



WEEKLY LEGISLATIVE UPDATE

FOR THE WEEK ENDING ON FRIDAY, FEBRUARY 27, 2026

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INFORMATION

Today is the 47th day of the 57th Legislature, 2nd Regular Session.

- The deadline to hear bills in committee is Friday, March 27th
- The 100th day of session will be Monday, April 21st
- Committee hearings resume next week to hear bills passed from the opposite chambers.

POSTED COMMITTEE HEARINGS

- **House Natural Resources, Energy & Water - 3/03/26, 2:00 PM, HHR 3**
 - Presentation: Arizona Water Banking Authority
- **Senate Natural Resources - 3/03/26, 1:30 PM, SHR 1**
 - HB2116 appropriation; Colorado River litigation fund

BILL SUMMARIES

The following list of bills is not a comprehensive list of bills ADWR Legislative Affairs tracking this session and is intended to provide a summary view of relevant legislative activities. All bills not heard in committee of origin as of this week have been removed.

HOUSE OF REPRESENTATIVES

HB2026 - assured water supply; commingling

Sponsor: Rep. Gail Griffin (R)

Summary: Requires the Director of the Arizona Department of Water Resources, when determining whether a proposed subdivision has sufficient water for a certificate of assured water supply, to evaluate only the specific water sources dedicated to the proposed use, regardless of whether the water will be distributed through a delivery system that commingles multiple water supplies.

Position: Neutral

Last Action: February 23, 2026 - House Third Reading PASSED (32-25-3-0)

[HB2027](#) - physical availability; review; designated providers

Sponsor: Rep. Gail Griffin (R)

Summary: Prohibits the Director of the Arizona Department of Water Resources (ADWR) from applying the physical availability requirements for the Pinal Active Management Area to any city or town in the Phoenix Active Management Area that already holds a designation of assured water supply. Requires ADWR, within 30 days after the effective date of this legislation, to review the physical availability of groundwater and stored water for each city or town in the Phoenix Active Management Area that holds a designation of assured water supply.

Position: Neutral

Last Action: February 25, 2026 House Committee of the Whole - Retained on Calendar

[HB2028](#) - DWR; application; administrative completeness

Sponsor: Rep. Gail Griffin (R)

Summary: Applications submitted to the Arizona Department of Water Resources (ADWR) under Title 45 (Water) are no longer exempt from being treated as appealable agency actions when ADWR determines they are not administratively complete.

Position: Neutral

Last Action: February 23, 2026 House Third Reading PASSED (32-25-3-0)

[HB2031](#) - grandfathered right; Willcox AMA; extension

Sponsor: Rep. Gail Griffin (R)

Summary: Extends the deadline for filing an application for a certificate of grandfathered groundwater right the Willcox Active Management Area (AMA) to 27 months after the designation of the Willcox AMA. Retroactive to January 8, 2026. Emergency clause.

Position: Neutral

Last Action: February 23, 2026 House Third Reading PASSED (32-25-3-0)

[HB2052](#) - management plan; water loss; percent

Sponsor: Rep. Gail Griffin (R)

Summary: Requires cities, towns and private water companies that distribute water for municipal use to limit lost and unaccounted-for water in their distribution systems to eight percent or less of all water entering the system from any source, calculated on either an annual or three-year average basis. Directs the Arizona Department of Water Resources to incorporate this requirement into the fifth management period plan and to adopt conforming rules within six months after the effective date.

Position: Neutral

Last Action: February 26, 2026 PASSED (31-23-6-0)

[HB2053](#) - appropriation; stormwater recharge mapping; sites

Sponsor: Rep. Gail Griffin (R)

Summary: Appropriates \$100,000 from the state general fund in FY2026-27 to the Arizona Department of Water Resources (ADWR) to produce updated stormwater recharge mapping. Requires ADWR, within 180 days after the effective date, to work with an agricultural improvement district and the State Natural Resource Conservation Board to identify potential stormwater recharge sites that have suitable soil conditions, are located on any public or private lands and do not conflict with existing surface water rights or involve stormwater entering adjudicated streams or channels.

Last Action: February 25, 2026 - House Committee of the Whole DO PASS, AMENDED

[HB2056](#) - appropriation; brackish groundwater; feasibility study

Sponsor: Rep. Gail Griffin (R)

Summary: Requires the Arizona Department of Water Resources (ADWR) to conduct a feasibility study of potential brackish groundwater desalination project sites in Gila Bend, Ranegras Plain, the west Salt River Valley and the Little Colorado River plateau, including treatment, transportation and brine-disposal costs. Appropriates \$100,000 from the state general fund in FY2026-27 to ADWR for the study.

Position: Neutral

Last Action: February 24, 2026 - House Third Reading PASSED (32-23-5-0)

[HB2094](#) - assured water supply; certificate; model

Sponsor: Rep. Gail Griffin (R)

Summary: Requires the Arizona Department of Water Resources (ADWR), on request, to review and reissue determinations on certain pending applications for certificates of assured water supply in the Phoenix Active Management Area that were submitted between January 26, 2021 and August 31, 2023 and remain undecided. Requires a municipal provider, as a condition of review, to offer long-term storage credits equal to 25 percent of excess groundwater to the Central Arizona Groundwater Replenishment District under specified pricing and duration terms and adjusts related replenishment reporting without changing parcel assessments. Directs ADWR to deem physical availability requirements satisfied for applications supported by specified groundwater models while maintaining all other certificate requirements. Repeals these provisions January 1, 2029. Emergency clause.

Position: Neutral

Last Action: February 23, 2026 - House Third Reading PASSED, without emergency clause (32-25-3-0)

[HB2095](#) - assured water supply; well depth

Sponsor: Rep. Gail Griffin (R)

Summary: Modifies the physical availability standard for certificates of assured water supply by requiring the Arizona Department of Water Resources to evaluate the availability of unreplenished groundwater at the point of withdrawal over a 100-year period using current groundwater models. Establishes maximum depth thresholds for determining physical availability of unreplenished groundwater, with different limits for the Phoenix and Pinal Active Management Areas.

Position: Neutral

Last Action: February 26, 2026 - House Third Reading FAILED (30-24-6-0)

[HB2097](#) - irrigation non-expansion areas; withdrawal; maximum

Sponsor: Rep. Gail Griffin (R)

Summary: Limits groundwater withdrawals in irrigation non-expansion areas by prohibiting withdrawals of more than six acre-feet per acre of legally irrigated land per calendar year from a non-exempt well and authorizes the Arizona Department of Water Resources to assess penalties for exceedances. Extends measuring and annual reporting requirements to subsequent irrigation non-expansion areas, with specified exemptions for small acreage users and limited withdrawals. Exempts state correctional facilities from the per-acre withdrawal cap when irrigating limited acreage for inmate consumption programs. Authorizes the substitution of irrigated acres and the construction of new or replacement non-exempt wells in subsequent irrigation non-expansion areas only if the changes do not result in a net increase in groundwater withdrawals.

Position: Neutral

Last Action: February 24, 2026 - House Third Reading PASSED (32-23-5-0)

[HB2099](#) - long-term storage credits; shortage; prohibition

Sponsor: Rep. Gail Griffin (R)

Summary: Prohibits the Arizona Department of Water Resources (ADWR) from crediting municipal providers with long-term storage credits for Colorado River water or Central Arizona Project water that is stored during a declared Colorado River shortage. Requires ADWR to reject and invalidate any assignment of long-term storage credits that would circumvent this prohibition. Prohibits municipal providers from ordering Central Arizona Project water for underground storage during a declared Colorado River shortage.

Position: Neutral

Last Action: February 17, 2026 - House Natural Resources, Energy & Water DO PASS, amended (6-3-0-1)

[HB2101](#) - supply and demand; assessment; groundwater

Sponsor: Rep. Gail Griffin (R)

Summary: Expands the Arizona Department of Water Resources' (ADWR) annual water supply and demand assessment requirements by specifying detailed groundwater basin metrics that must be included in each five-year assessment for each groundwater basin.

Position: Neutral

Last Action: February 23, 2026 - House Third Reading PASSED (33-24-3-0)

[HB2116](#) - appropriation; Colorado River litigation fund

Sponsor: Rep. Gail Griffin (R)

Summary: Appropriates \$1 million from the state general fund in FY2026-27 to the Colorado River Litigation Fund.

Position: Support

Last Action: Senate Natural Resources Hearing - Tuesday, 03/03/2026 1:30 PM

[HB2263](#) - Colorado River water; replenishment; restriction

Sponsor: Rep. Gail Griffin (R)

Summary: Restricts the use or conveyance of Colorado River water diverted from the main stem for replenishment in an active management area to delivery at a permitted facility owned by a multicounty water conservation district or at a permitted groundwater savings facility located on state or private land.

Position: Neutral

Last Action: February 17, 2026 -House Natural Resources, Energy & Water DO PASS, amended (6-3-0-1)

[HB2757](#) - Butler Valley; La Paz; groundwater

Sponsor: Rep. Gail Griffin (R)

Summary: Authorizes the La Paz County Board of Supervisors to withdraw groundwater from land the county owns or leases in the Butler Valley groundwater basin for transportation to an initial active management area outside the basin for county or municipal use or to meet replenishment obligations of a multi-county water conservation district. Limits conveyance of state or political subdivision land in the Butler Valley groundwater basin used for such withdrawals to La Paz County.

Position: Neutral

Last Action: February 17, 2026 - House Natural Resources, Energy & Water DO PASS, amended (5-2-0-3)

[HB2758](#) - McMullen Valley; eligible entities; groundwater

Sponsor: Rep. Gail Griffin (R)

Summary: Repeals existing statutory restrictions on groundwater transportation from the McMullen Valley groundwater basin and establishes a new framework allowing eligible public entities and regulated water utilities to withdraw and transport groundwater from historically irrigated acres under specified hydrologic limits, reporting requirements, and cost responsibility conditions. Authorizes transportation of groundwater to an initial active management area or limited use in La Paz County. Requires the Arizona Department of Water Resources to adopt rules and annually report total withdrawals from the McMullen Valley groundwater basin to the Governor and the Legislature.

Position: Neutral

Last Action: February 25, 2026 - Referred to Senate Natural Resources

[HB2827](#) - groundwater withdrawal fee; Pinal AMA.

Sponsor: Rep. Chris Lopez (R)

Summary: Extends the authority to levy groundwater withdrawal fees in the Pinal Active Management Area for Arizona water banking and groundwater and irrigation efficiency projects four years, through calendar year 2030. Delays the distribution of unencumbered monies from the Temporary Groundwater and Irrigation Efficiency Projects Fund to contributors five years, to December 31, 2032. Delays the repeal of the Fund five years to April 1, 2033.

Position: Neutral

Last Action: February 23, 2026 - House Third Reading PASSED (34-23-3-0)

[HB2932](#) - groundwater transportation fee; website; posting

Sponsor: Rep. Leo Biasiucci (R)

Summary: Requires the Arizona Department of Water Resources (ADWR) to post on its website, within 60 days, the groundwater transportation fee table and to annually update the table to reflect adjustments based on the GDP price deflator.

Position: Neutral

Last Action: February 23, 2026 - House Third Reading PASSED (57-0-3-0)

[HB2933](#) - groundwater transportation fee; counties; fund

Sponsor: Rep. Leo Biasiucci (R)

Summary: Classifies groundwater transportation fees as general county monies and requires deposit of the fees in the county general fund. Allows a county that establishes a water improvements program to designate an amount or percentage of groundwater transportation fees to fund grants for qualified residential property owners within the groundwater basin or subbasin from which the groundwater was withdrawn, with remaining monies deposited in the county general fund.

Position: Neutral

Last Action: February 23, 2026 - House Third Reading PASSED (57-0-3-0)

[HB2934](#) - Harquahala; groundwater transportation fee

Sponsor: Rep. Leo Biasiucci (R)

Summary: Requires a person who transports groundwater from any portion of the Harquahala Irrigation Non-Expansion Area to an initial active management area to pay the groundwater transportation fee to a county that contains a portion of the Harquahala area and does not contain any portion of an initial active management area.

Position: Neutral

Last Action: February 25, 2026 - House Committee of the Whole, Retained on Calendar

SENATE

[SB1176](#) - stormwater storage; replenishment credits

Sponsor: Sen. Warren Petersen (R)

Summary: Allows the Arizona Department of Water Resources (ADWR) to issue water storage permits to store stormwater for aquifer replenishment in a constructed underground storage facility. Authorizes a storer in the Phoenix Active Management Area to recharge stormwater and earn replenishment credits equal to 95 percent of the volume recharged, and allows the use or transfer of those credits to offset replenishment obligations within the same subbasin under specified proximity conditions. Treats replenishment credits as groundwater, not stored water, and authorizes permits for facilities dedicated to stormwater storage or combined sources.

Position: Neutral

Last Action: February 26, 2026 - Senate Third Reading PASSED (16-11-3-0)

[**SB1197**](#) - subsequent AMAs; groundwater portability

Sponsor: Sen. Timothy "Tim" Dunn (R)

Summary: Authorizes an owner of an irrigation grandfathered right in a subsequent active management area to use, sell, transfer or lease the right and the associated water duty. Allows an owner to stop irrigating some acres and convey the associated water duty for use anywhere within the same subsequent active management area, including further conveyance by the recipient. Requires notice to the Arizona Department of Water Resources (ADWR) for any use or conveyance and requires ADWR to adopt rules to implement these provisions.

Position: Neutral

Last Action: January 27, 2026 Senate Natural Resources DO PASS (4-3-1)

[**SB1200**](#) - assured water supply; certificate; model.

Sponsor: Sen. Thomas "T.J." Shope (R)

Summary: Requires the Arizona Department of Water Resources (ADWR), on request, to review and reissue determinations on certain pending applications for certificates of assured water supply in the Phoenix Active Management Area that were submitted between January 26, 2021 and August 31, 2023 and remain undecided. Requires a municipal provider, as a condition of review, to offer long-term storage credits equal to 25 percent of excess groundwater to the Central Arizona Groundwater Replenishment District under specified pricing and duration terms and adjusts related replenishment reporting without changing parcel assessments. Directs ADWR to deem physical availability requirements satisfied for applications supported by specified groundwater models while maintaining all other certificate requirements. Repeals these provisions January 1, 2029. Emergency clause.

Position: Neutral

Last Action: February 26, 2026 - Senate Committee of the Whole, DO PASS

[**SB1202**](#) - supply and demand; assessment; groundwater.

Sponsor: Sen. Thomas "T.J." Shope (R)

Summary: Expands the Arizona Department of Water Resources' (ADWR) annual water supply and demand assessment requirements by specifying detailed groundwater basin metrics that must be included in each five-year assessment for each groundwater basin.

Position: Neutral

Last Action: February 24, 2026 - Senate Third Reading PASSED (16-11-3-0)

[**SB1279**](#) - weather modification; license; rules.

Sponsor: Sen. David C. Farnsworth (R)

Summary: Expands weather modification license requirements to include precipitation augmentation, hail suppression, and fog dispersal and applies the licensure requirement to political subdivisions and state agencies, in addition to individuals and corporations. Requires the Arizona Department of Water Resources (ADWR) to issue a weather modification license within 120 days after receiving an administratively complete application if ADWR determines that the proposed operation will not cause flooding, property damage, or harm to wildlife and that the proposed chemicals, compounds, or substances have been

reviewed and approved by the Arizona Department of Environmental Quality (ADEQ). Establishes license duration, renewal standards, suspension criteria, insurance or financial surety requirements, and an online public database of licenses and applications. Revises enforcement by authorizing investigations by the Attorney General and providing injunctive relief and attorney fees for prevailing parties. Grants immunity from liability to the state and its agencies for damages resulting from a license issued under the weather modification program. Applies from and after the effective date of updated rules adopted by ADWR and ADEQ.

Position: Neutral

Last Action: February 3, 2026 - Senate Natural Resources DO PASS, Amended (5-2-1)

[SB1287](#) - stock watering; active management areas

Sponsor: Sen. Timothy "Tim" Dunn (R)

Summary: Updates groundwater statutes to replace references to June 12, 1980 with "the date of designation of the active management area" for determining eligibility to withdraw groundwater for domestic purposes or stock watering under an irrigation grandfathered right.

Position: Support

Last Action: February 24, 2026 - Senate Third Reading PASSED (27-0-3-0)

[SB1335](#) - water banking; annual report; posting

Sponsor: Sen. Timothy "Tim" Dunn (R)

Summary: Requires the Arizona Water Banking Authority Commission to post its annual report on the Commission's website.

Position: Neutral

Last Action: February 26, 2026 - Senate Third reading PASSED (26-1-3-0)

[SB1447](#) - groundwater withdrawal fee; Pinal AMA

Sponsor: Sen. Thomas "T.J." Shope (R)

Summary: Extends the period during which the Director of the Arizona Department of Water Resources does not levy a groundwater withdrawal fee in the Pinal Active Management Area (AMA) for Arizona water banking purposes through calendar year 2030, instead of 2026, and extends the authorization to levy a groundwater withdrawal fee in the Pinal AMA for groundwater and irrigation efficiency projects through calendar year 2030, instead of 2026. Extends the date for distributing unencumbered monies from the Temporary Groundwater and Irrigation Efficiency Projects Fund to contributors to December 31, 2032, instead of December 31, 2027, and delays the repeal of the Fund to April 1, 2033, instead of April 1, 2028

Position: Neutral

Last Action: February 26, 2026 - Senate Third Reading passed (26-1-3-0)

[SB1785](#) - water storage facility; withdrawals; area

Sponsor: Sen. Warren Petersen (R)

Summary: Modifies recovery well permitting for stored water by establishing presumptions for determining

whether a recovery well is within the area of impact when an applicant does not submit a separate hydrologic study, including specified proximity standards to storage facilities and infrastructure.

Position: Neutral

Last Action: February 17, 2026 - Senate Natural Resources DO PASS (5-3-0)