



# Western States Water

## Addressing Water Needs and Strategies for a Sustainable Future

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### **CONGRESS/WATER RESOURCES**

#### **House Appropriations**

On September 4, the House approved the FY2026 Energy and Water Development appropriations bill by a 214–213 vote. The final measure included the following amendments, along with their sponsors: (1) Kat Cammack (R-FL) added \$2.5M to the Flood Control and Coastal Emergencies account, offset by a reduction in Department of Energy (DOE) administrative funds; (2) Andrea Dexter (D-OR) redirected funding within DOE's Electricity account to support a study on water use by data centers, including local resource impacts and strategies to reduce consumption; (3) Tony Gonzalez (R-TX) shifted \$40M within the Army Corps of Engineers' Civil Construction account to support water and wastewater infrastructure projects in South Texas; (4) Jen Kiggans (R-VA) reallocated funds in the Army Corps of Engineers' Flood Control and Coastal Emergencies program to enhance coastal flood and storm damage reduction; (5) Doug LaMalfa (R-CA) added \$3M to the Army Corps of Engineers' Operation and Maintenance account for Forecast-Informed Reservoir Operations, including at Shasta Dam, offset by Departmental Administration funds; and (6) Doug LaMalfa (R-CA) added \$2M to the Army Corps of Engineers' Construction account for Issue Evaluation Studies, including at Black Butte Dam, also offset by Departmental Administration funds. See WSW #2673.

#### **House Natural Resources**

On September 3, the House Natural Resources, Water Wildlife and Fisheries Subcommittee held a legislative hearing and considered the Defending our Dams Act (H.R. 2073), introduced by Rep. Dan Newhouse (R-WA), which would prohibit the use of federal funds to remove, study the removal of, or functionally alter the four Lower Snake River dams. It would also require joint approval from the Secretary of the Army and the Bonneville Power Administration for any fish spillage operations. The bill is co-sponsored by Rep. Michael Baumgartner (R-WA), Rep. Cliff Bentz (R-OR) and Rep. Russ Fulcher (R-ID).

In her opening statement, Chair Harriett Hageman

(R-WY) noted the bill's connection to the Administration's withdrawal from the Resilient Columbia Basin Agreement. "Many stakeholders believe that this settlement agreement was designed to lay the foundation to breach the Lower Snake River Dams.... This legislation builds on action that President Trump has taken to withdraw from the flawed settlement agreement, and will provide certainty to all of those who benefit from this critical infrastructure across the Pacific Northwest." See WSW #2666. Representing the Department of Interior (DOI), Dustin Sherer highlighted that the dams provide enough electricity to power 750,000 homes, are essential for barge transportation (handling nearly 10% of all U.S. wheat exports), and sustain vital irrigation infrastructure. He also stated that hydroelectric power is a source of CO2-free, 24/7 baseload energy and that it would not be wise to remove such sources.

Ranking Member Val Hoyle (D-OR) acknowledged that dam removal is a complex issue, but expressed "serious concerns" about provisions banning studies to replace or modify the dams. She stated that if the dams are truly irreplaceable, "then we should see the facts to prove it, and we would want the data that would help us effectively manage them." The National Oceanic and Atmospheric Administration expressed concern that requiring joint approval for spill operations would interrupt their operation strategy to improve down-river migration survival of juvenile Endangered Species Act-listed salmonids. Shannon F. Wheeler, Chairman of the Nez Perce Tribal Executive Committee, testified in strong opposition to H.R. 2073, arguing the bill ignores the dire situation of salmon, abrogates the treaty-reserved rights of the Nez Perce and other tribes, and prevents the necessary study of solutions that could restore fish populations while meeting the region's needs.

The Subcommittee also considered the Orland Project Water Management Act (H.R.4970), introduced by Doug LaMalfa (R-CA), which would permit the Bureau of Reclamation to send water from the small Orland Project to its Central Valley Project (CVP), initiated by a request from the Orland Unit Water Users Association. The Secretary of the Interior would be required to ensure the transfer aligns with the purposes of the CVP and does not harm existing water rights. Currently, the Orland

Project is prohibited from transferring its water to CVP contractors except during drought emergencies declared by the governor. Sherer stated “The Department supports H.R. 4970 because it would provide greater local autonomy to move water where it is needed most when the needs of the Orland Project water users have been met.” He described this kind of flexibility as “just good management.”

### **Montana/New Mexico/Indian Water Rights**

On September 4, a bipartisan group of lawmakers wrote a letter urging congressional leaders to prioritize passage of Indian water rights settlements and to extend Customs User Fees through FY 2034 to help offset their costs. The lawmakers emphasized that completing these settlements would save taxpayers millions, provide water access and certainty for Tribal and non-Tribal users across the West, prevent years of costly litigation, and uphold the United States’ trust responsibilities to Tribes. They referenced the 2010 enactment of four Indian water rights settlements under P.L. 111-291, which were financed through a similar extension of Customs User Fees, now set to expire in 2031. According to the Congressional Budget Office, extending these fees through FY 2034 would reduce outlays by approximately \$16.5B, effectively covering the proposed settlements’ costs. The letter was signed by Senators Steve Daines (R-MT), Martin Heinrich (D-NM), Tim Sheehy (R-MT), and Ben Ray Lujan (D-NM), along with Representatives Ryan Zinke (R-MT), Teresa Leger Fernandez (D-NM), Troy Downing (R-MT), Melanie Stansbury (D-NM), and Gabe Vasquez (D-NM).

### **LITIGATION**

#### ***Rio Grande/ Texas v. New Mexico and Colorado***

On August 29, New Mexico, Texas, Colorado and the United States filed a package of settlement agreements with the Special Master in the U.S. Supreme Court case *Texas v. New Mexico and Colorado* (#22O141), and requested a dismissal of the case (Special Report #2616).

Under the agreement, New Mexico is obligated to reduce depletions by 18,200 acre-feet per year (AFY) within ten years by permanently retiring groundwater rights, with a minimum of 9,100 AFY reductions within five years. New Mexico must provide annual reports detailing its progress toward meeting the depletion reduction obligation until it is fully satisfied. The agreement also establishes enforceable hydrologic conditions, which must be reflected in a Lower Rio Grande Water Management Plan (LRG Plan). The LRG Plan must include actions to (1) satisfy the depletion reduction obligation; (2) close the Lower Rio Grande Basin; (3) maintain an Upper Valley Diversion Ratio

(UVDR3) above 0.79; (4) achieve stable or gaining aquifer levels when surface water releases from Caballo Reservoir are above 400,000 AF; and (5) actions to limit present and future depletions from domestic wells.

New Mexico State Engineer Elizabeth Anderson said: “This historic settlement allows New Mexico to maintain control of our water uses and adds flexibility to how we are able to meet our Compact requirements. By working together with the local water users, the other states and the federal government, we have crafted a solution that meets the needs of all the parties.” <https://nmdoj.gov/press-release/new-mexico-texas-rea-ch-settlement-agreements-in-decade-long-rio-grande-water-dispute/>

“This settlement brings an end to more than a decade of costly and contentious litigation and provides a clear path forward for New Mexico,” said New Mexico Attorney General Raul Torrez. “By working together with our neighboring states and the federal government, we have secured an agreement that protects the interests of New Mexico water users while ensuring long-term compliance with the Rio Grande Compact. This is a significant milestone for our communities, our farmers, and for the future of water management in the basin.”

### **WATER RESOURCES**

#### **California/Sites Reservoir**

On August 21, Governor Gavin Newsom announced that the Sites Reservoir infrastructure project is advancing and has received nearly a nearly \$219M funding increase from the California Water Commission. Sites Reservoir will capture water from the Sacramento River during wet seasons for use during drier seasons, holding up to 1.5 million acre-feet of water. Governor Newsom said: “We can’t wait to protect our state from water shortages – there are 40 million Californians depending on us. I am pleased to see the Sites Reservoir project move forward with additional funding, and urge the Legislature to continue to make our state’s water future a priority. Each day that we delay these projects costs our state more money. The Legislature has an opportunity to make history by fast-tracking critical water infrastructure that will ensure we are resilient against droughts and can continue delivering necessary water – a basic human right — to all Californians.”

Reclamation announced public negotiation sessions with the Sites Project Authority on September 23 to establish a Partnership Agreement for the reservoir. <https://www.gov.ca.gov/2025/08/21/governor-newsom-advances-sites-reservoir-project-to-expand-californias-water-storage/>

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