

**H.B. 2338**  
**REGIONAL WATER AUGMENTATION AUTHORITIES**  
*Questions and Answers*

***What is a Regional Water Augmentation Authority (RWAA)?*** A RWAA is a voluntary organization of existing governmental and other entities formed to assist local communities in developing future water supplies and water supply infrastructure to meet growing water needs.

***Who Supports Legislation to Allow for RWAA's?*** The members of the Water Resources Development Commission that was established by the Legislature in 2010 to assess Arizona's demand for water and the supplies available to meet that demand over the next 100 years. The 17 Commission members represented all major water-using sectors, including agriculture, municipal water providers, counties, water agencies, and industries.

***Why Are Regional Water Augmentation Authorities Necessary?*** The Water Resources Development Commission found that there will be future water supply-demand imbalances statewide and that infrastructure to meet those demands will be needed. The Commission further found that RWAA's would provide a needed mechanism to allow local water users to pool their common resources to develop necessary water supply projects.

***Why Should We Care About This Issue?*** Aside from ensuring that Arizona's growing population has a reliable water supply, economic growth in all parts of Arizona will stall if Arizona is unable to demonstrate to industries, businesses, and lenders that it is planning for and investing in future water supplies.

***Will RWAA's Add Another Level of Government?*** No. RWAA's will be comprised of existing governmental and other entities. RWAA's will not have any regulatory authority.

***Will Water Providers and Other Entities Be Forced to Join a RWAA?*** No. Membership in a RWAA is voluntary. No entity can be forced to join.

***Will RWAA's Have Taxing Authority?*** No. RWAA's are not taxing districts and will have no authority to tax.

***How Will RWAA's Be Financed?*** A RWAA may use revenue bonds, user fees, membership dues, and grants and loans. These financing tools will not affect any entity that is not a member.

***How Will Rate Payers Be Protected?*** Water users of a municipal member of a RWAA will be protected by the elected officials of that municipal member. Water users served by a private water company that is a member of an RWAA will be protected by the Arizona Corporation Commission's rate-increase approval process.

***How Will Existing Water Rights Be Protected?*** A RWAA may acquire a water supply only in accordance with existing state and federal law. The protections for vested water rights will continue to apply. The prohibitions on transportation of groundwater across basin boundaries will continue to apply. A RWAA would not be able to condemn water, water rights, wells, existing water systems, or land for purposes of drilling a well.

***May a RWAA Be Formed Solely to Provide Water For a Non-Public Entity?*** No. At least one member of a RWAA must be a public agency (such as a city, town or county) and the RWAA must have a clear public purpose.

***How Will Non-Members of a RWAA Be Able to Monitor Its Activities?*** A RWAA will be a political subdivision of the State and must follow the requirements governing political subdivisions. It will be subject to the open meeting laws and public records statutes.