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Governor Katie Hobbs Signs Essential Groundwater Bill into Law

Bill assures responsible growth & water replenishment in Pinal County

Phoenix – May 28, 2025 – Governor Katie Hobbs is joining a bipartisan group of state lawmakers to ensure responsible growth in Pinal County, while safeguarding and producing enough renewable water sources to serve all users for the next 100 years. On Friday afternoon, she signed HB 2753 into law, which also guarantees 100% replenishment of groundwater used by cities, towns, and private water providers.

HB 2753 amends current state statutes regarding groundwater replenishment obligations for municipal providers in Arizona who have obtained an alternative assured water supply designation (ADAWS) from the Arizona Department of Water Resources. Specifically, it makes existing rules that currently apply only to the Phoenix AMA also applicable to the Pinal Active Management Area (AMA). This change allows water providers approved for an ADAWS in both the Phoenix and the Pinal AMAs to maintain a water replenishment obligation for parcels of land in their service areas. In effect, it requires all water providers to replenish groundwater in the areas they serve. This new law takes effect 90 days after the current legislative session ends.

By approving HB 2753, the Governor and Legislature are providing a lifeline for economic growth and vitality in Pinal County, including fast-growing communities like Casa Grande and Coolidge.

Chairman of the Pinal County Board of Supervisors Stephen Miller praised the work needed to advance the bill across the finish line. "This was a true team effort, and all parties worked collaboratively and diligently to ensure that Pinal County was included in this legislation, especially Senator T.J. Shope and Representative Teresa Martinez. I can't thank them enough. The true bipartisan support for this bill shows just how important the policy is to growth in our area."

HB 2753 was sponsored by Representative Martinez and introduced in February. It passed the House on March 4. The Senate, with Senator Shope's help, then voted for the bill on May 7, 2025, with strong bi-partisan support. Governor Hobbs signed the bill into law last Friday, May 23, 2025. In sponsoring the bill, Representative Martinez once again proved

herself a strong champion for responsible growth in Pinal County, an area that is estimated will grow to nearly 300,000 people by 2060.

"This new legislation will be extremely impactful for Pinal County," added Rep. Martinez. "The lifeline for any community is water and this is going to be very helpful in preserving that lifeline. We couldn't have done it without Supervisor Miller and Senator T.J. Shope. They were instrumental in making this happen," said Martinez.

Senator Shope described the importance of HB 2753. "Arizona Water Company is the largest private water provider in the Pinal AMA. Arizona Water has filed an application with the Arizona Department of Water Resources for an ADAWS for the Pinal Valley service area. Such a designation will signify that Arizona Water has secured enough sustainable water supplies to handle all the users within that service area for at least 100 years. That approval process is still ongoing. One of the critical pieces for this approval is to enroll that service area into the Central Arizona Groundwater Replenishment District (CAGRD). This bill provides the needed statutory authority for Arizona Water to transition their customers in Pinal Valley onto the CAGRD. It also will ensure that water providers must put back water into the ground for every kind of user they serve, including homes that were built before state laws required subdivisions to replenish their groundwater pumping."

Fred Schneider, President of Arizona Water Company, expressed excitement and gratitude for HB 2753. "We take replenishment obligations seriously, and this measure paves a path forward for our customers in the Pinal Valley area, while ensuring that we use a lot less groundwater over time. Moving forward, this will allow us to continue to provide a sustainable water supply for existing homes and businesses and meet the future growth in that area. We express our sincere gratitude to Representative Martinez, Senator Shope, all those who supported this bill in the Legislature, and Governor Hobbs."

This groundbreaking change in Arizona water policy lays the foundation for how developments will occur in Arizona, affecting growth across our state, as well as how critical water resources will be managed into the future.

"We pride ourselves on being excellent stewards of our most precious natural resource and realize how important these changes are to continuing the responsible growth of our state," added Schneider.

Headquartered in Phoenix and in operation for 70 years, Arizona Water Company provides safe, reliable water service to 300,000 Arizonans in more than 18 communities across the state. For more information about AWC, visit www.azwater.com.