



## 2026 Legislative Session Summary

June 24, 2026

The legislature adjourned *sine die* at 4:45am on Saturday, June 13th after passing an \$18.3 billion budget and sending some of the remaining legislation to either the Governor's desk or the November ballot for voter consideration. The 2026 session saw a record-breaking 2,190 bills, resolutions, or memorials introduced, with the first "HB 4001" in Arizona history. 122 bills were water-related, with AMWUA taking positions on 33 of these. Ultimately, three priority bills were signed into law.

Some legislation threatened to sow more instability for municipal water providers and their water users, despite uncertain Colorado River cuts looming after 2026. Three separate pieces of legislation attempted to prevent municipalities from raising rates for four years, with two versions designed to circumvent the governor's veto pen ([HB 4030](#), [HCR 2016](#), and [HCR 2052](#)). Additionally, an amended version of [HB 2027](#) jeopardized municipal and private water providers' Designations of Assured Water Supply while also undermining CAGR. Other bills targeted cities' ability to store water ([HB 2099](#)), removed municipal water providers' agency to set rates ([HB 2328](#)), restricted where Colorado River water could be replenished ([HB 2263](#)), or overwhelmed CAGR with replenishment obligation it could not meet without providing new supplies ([SB 1288](#)). **All of these legislative attempts were soundly defeated before reaching the Governor's desk.**

Other bills attempted to address Arizona's long-term water future and position among the seven Basin States. The legislature introduced a resolution in support of a seven-state agreement on post-2026 Colorado River operations, though that optimism had fizzled by March ([HCR 2038](#)). Another concept, reworked from the previous session, attempted to provide a path forward for Certificates of Assured Water Supply in the pipeline when the 2023 Phoenix AMA groundwater model put a pause on subdivisions outside of designated providers. The legislation would have added long-term storage credits sold by municipal water providers as an additional requirement to meet the replenishment obligation for the groundwater pumped by these Certificates ([HB 2094](#)). However, the proposal did not identify supplemental water supplies critical for CAGR to fulfill the additional replenishment obligation, which ultimately made the bill unworkable. Finally, a pair of bills attempted to clarify the groundwater transportation requirements established in the 1991 Groundwater Transportation Act for Butler Valley and McMullen Valley ([HB 2757](#) and [HB 2758](#)). While neither bill moved forward, the legislation opened the door for continued conversation among water providers and other stakeholders on the role transportation basins play in maintaining Arizona's future water security as the state prepares for significant cuts.

Other legislation AMWUA supported added stronger protections for utility workers, including cities' water services employees, against aggravated assault ([SB 1448](#)), reduced administrative burden for WIFA and extended water supply development opportunities for rural communities ([SB 1560](#)), and extended financial incentives for municipalities that bring in significant economic development projects that are reinvested back into new necessary infrastructure, including water and wastewater facilities ([HB 4026](#)). **These bills successfully completed the legislative process, either written into the FY27 budget or signed into law.**

Finally, many of AMWUA's priorities were integrated into the budget, including keeping WIFA's Long-Term Augmentation intact after three consecutive years of sweeps and an additional \$6 million appropriation to the Colorado River litigation fund, bringing the state's legal war chest to \$9 million total ([HB 2116](#)). Other components, however, were not included or cut, namely ADEQ's statutory authority over Advanced Water Purification and a \$20M cut to WIFA's rural-focused Water Supply Development Fund.

Below is a breakdown of how AMWUA's priority bills fared this session.

#### **INCLUDED IN THE BUDGET**

[HB 2116](#) - appropriation; Colorado River litigation fund (Griffin) – **Support**

[HB 4026](#) - public infrastructure improvements; distribution limit (Carbone) – **Support**

#### **SIGNED BY THE GOVERNOR**

[SB 1335](#) - NOW: groundwater savings credits; irrigation (Griffin) – **Watch**

[SB 1448](#) - aggravated assault; utility workers (Shope) – **Support**

[SB 1560](#) - cap; water supply development fund (Dunn) – **Support**

#### **VETOED BY THE GOVERNOR**

[HB 2026](#) - assured water supply; commingling (Griffin) – **Oppose**

[HB 2985](#) - CAP water; state land; allocation (Griffin) – **Oppose**

#### **FAILED TO PASS THE LEGISLATURE**

[HB 2027](#) - physical availability; review; designated providers (Griffin) – **Oppose**

[HB 2052](#) - management plan; water loss; percent (Griffin) – **Oppose**

[HB 2094](#) - assured water supply; certificate; model (Griffin) – **Oppose**

[HB 2095](#) - assured water supply; well depth (Griffin) – **Oppose**

[HB 2099](#) - long-term storage credits; shortage; prohibition (Griffin) – **Oppose**

[HB 2146](#) - mesquite; drought tolerant plants; prohibition (Griffin) – **Oppose**

[HB 2185](#) - homeowners' associations; lawns; drought (Willoughby) – **Support**

[HB 2263](#) - Colorado River water; replenishment; restriction (Griffin) – **Oppose**

[HB 2328](#) - municipal corporations; water supply; rates (Marshall) – **Oppose**

[HB 2492](#) - urban growth boundaries; prohibition (Taylor) – **Oppose**

[HB 2757](#) - Butler Valley; La Paz; groundwater (Griffin) – **Oppose**

[HB 2758](#) - McMullen Valley; eligible entities; groundwater (Griffin) – **Support**

[HB 4030](#) - rates; fees; taxes; increase; moratorium (Olson) – **Oppose**

[HB 4100](#) - municipal water providers; notice; rates (Kolodin) – **Oppose**

[HCR 2016](#) - NOW: fees; taxes; freeze; affordability (Hoffman) – **Oppose**

[HCR 2038](#) - Colorado River; seven-state agreement (Griffin) – **Support**

[HCR 2052](#) - rates; fees; taxes; increases; moratorium (Olson) – **Oppose**

[SB 1176](#) - stormwater storage; replenishment credits (Petersen) – **Oppose**

[SB 1200](#) - NOW: bodies of water; effluent; landscaping (Griffin) – **Watch, opposition removed**

[SB 1201](#) - long-term storage credits; shortage; prohibition. (Shope) – **Oppose**

[SB 1288](#) - assured water supply; analysis; availability (Dunn) – **Oppose**

[SB 1785](#) - water storage facility; withdrawals; area (Petersen) – **Oppose**

ADEQ statutory authority over Advanced Water Purification – **Watch**