

AUTHORIZED LEGISLATIVE TRANSFERS FROM THE ARIZONA WATER BANKING FUND FOR FY 2020

Pursuant to Sections 100 and 64 of Senate Bill 1548, the legislature has authorized the use of \$1,412,200 in funds from the Arizona Water Banking Fund for Fiscal Year 2020. The funds will be used to support the following:

- Sec. 100. Arizona Department of Water Resources (ADWR) \$1,212,200
- Sec. 64. Arizona Navigable Stream Adjudication Commission (ANSAC) \$ 200,000
- \$1,412,200**

Based on the previous actions of the AWBA Commission, staff recommends that the funds needed for this transfer be taken from each of the three Active Management Area withdrawal fee subaccounts on a proportional basis. The following table identifies the share from each subaccount based on revenues collected in 2019.

Water Banking Fund (withdrawal fees)	Revenues Collected (million)	Pro Rata Share of Transfer	Transfer Amount
Phoenix AMA	\$ 2.02	53%	\$746,770
Pinal AMA	\$ 1.40	37%	\$517,560
Tucson AMA	\$ 0.40	10%	\$147,870

Because the timing of the transfers for ANSAC cannot be known in advance, staff assumes the transfers from the AWB Fund will occur during the first half of the fiscal year (Calendar Year 2019). These transfers are not expected to impact the AWBA Plan of Operation for this year. Additionally, the monies made available for ADWR for FY 2019 were not transferred until the second half of the fiscal year. Because ADWR has indicated the monies would be expended similarly for FY 2020, staff recommends that monies be made available to ADWR using withdrawal fee revenues collected in 2020. A fund transfer during the second half of the fiscal year would allow the AWBA to carry out its 2019 Plan of Operation as adopted. In addition, it would allow any reductions in withdrawal fees to be incorporated into the 2020 Plan of Operation. Staff is assuming the same pro rata share for revenues collected in calendar year 2020.