

Arizona's Water Position

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Fast Facts

- Water is a precious resource in Arizona and stewardship has been a priority since before statehood. Arizona uses roughly the same amount of water today as it did in the 1950s despite a 7x increase in population and 15x economic increase.
 - Water demand is more dependent on land use than population growth.
 - Today, even with massive population growth and advanced industries expanding to Greater Phoenix, increased conservation methods and reduced agriculture demand has enabled the state to remain below its 1957 water usage levels.
- Greater Phoenix and Arizona have four main water sources: groundwater, Colorado River water, Salt & Verde River water, and reclaimed water.
 - Arizona's water portfolio is 41% groundwater, 36% Colorado River, 18% Salt and Verde Rivers and 5% reclaimed.
 - Greater Phoenix is less reliant on the Colorado River and utilizes more reclaimed water than the state as a whole, with a portfolio of 34% groundwater, 29% Colorado River, 25% Salt and Verde Rivers, and 12% reclaimed.
- Arizona was the first state to plan for a 100-year water future by passing the 1980 Groundwater Management Act which established the legal and physical infrastructure to assure a 100-year water supply in active management areas (AMAs).
- We are leaders in water reuse, with more than 89% of water entering the Greater Phoenix waste stream being reclaimed and reused for parks, schools, golf courses, and other uses.
- For decades, Colorado River water and reclaimed water has been used to recharge and replenish aquifers in Greater Phoenix, creating a bank of underground water that can be used during times of surface water shortage.
- Local aquifers are largely protected through the 1980 Groundwater Management Act and the resulting Assured Water Supply Program; groundwater levels are generally stable or improving in Greater Phoenix.
- There will always be challenges to overcome when planning for a resilient water future, but water managers continue to innovate. Alongside significant investments at the State and Federal levels, totaling more than \$5 billion in funding, Arizona is actively advancing its efforts for conservation, distribution and augmentation to address future water needs.
- Families and businesses considering a move to Arizona can trust that water security is a serious focus for both public and private leaders in the region.

Water Future

- The state's intentional water planning makes the subject less daunting than other environmental challenges faced across the U.S. – compared to building expensive infrastructure to minimize the harm caused by floodwater or rising sea levels, moving a defined quantity of water to bolster Arizona's supply is more attainable and affordable.
- Future allocations of Colorado River water are being determined by ongoing negotiations between the seven upper and lower basin states. In the event the states cannot reach an amicable agreement, it is anticipated that the federal government will become involved in the process
- Groundwater in Greater Phoenix has been protected through the 1980 Groundwater Management Act as a fallback supply for times of Colorado River shortages.
- Arizona continues to bolster investments in a multi-faceted portfolio of water supplies. In January 2025, Gov. Katie Hobbs announced a \$60.3M investment to protect the state's water



supply focusing on conservation, advanced technology, infrastructure improvements and water sustainability.

- The Water Infrastructure Finance Authority (WIFA) is a key driver in future planning for long-term water supply augmentation.
 - WIFA funding allocations include over \$1B for projects that import new water supplies.
 - WIFA has already funded over 150 projects from the \$200 million Water Conservation Grant Fund previously allocated by the state.

Groundwater Developments

- In 2023, Governor Hobbs and the Arizona Department of Water Resources (ADWR) unveiled the Phoenix Active Management Area (AMA) Groundwater Model and ADWR's latest study of groundwater conditions across the Phoenix metropolitan area.
- According to the AMA Model, there will be shortfall of approximately 4% of unmet groundwater demands over the next 100-year period.
- In compliance with Assured Water Supply rules, Arizona temporarily halted approval of new Certificates of Assured Water Supply reliant on groundwater.
 - The temporary halt does not indicate a water crisis in Arizona but rather demonstrates the effectiveness of existing regulations to ensure regional water security.
 - Existing Certificates and developments utilizing non-groundwater sources are not affected.
- Actions taken because of the Model findings protect groundwater for future generations and in no way signal an immediate crisis.
- A report released in March 2025 by The University of Texas at Austin's Jackson School of Geosciences found notable groundwater gains in Central Arizona, noting state policy has helped bank nearly 25 cubic kilometers of groundwater from 1989-2019, equivalent to about five times the annual demand for water in the state's three largest AMAs.

AMA Model Impact on Housing:

- All existing housing certificates can proceed as planned, including a substantial number of housing certificates that have already been approved.
- Cities with a Designation of an Assured Water Supply can continue to develop their housing stock as planned. In certain areas, growth will need to rely on existing and planned water sources other than groundwater.
- The 1980 Groundwater Management Act and the resulting Assured Water Supply rules work as intended to protect regional groundwater stocks, move development to use renewable water supplies, and ensure a reliable, resilient water supply for current and future generations.