILIENCY

Today's Discussion



UPDATE ON WATER POLICY COUNCIL INITIATIVES

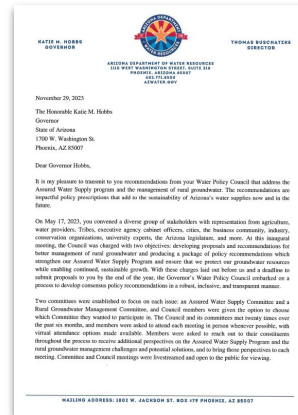
COLORADO RIVER P2026 NEGOTIATIONS

2026 LEGISLATIVE SESSION

Governor's Water Policy Council



- **Council Objective:** analyze and recommend updates and revisions to the 1980 Groundwater Management Act and related water legislation
- The Council was charged with developing policy recommendations related to **Assured Water Supply** and **Rural Groundwater** by the end of 2023
- At the conclusion of a rigorous, transparent policy development process, the **Council submitted a slate of policy recommendations to Governor Hobbs** on November 29, 2023



Established January 9th, 2023 via Executive Order #4 after Governor Hobbs' inaugural State of the State

Rural Groundwater Protection

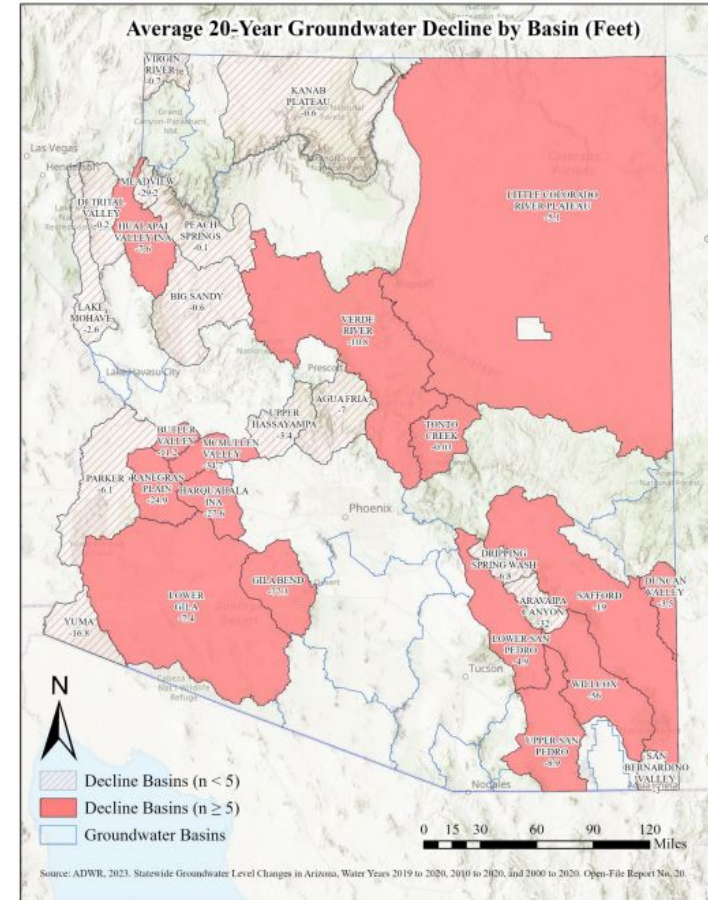


Photo credit: Rebecca Noble for CNN

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.
- Over 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

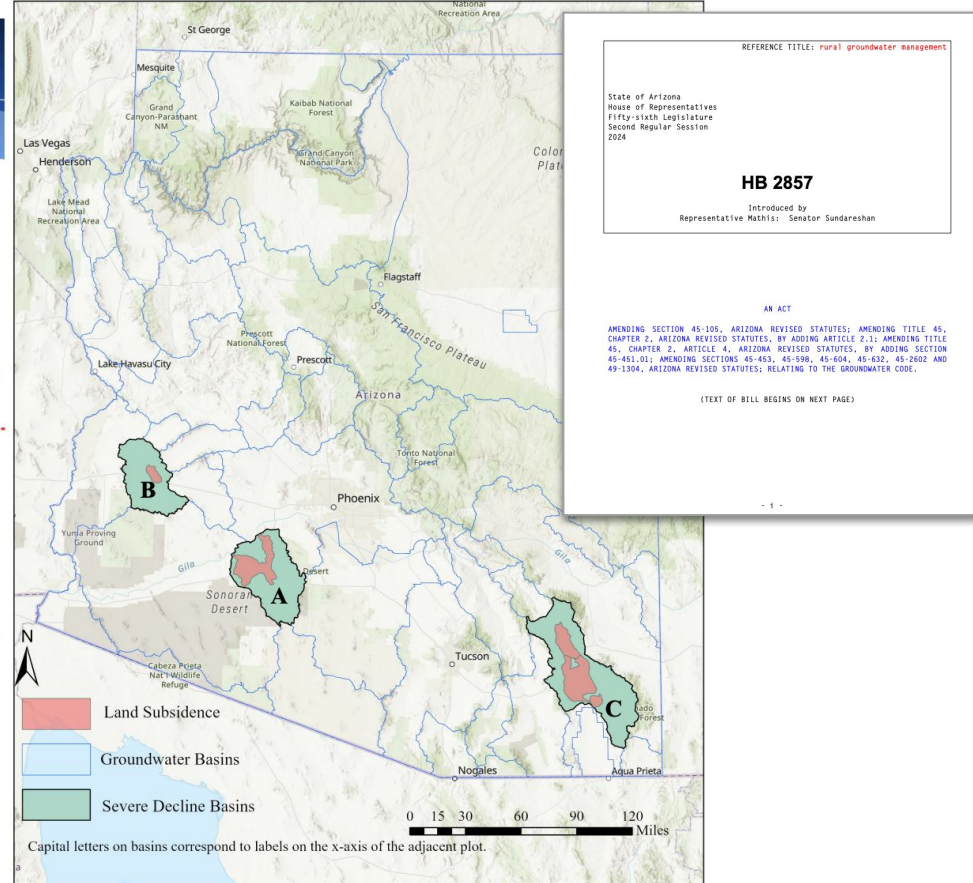
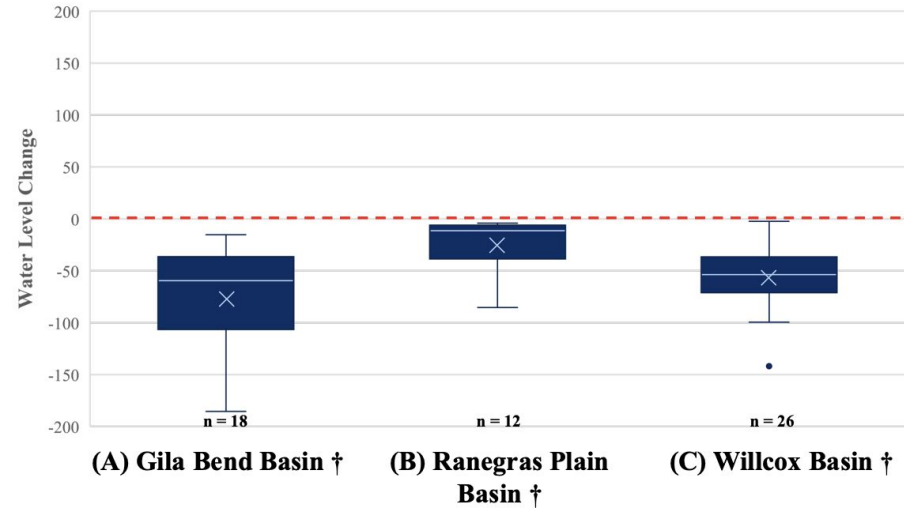


Water Council's Rural Groundwater Framework



Priority (Severe Decline) Basins

Priority (Severe Decline) Basins



2024: AMA Protections in the Willcox Basin



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ARIZONA DEPARTMENT OF WATER RESOURCES
BEFORE THE DIRECTOR

IN RE: SUBSEQUENT ACTIVE
MANAGEMENT AREA: WILLCOX
GROUNDWATER BASIN,
GRAHAM AND COCHISE
COUNTIES

FINDINGS, DECISION AND
ORDER

Pursuant to Arizona Revised Statute (“A.R.S.”) § 45-414, the Director of the Arizona Department of Water Resources (“Director”) issues findings and his decision to designate the Willcox Groundwater Basin, in Graham and Cochise Counties (“Basin”), Arizona as a subsequent Active Management Area (“AMA”) on the grounds set forth herein.

BACKGROUND

I. Director’s Order Initiating Designation Proceedings

On September 26, 2024, the Arizona Department of Water Resources (“ADWR” or “Department”) held an informal public meeting to present hydrologic and regulatory information, accept public comments, and answer questions regarding the possible initiation of procedures to designate the Basin as a subsequent AMA. The information presented by the Department at the September 26 meeting is incorporated into the record for this matter. Public comments were accepted until 5:00PM on October 4, 2024. On October 21, 2024, the chief hydrologist for the Department provided a memorandum (“Technical Memo”) describing the hydrologic information on file regarding the Basin, including the information presented at the public meeting.¹ The Technical Memo is hereby incorporated by reference. Based on hydrologic evidence and public comments

¹ Technical Memorandum regarding Groundwater Conditions in the Willcox Basin, October 21, 2024, to Thomas Buschatzke, Director, ADWR, from Ryan Mitchell, Chief Hydrologist, ADWR.

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AN HISTORIC DAY

Willcox AMA now in place, work on goals and management to come

By Shar Porier shar.porier@myheraldreview.com Dec 21, 2024 0

91.5 KJZZ PHOENIX

Donate

Hobbs announces new groundwater protection effort in the Willcox basin

KJZZ | By Camryn Sanchez

Published October 23, 2024 at 1:01 PM MST

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in

2025: Rural Groundwater Management Act



Key Elements of the RGMA Legislation



Closing groundwater basins to protect communities from new groundwater exploitation



Flexible, effective conservation through increased portability of rights paired with required reductions and voluntary incentive programs



Local control and decision-making through the RGMA Council to guide water management programs with ADWR assistance



Opportunity for basins in trouble throughout Arizona to qualify and implement custom RGMA groundwater protections



Funding for water conservation, reuse, and recharge to help protect and restore rural aquifers

2026: Rural Groundwater Moving Forward



ruralazengage · Follow



GOVERNOR HOBBS RE-AFFIRMS HER COMMITMENT TO RURAL GROUNDWATER REFORM

"As I said when I stood before you last year, we must act now to protect Arizona's water. And when the Legislature did not, I did.

I remain committed to true, bipartisan reform to protect our groundwater. But mark my words, if this Legislature fails to act. I will... Again."

Governor Katie Hobbs



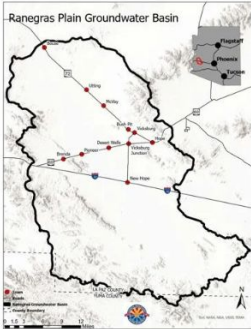


Parker Pioneer

JOBS CLASSIFIEDS SPECIAL SECTIONS SUBSCRIBE COUPONS

Department of Water Resources holds public hearing on Ranegras Plain Basin

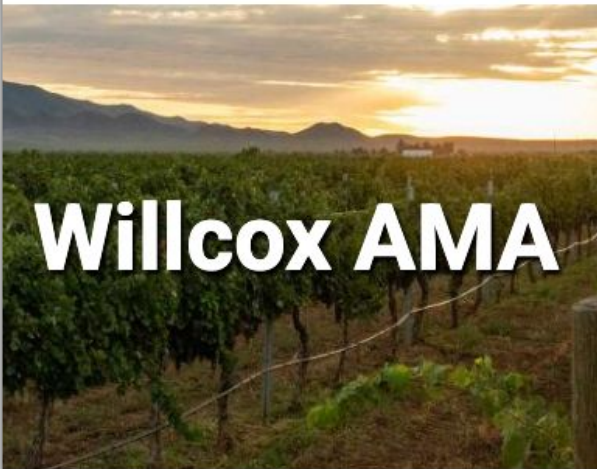
By John Gutekunst Parker Pioneer Oct 4, 2025 Updated Oct 6, 2025 0



Ranegras Plain Groundwater Basin



Willcox AMA



Assured Water Supply Policy

**100 YEAR
WATER SUPPLY
REQUIREMENTS**

MUST BE:

100 YEAR

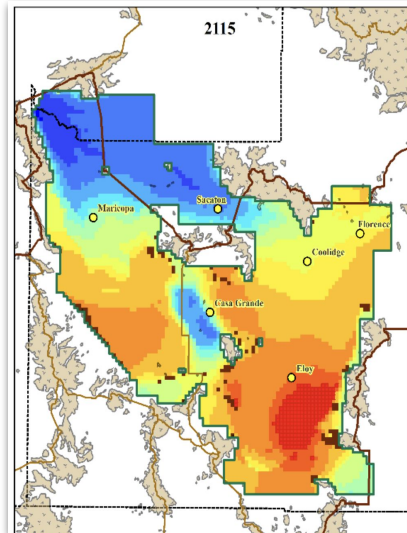
- ✓ **LEGALLY AVAILABLE**
- ✓ **FINANCIALLY AVAILABLE**
- ✓ **GOOD QUALITY**
- ✓ **PHYSICALLY AVAILABLE**
- ✓ **MUST HAVE RENEWABLE SOURCES**

Groundwater Challenges in the AMAs

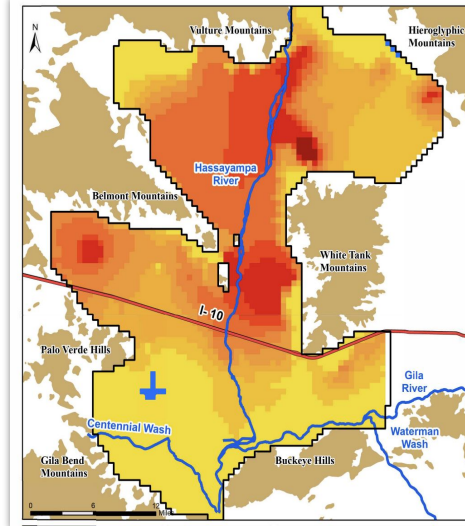


Decades of continued reliance on groundwater has led to projected constraints on groundwater availability in central Arizona AMAs over the next 100 years.

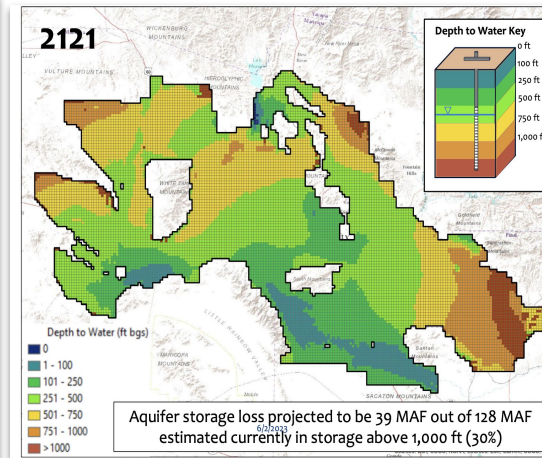
Pinal AMA Model



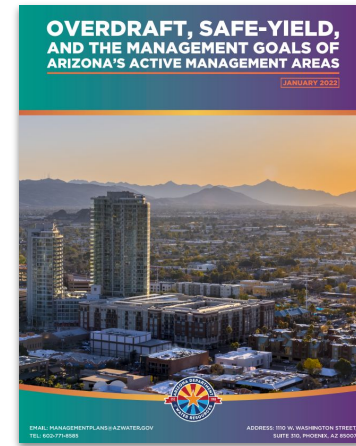
Lower Hassayampa Model



Phoenix AMA Model



ADWR 5MP Safe-Yield Report



New AWS Policy Tools - ADAWS



- **What is the Alternative Designation of Assured Water Supply (ADAWS)?**

The ADAWS Rulemaking is an updated regulatory program designed to help water providers and cities achieve a 100-year Designation of Assured Water Supply.

- **How does ADAWS work?**

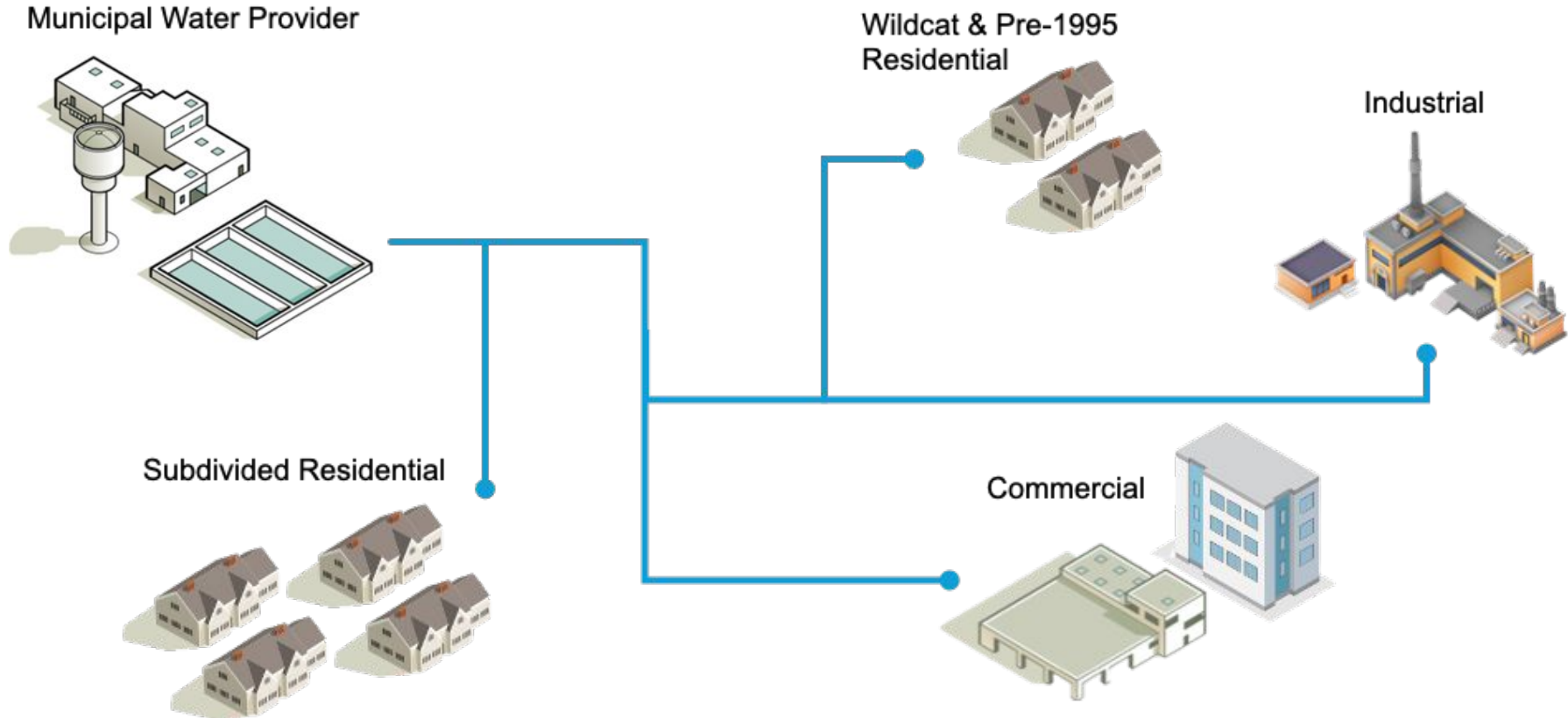
- Water providers are given regulatory assistance through grandfathering in existing groundwater pumping into a Designation
- A *groundwater allowance* is granted to help offset costs of replenishment
- The water portfolio is consolidated, and there is an expedited process to add new supplies
- When a new supply is added to the ADAWS portfolio, a portion - 25% - is dedicated to offset pumping and transition away from groundwater

- **ADAWS Outcomes**

- Removes historic barriers to achieving a 100-Year Designation
- Provides a water provider with increased flexibility and control over its water portfolio to facilitate near-term growth
- Incorporates “legacy” unreplenished groundwater use that predates the AWS Program, and
- Facilitates a transition away from groundwater to alternative water supplies



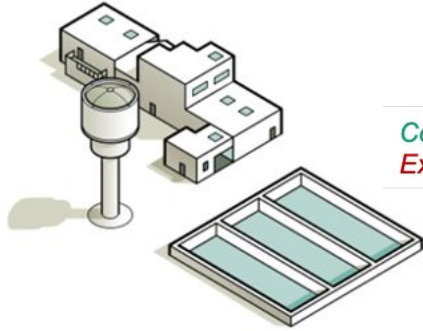
Alternative 100-year Designation of AWS (ADAWS)



Alternative 100-year Designation of AWS (ADAWS)



Undesignated Municipal Water Provider



Covered by 100-year AWS Program
Excluded from 100-year AWS Program

Wildcat & Pre-1995
Residential



Industrial



Subdivided Residential



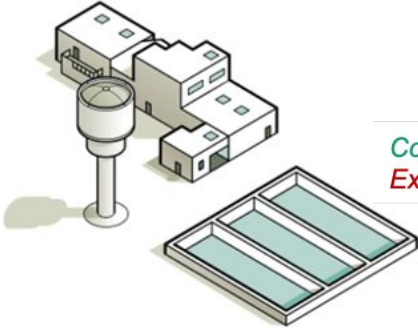
Commercial



Alternative 100-year Designation of AWS (ADAWS)



DESIGNATED Municipal Water Provider



Covered by 100-year AWS Program
Excluded from 100-year AWS Program

Wildcat & Pre-1995 Residential



Industrial



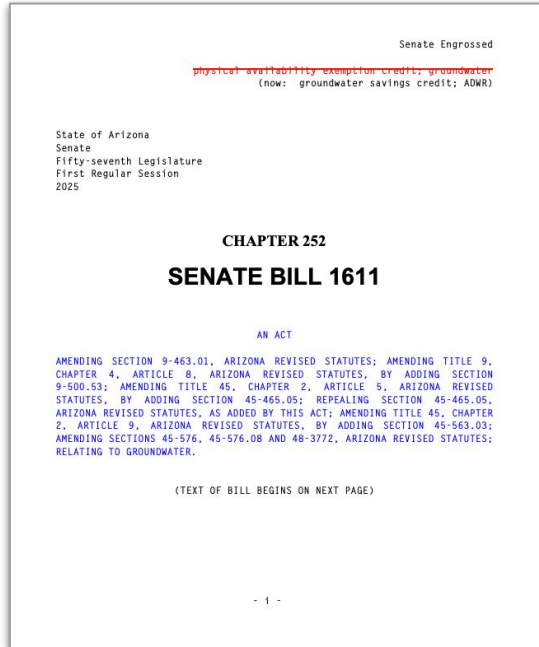
Subdivided Residential



Commercial



New AWS Policy Tools: “Ag-to-urban”



- **Eligibility:** Agricultural lands in the Phoenix & Pinal AMAs irrigated with an IGFR for 3 of last 5 years
- **Conversion Rate:** IGFR holders can relinquish their rights for 1.5 AF/ac to meet physical availability criteria of an AWS
- **Model Review:** Pumping located within 1-mile of the current well or irrigation ares must not create 1000' depth to water exceedances
- **Transition to DAWS:** 5-year window of applicability for Certificates of AWS, then limited to Designations
- **Program Review:** 10-year sunset review performed by ADWR
- **Conservation Requirements:** Non-functional turf, water parks, groundwater lakes prohibited; landscaping limitations

“Ag-to-Urban” in the Tucson AMA



Senate Engrossed

~~physical availability exemption credit: groundwater~~
(now: groundwater savings credit: ADWR)

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

CHAPTER 252

SENATE BILL 1611

AN ACT

AMENDING SECTION 9-463.01, ARIZONA REVISED STATUTES; AMENDING TITLE 9, CHAPTER 4, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-500.53; AMENDING TITLE 45, CHAPTER 2, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 45-465.05; REPEALING SECTION 45-465.05; ARIZONA REVISED STATUTES, AS ADDED BY THIS ACT; AMENDING TITLE 45, CHAPTER 2, ARTICLE 9, ARIZONA REVISED STATUTES, BY ADDING SECTION 45-563.03; AMENDING SECTIONS 45-576, 45-576.08 AND 48-3772, ARIZONA REVISED STATUTES; RELATING TO GROUNDWATER.

(TEXT OF BILL BEGINS ON NEXT PAGE)

- 1 -

23 L. THE DIRECTOR MAY ADOPT RULES TO IMPLEMENT THE GROUNDWATER
24 SAVINGS PROGRAM PRESCRIBED BY THIS SECTION FOR THE TUCSON ACTIVE
25 MANAGEMENT AREA THAT INCLUDE AN APPLICABLE CONVERSION MULTIPLIER AND
26 NECESSARY PARAMETERS TO ENSURE GROUNDWATER SAVINGS IN THE TUCSON ACTIVE
27 MANAGEMENT AREA IF THE DIRECTOR DETERMINES THAT ALL OF THE FOLLOWING
28 APPLY:

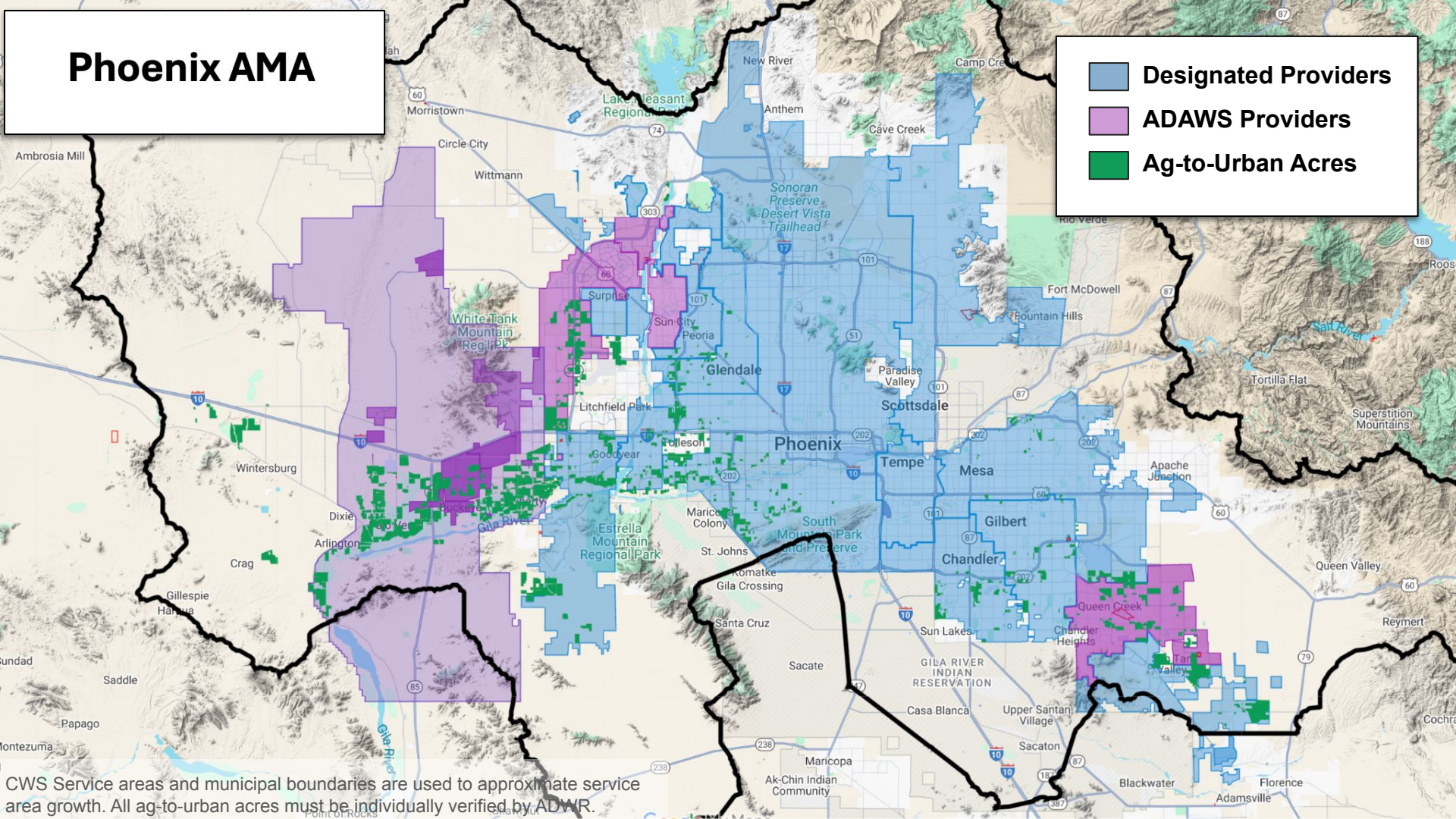
29 1. GROUNDWATER WITHDRAWALS IN THE TUCSON ACTIVE MANAGEMENT AREA
30 OVER A PERIOD OF ONE HUNDRED YEARS WILL EXCEED THE DEPTH-TO-STATIC WATER
31 LEVEL OF ONE THOUSAND FEET OR THE DEPTH OF THE AQUIFER, WHICHEVER IS LESS.

32 2. A GROUNDWATER SAVINGS PROGRAM ESTABLISHED IN THE TUCSON ACTIVE
33 MANAGEMENT AREA WOULD REDUCE GROUNDWATER USE OVER THE NEXT ONE HUNDRED
34 YEARS.

35 3. EXPANDING THE PROGRAM TO INCLUDE THE TUCSON ACTIVE MANAGEMENT
36 AREA WOULD BE IN THE BEST INTEREST OF THAT ACTIVE MANAGEMENT AREA AND OF A
37 CONSERVATION DISTRICT.

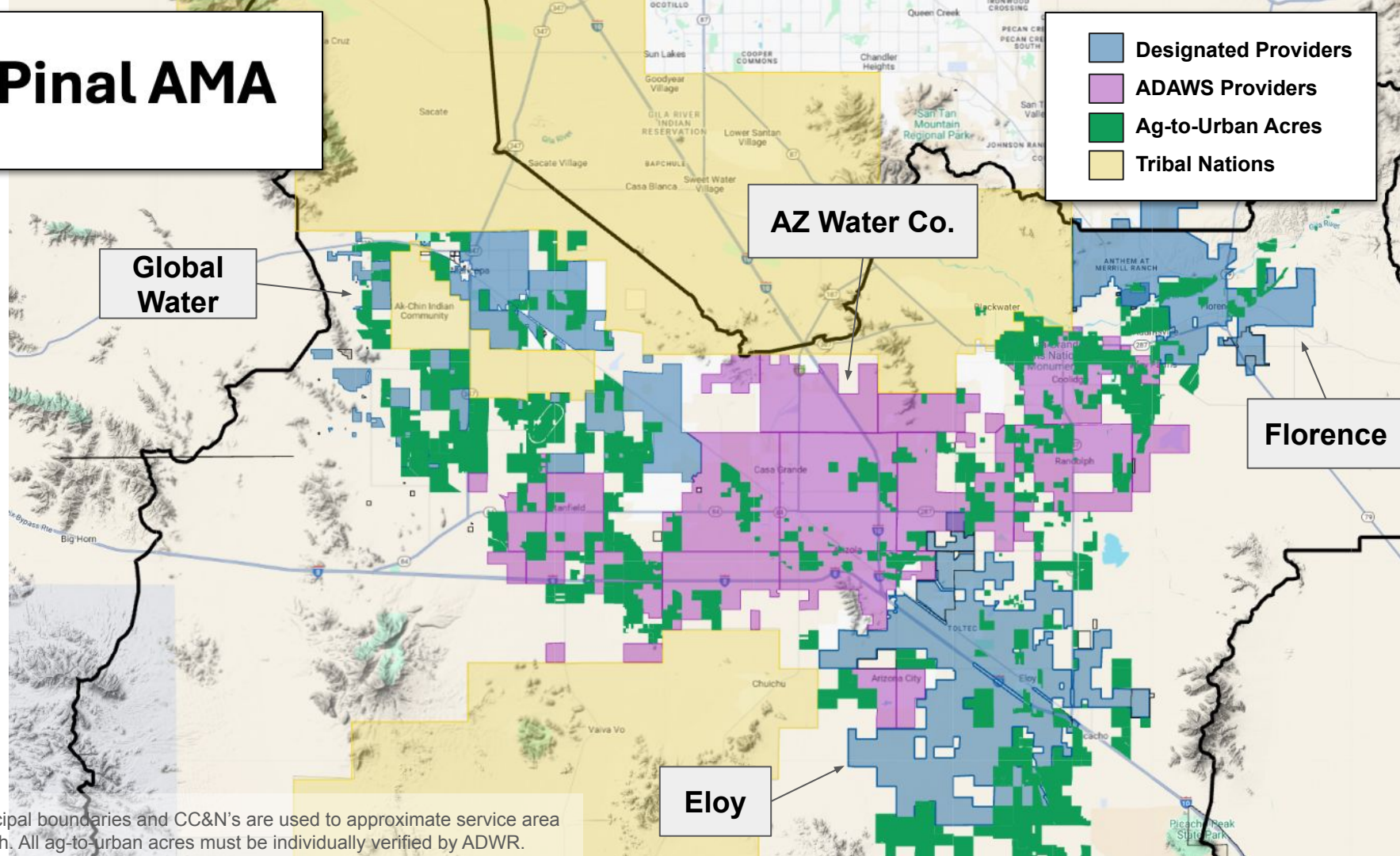
Phoenix AMA

- Designated Providers
- ADAWS Providers
- Ag-to-Urban Acres



CWS Service areas and municipal boundaries are used to approximate service area growth. All ag-to-urban acres must be individually verified by ADWR.

Pinal AMA



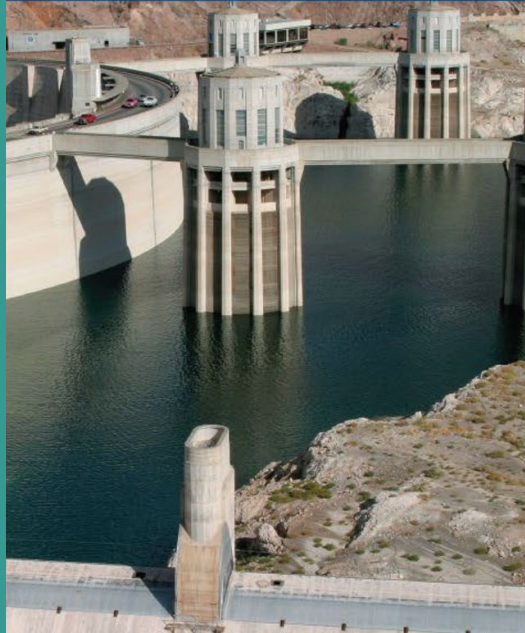
Municipal boundaries and CC&N's are used to approximate service area growth. All ag-to-urban acres must be individually verified by ADWR.

Colorado River

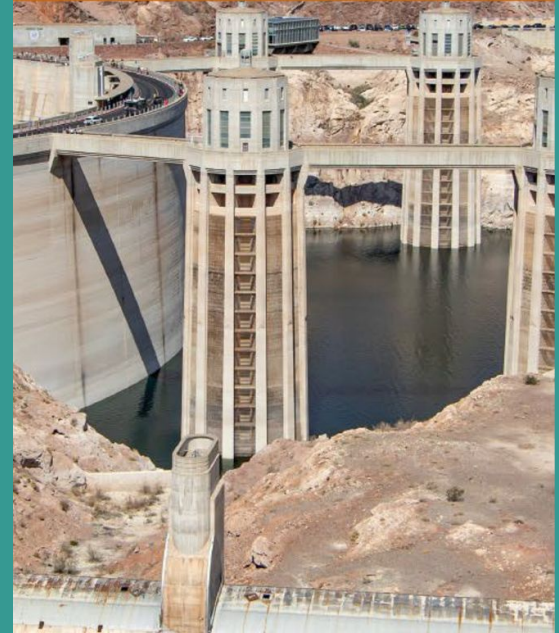
1983



2003



Today

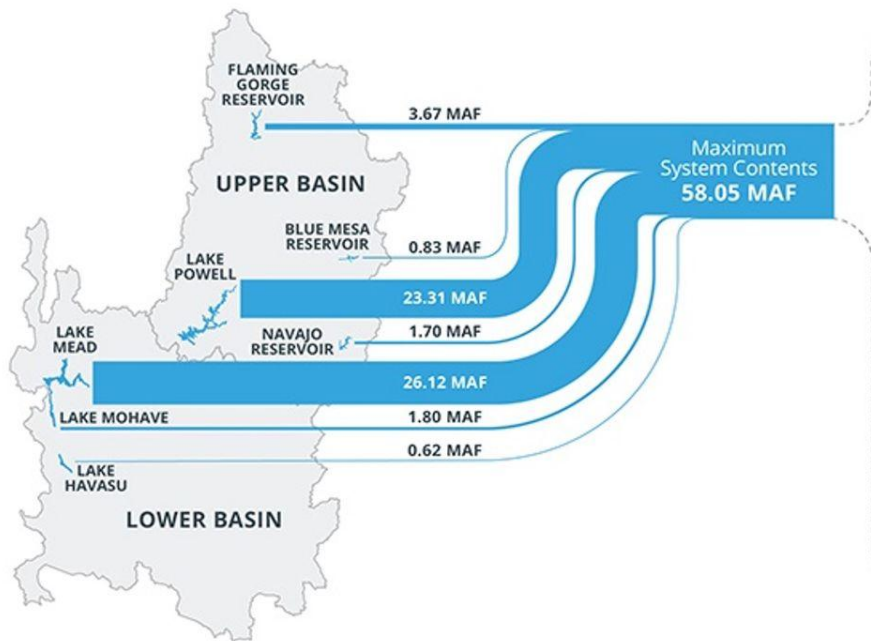


Lower Basin P2026 Alternative



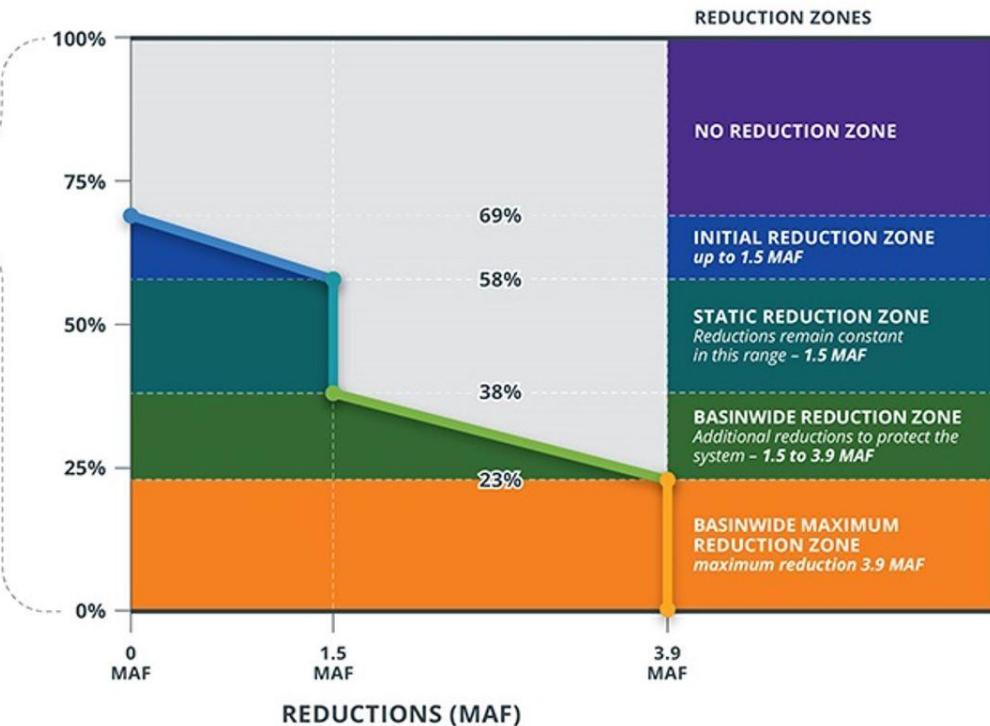
MAXIMUM SYSTEM CONTENTS

System contents are based on the volume in each reservoir that is available for release, in millions of acre-feet (MAF)

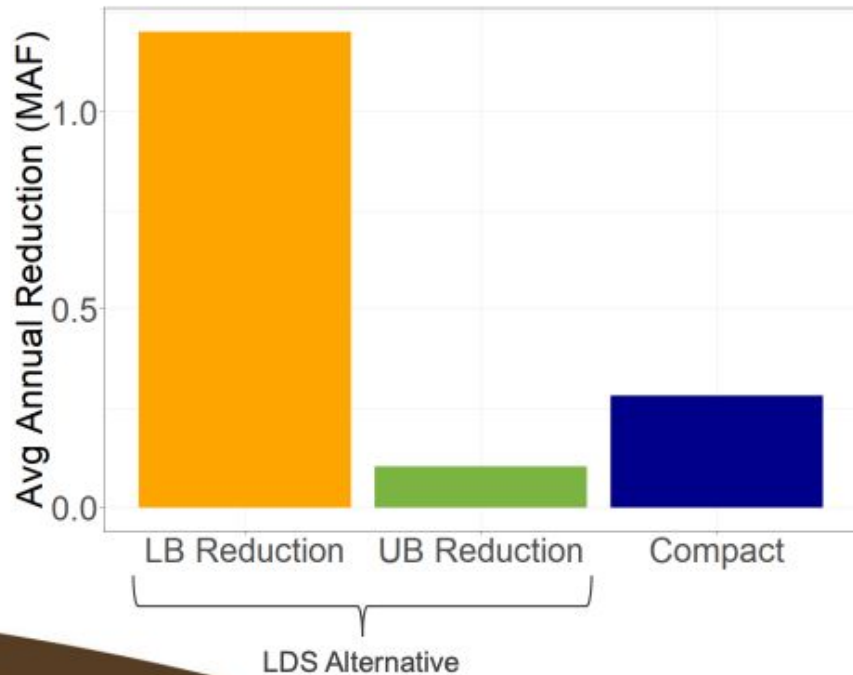


REDUCTION DETERMINATION

Reductions are based on the available system contents, based on the function below

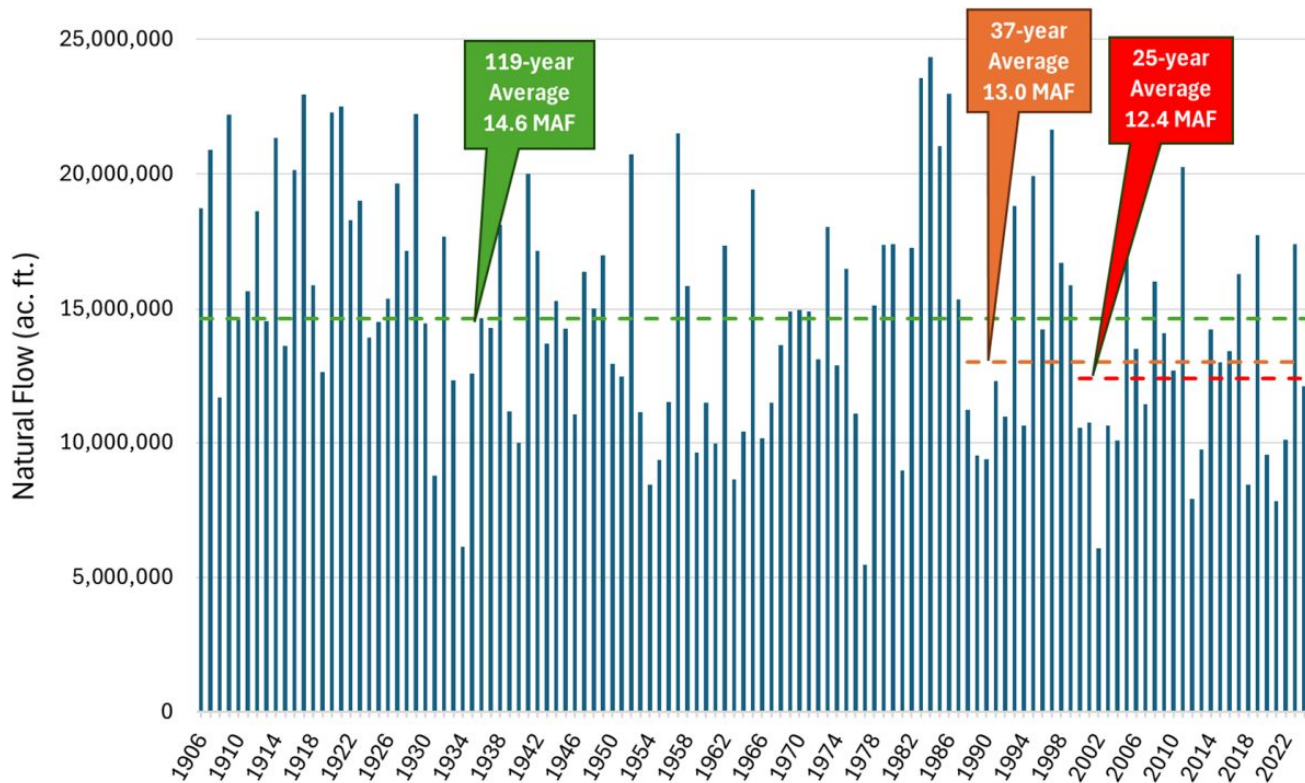


LB Alternative vs. 1922 Compact



- The Lower Basin takes most of the reductions under the LDS Alternative
- If hydrology is significantly worse than the last 30 years, the Upper Basin would share in reductions greater than 1.5 MAF
- Alternatively, enforcement of the Lee Ferry flow requirement of the Compact would result in much greater Upper Basin reductions
- Upper Basin reductions for Compact compliance could occur even at high total system contents
- Under certain conditions, Reclamation and the Upper Basin maybe out of compliance as early as 2027

Natural Flow “Supply Driven” Proposal



Preliminary provisional data, subject to change, estimated values for 2021-2024



GREENWIRE

Inside the ‘revolutionary’ new Colorado River proposal

By JENNIFER YACHNIN | 07/11/2025 01:36 PM EDT

Negotiators are looking at a different way to measure the amount of water in the river, providing a framework for a possible deal on reducing withdrawals.

P2026 7-State Process & Next steps



- The Lower Basin States have put forth multiple proposals to address declining flows
- The Upper Basin States have refused to contribute any guaranteed water use reductions; rejected committing to any delivery obligation
- Arizona continues to meet with the 7 Basin States and Reclamation to negotiate new operating guidelines for Post-2026
- If a 7-State deal is not reached, Reclamation has stated they will introduce federal alternative(s) via the Draft EIS

“Intra-Arizona” Key Issues



- **ADWR and CAP are conducting small group listening sessions statewide**
- **Colorado River shortages will require adaptation and implementation**
- **Arizona water users need to coalesce around key issues related to shortage implementation:**
 - **How should P2026 federal shortages be shared across AZ Colorado River users?**
 - **State programs to offset shortages;**
 - **Identification of water supplies and projects potentially available to offset/mitigate shortage**



Looking Ahead to 2026

- Groundwater policy will continue to be a key issue at the Legislature
 - Rural Groundwater
 - Assured Water Supply Program
- Colorado River shortage implementation is a priority
- Arizona has serious, bipartisan water policy wins under its belt from 2025; collaboration is pivotal

