



Western States Water

Addressing Water Needs and Strategies for a Sustainable Future

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ADMINISTRATION Transition

President-Elect Donald Trump has announced his nomination of several cabinet members and other heads of various agencies, including: (1) former North Dakota Governor Doug Burgum to serve as the Secretary of the Department of the Interior (DOI) (WSW #2635) and head of the new National Energy Council; (2) Lee Zeldin as Administrator of the Environmental Protection Agency (EPA); (3) Brook Rollins as Secretary of the U.S. Department of Agriculture; (4) Howard Lutnik as Secretary of Commerce; (5) Chris Wright as Secretary of Energy; (6) Russell Vought as Director of the Office of Management and Budget; and (7) Jared Isaacman as Administrator of the National Aeronautics and Space Administration.

Kate MacGregor is leading the Trump transition team at the DOI. Previously, she served as Deputy Secretary, Deputy Chief of Staff, and Principal Deputy Assistant Secretary for Land and Minerals Management. MacGregor worked on Capitol Hill for 10 years, serving for two Chairmen of the House Natural Resources Committee. Ted Garrish is expected to lead the incoming Administration's Department of Energy (DOE) landing team. Garrish has over 30 years experience including as DOE's Assistant Secretary for International Affairs, Assistant Secretary for Nuclear Energy, and Assistant Secretary for Congressional, Intergovernmental and Public Affairs.

ADMINISTRATION/WATER RESOURCES EPA/Water Affordability Needs

On December 17, EPA released its Water Affordability Needs Assessment Report. The report detailed water affordability among households and utilities across the U.S. and included recommendations to address affordability.

EPA estimated that between 12.1 - 19.2 million U.S. households lack access to affordable water services. Nationally, EPA estimated the cost of unaffordable water service bills ranges from \$5.1B to \$8.8B. The report outlines options to reduce unaffordable access to water including: (1) Establishing a Federal Water Assistance

Program; (2) Increasing Education, Outreach and Knowledge Around Solutions to Address Affordability; (3) Increasing Ways to Reduce Water Infrastructure Capital and Operating Costs.

The Executive Summary reads: "Large-scale, sustainable change requires addressing the systemic challenges in how water utilities are funded, how rates are set, and how assistance programs are established to support rate payers. It also requires continued investment in the nation's aging infrastructure. Within this context, however, a national water services affordability program can serve as a critical tool for alleviating some of the financial stress faced by households and utilities around the country."

The report outlines the pilot program structure directed under the Investment and Jobs Act (IIJA) Section 50109, which authorizes 40 grants, evenly distributed over five water utility categories: (1) Rural; (2) Medium; (3) Large; (4) Large >500,000 people; and (5) Disadvantaged Community. EPA estimates the cost to fund the pilot program to be \$115-\$185M per year.

South Dakota/Rapid Creek Watershed

On December 26, Secretary of the Interior Deb Haaland signed Public Land Order 7956, pursuant to the Federal Land Policy and Management Act, protecting the Pactola Reservoir-Rapid Creek Watershed in the Black Hills National Forest from the potential effects of mineral exploration and development. The order was requested by the U.S. Forest Service and temporarily closes 20,510 acres of National Forest System land to sale or exchange and mineral entry and leasing for a 20-year period, subject to valid existing rights. Only Congress can legislate a permanent withdrawal of this type.

The action also responds to requests from Tribes and the local community to protect important cultural and natural resources in Pennington County, South Dakota, as well as the municipal water supplies for Rapid City and Ellsworth Air Force Base. Pactola Reservoir is the largest and deepest reservoir in the Black Hills National Forest, with 14 miles of shoreline and depths of 150 feet.

Haaland said: "The Pactola Reservoir-Rapid Creek

Watershed is a treasured landscape, valued for its clean air and water, abundant recreation and ecological benefits, and sacred to multiple Tribes who call the area home.”

Agriculture Secretary Tom Vilsack said: “We’re grateful to Secretary Haaland for her decision to withdraw these lands to protect their many invaluable resources. The Pactola Reservoir–Rapid Creek Watershed provides so many benefits to the people and communities we serve, from clean water to world-class recreation, from livestock grazing to the spaces our Tribal communities consider sacred, this withdrawal will safeguard this space for decades.”

The area is considered a sacred landscape and traditional spiritual homeland by the Oceti Sakowin, Cheyenne, Arapaho, Arikara, Hidatsa, Mandan and Crow Tribes. The Black Hills contain sites sacred to these Tribes as well as areas they consider traditional cultural properties, important landscapes and areas where the Tribes pick medicine, hold spiritual ceremonies, and gather sacred foods. <https://www.doi.gov/pressreleases/>

CONGRESS

FY2025 Appropriations

On December 21, President Biden signed into law the American Relief Act (H.R. 10545), which included a continuing resolution (CR) to fund federal agencies, mostly at FY24 levels, through March 13, 2025 (P.L. 118-158). The 51-page legislation also provided emergency funding for floods, droughts, and hurricanes, and extended authority for several expiring programs, including provisions related to the 2018 Farm Bill. The House passed the bill on December 20 by a vote of 366-44, and the Senate passed the bill the following day by a vote of 85-11.

Division A amended the September 26 CR, increasing funding for various programs, including: (1) \$625M for the National Oceanic and Atmospheric Administration’s (NOAA) maintenance of the Geostationary Earth Orbit program; and (2) \$1.64B for implementing the Northwestern New Mexico Rural Water Projects Act (P.L. 111-11, section 10609(a)).

Division B includes disaster relief provisions. Title I, Department of Agriculture, includes: (1) \$2B for livestock losses in 2023-24 due to drought, wildfires, and floods; (2) block grants for eligible States and producers for agricultural losses “due to the failure of Mexico to deliver water to the United States in accordance with the 1944 Water Treaty;” and (3) \$920M for the Natural Resources Conservation Service (NRCS) Emergency Watershed Protection Program.

Title II – Department of Commerce, adds \$244M for the National Oceanic and Atmospheric Administration (NOAA) for operations, research and facilities to repairs and replace equipment and provide for other necessary expenses related to natural disasters in 2023-24, as well as another \$499M for related procurement, acquisition and construction of observing assets, real property and equipment. It adds \$300M for fisheries disaster assistance, including for tribal salmon fisheries.

Title IV – Army Corps of Engineers, adds: (1) \$20M for the initiation and completion of high-priority investigation studies; (2) \$700M for authorized project construction, including \$300M “to complete, or initiate and complete, without regard to new start or new investment decision considerations, a useful increment of work for water-related environmental infrastructure assistance in States and insular areas that were impacted by disasters occurring in or prior to calendar year 2024;” and (3) \$745M for flood control and coastal emergencies. Under Title IV, the Bureau of Reclamation received an additional \$74.464M for water and related resources, including \$46.5M to be deposited in the Aging Infrastructure Account (43 U.S.C. 510b(d)(1)). Title VI adds \$29B for the Federal Emergency Management Agency (FEMA) disaster relief funds, and \$1.5B for the New Mexico Hermit’s Peak/Calf Canyon Fire Account.

Title VII – DOI, provides additional emergency funds related to natural disasters for the Bureau of Land Management (\$58M); the Fish and Wildlife Service (\$500M); the National Park Service; and the U.S. Geological Survey (\$2.743M).

Title VII also appropriates \$3B for the EPA State and Tribal Assistance Grants, including: (1) \$1.23B for Clean Water Act State Revolving Funds (SRFs); and (2) \$1.77B for Drinking Water SRFs. The legislation requires at least 30% of the funds be used for “forgiveness of principal, negative interest loans or grants, or any combination of these.” The statute also directs that the funds be “used for eligible projects whose purpose is to reduce flood or fire damage risk and vulnerability or to enhance resiliency to rapid hydrologic change or natural disaster at treatment works....” Further, the statute provides additional funds for States impacted by hurricanes in EPA Regions 3 and 4, with \$85M for Clean Water SRFs, and \$60M for Drinking Water SRFs, with the caveat that 100% of the hurricane-related CWA SRF funds must be used for “forgiveness of principal, grants, negative interest loans, other loan forgiveness, and through buying, refinancing, or restructuring debt or any combination thereof” and may not require matching funds.

Division D, Section 4101, extends authorization for the agricultural provisions of the 2018 Farm Bill through FY2025, with some programs extended through FY2028.

The WESTERN STATES WATER COUNCIL is a government entity of representatives appointed by the Governors of Alaska, Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming.