



Policy Resolution 2024-07

Water Resource Management in the West

A. **BACKGROUND**

Water is a crucial resource for communities, industries, habitats, agriculture, and western states. The scarce nature of water in much of the West makes it particularly important to our states. States are the primary authority for allocating, administering, and protecting water resources, and they are responsible for water supply planning and development within their boundaries. States have the ultimate say in the management of their water resources and are best suited to speak to the unique nature of western water law and hydrology. Many communities in the West anticipate challenges in meeting future water demands. Growth and development can only continue upon our recognition of continued state stewardship of our unique resources and corresponding responsibilities. Investment in new and aging water infrastructure creates jobs and a foundation for long-term economic growth in communities throughout the West. Western Governors recognize the strong partnership between states, tribes, and federal water management agencies and hope to continue the tradition of collaboration.

B. **GOVERNORS' POLICY STATEMENT**

1. **State Primacy in Water Management:** As the preeminent authority on water management within their boundaries, states have the right to develop, use, control and distribute the surface water and groundwater resources, acknowledging international treaties and interstate agreements and judicial decrees.

a. **Federal Recognition of State Authority:** The federal government has long recognized the right to use water as determined under the laws of the various states; Western Governors value their partnerships with federal agencies as they operate under this established legal framework.

While the Western Governors acknowledge the important role of federal laws such as the Clean Water Act (CWA), the Endangered Species Act (ESA), and the Safe Drinking Water Act (SDWA), nothing in any act of Congress or Executive Branch regulatory action should be construed as affecting, usurping, or intending to affect or usurp states' primacy over the allocation and administration of their water resources.

Authorization of federal water resources development legislation, proposed federal surplus water rulemakings, and/or storage reallocation studies should recognize natural flows and defer to the states' legal right to allocate, develop, use, control, and distribute such waters, including but not limited to state storage and use requirements.

b. **Managing State Waters:** States and federal agencies should coordinate efforts to avoid, to the extent possible, the listing of water-dependent species under the ESA. When ESA listings cannot be avoided, parties should promote the use of existing tools under state laws to conserve and recover species.

2. **Infrastructure Needs:** The need for new infrastructure, the need to address aging infrastructure for existing water and wastewater facilities, and the need for additional water projects cannot be ignored. Water storage and delivery, wastewater, and stormwater infrastructure investments are essential to our nation's continued insurance of public health and safety, economic prosperity, water quality and environmental protection, and they assist states in meeting federally mandated standards under the CWA, SDWA, and other federal statutes. Western Governors support efforts to maintain and improve existing infrastructure while seeking creative solutions to develop new infrastructure with limited resources. The National Dam Safety State Assistance Grant Program and the Rehabilitation of High Hazard Potential Dams (HHPD) Grant Program are important programs to address dam safety infrastructure to protect the public and water supplies.
- a. **Federal Support for Infrastructure Investment:** Congress should provide adequate support for the CWA and SDWA State Revolving Funds (SRF). Western Governors urge Congress to ensure that SRFs' authorized funding levels are fully appropriated and distributed to states under the program formula. Additional congressionally directed spending and community grants should not diminish resources otherwise made available to states. Further, Congress should support restoration and repair of aging water infrastructure and commit to aiding efforts to address the recurring drought conditions across the West. Congress should fully utilize the receipts accruing to the Reclamation Fund for their intended purpose in the continuing conservation, development, and wise use of western resources to meet western water-related needs, including the construction of Congressionally authorized Bureau of Reclamation rural water projects and facilities that are part of Congressionally authorized Indian water rights settlements.

Congress should authorize federal water resources development legislation on a regular schedule and appropriate sufficient funding from multiple sources so that all projects and studies authorized in such legislation can be completed in a timely manner.

Capital budgeting and asset management principles should be used to determine funding priorities based on long-term sustainability and not annual incremental spending choices. The principles should be accompanied by dedicated sources of funding with appropriate financing, cost-sharing, pricing, and cost recovery policies.

Congress should recognize the potential of greater private investment in water infrastructure, utilizing, where appropriate, such tools as loan guarantees, revolving funds, infrastructure banks and water trust funds.

Western Governors recognize and support the following federal programs:

- The Bureau of Reclamation's WaterSMART Program provides valuable support to states, tribal nations, water and irrigation districts, and local entities to invest in water conservation projects and modern water delivery infrastructure.
- The U.S. Department of Agriculture (USDA) has many voluntary programs that support agricultural producers and rural communities with water use efficiency, water management, flood prevention and recovery, water quality, and ecosystem

restoration. Congress and the Administration should continue to fund and support communities through these programs.

- The U.S. Army Corps of Engineers' Planning Assistance to the States (PAS or "Section 22") Program funds critical work in western states for comprehensive water resources planning.

- b. **Additional Investment Tools:** Federal and state policymakers should consider additional tools to promote investment in water infrastructure and reduce financing costs, including public-private partnerships, bond insurance, risk pooling, and credit enhancements.

Congress should remove state volume caps for private activity bonds used for water and wastewater projects, guarantee tax-exempt status for bonds issued by state or local agencies to finance water infrastructure, guarantee loans, and support and encourage the use of other financing tools.

- c. **Hydropower:** In consultation with affected states, Congress and the Administration should optimize federally owned or licensed hydropower resources by increasing turbine efficiency and investing in conduit hydropower in irrigation canals and wastewater systems consistent with existing water diversions. Congress and the Administration should also authorize and implement federally owned or licensed hydropower projects and programs through efficient permitting processes that: utilize new technology to improve renewable electric generation capacity, promote economic development, are consistent with the needs of native fisheries and riverine processes, safeguard and solidify states' permitting and certification authority, and protect indigenous peoples' rights.
- d. **Infrastructure Planning and Permitting:** Federal infrastructure planning and permitting guidelines, rules and regulations should be coordinated with state permitting processes, and sufficiently flexible to: (1) allow for timely decision-making in the design, financing and construction of needed infrastructure; (2) account for regional differences; (3) balance economic and environmental considerations; and (4) minimize the cost of compliance.

3. **Western States Require Innovative and Integrated Water Management:** Western Governors believe effective solutions to water resource challenges require an integrated approach among states and with federal, tribal, and local partners. Federal investments should assist states in implementing state water plans designed to provide water for municipal, rural, agricultural, industrial and habitat needs, and should offer financial and technical support for development of watershed and river basin water management plans when requested by states.

Integrated water management planning should also account for flood control, water quality protection, and regional water supply systems. Water resource planning must preserve state authority to manage water through policies which recognize state law and financial, environmental, and social values of water to citizens of western states today and in the future.

- a. **Water Transfers:** Western Governors recognize the potential benefits of market-based water transfers, meaning voluntary sales or leases of water rights. The Governors support water transfers that avoid or mitigate damages to agricultural economies and communities without causing injury to other water rights, water quality, and the environment.
 - b. **Energy Development:** Western Governors recommend increased coordination across the energy and water management communities and support ongoing work to assess interactions between energy generation and water availability in the Western Interconnection.
 - c. **Conservation:** Western Governors encourage adoption of strategies to sustain water resources and extend existing water supplies further through water conservation, water reuse and recycling, ground water recharge, desalination, reclamation of brackish waters, reservoir storage, and reductions in per capita water use. The Governors encourage the use of and research into promising domestic, municipal, industrial, produced, and agricultural water conservation strategies and technologies.
 - d. **Local Water Planning:** Western Governors encourage federal agencies and Congress to provide resources such as funding and technical support to states and local water planning groups.
 - e. **Forest Health and Soil Stewardship:** Governors support policies and practices that encourage healthy and resilient forests and soils to improve water availability, water quality, soil moisture, and reduce sediment runoff.
 - f. **Intergovernmental Collaboration and Conflict Resolution:** Western Governors support the settlement of interstate water disputes, Indian and Native Hawaiian water rights claims, and other federal water needs and claims, the settlement of which are in the best interest of western states. Congress and the administration should provide resources when requested to assist in the settlement of these issues.
 - g. **State-Federal Coordination:** Western Governors recognize the important role of federal agencies in water resource management in the western states. Governors appreciate the efforts of federal agencies to coordinate water-related activities, particularly through the Western States Water Council, and support the continuation of these key state-federal partnerships. Federal agencies and Congress should strive to improve state-federal coordination to benefit and not hinder our shared constituents.
- 4. **Cybersecurity:** WGA encourages federal agencies to work with states and provide assistance and guidance on cyber threats to critical water infrastructure. Flexibility should be provided to state plans to address their emerging cybersecurity threats.
 - 5. **Western States Need Reliable Water Resource Information:** Information and data on the status, trends and projections of water resource availability is essential to sound water management.
 - a. **Water Data:** Western Governors support federal programs dedicated to the improvement of data on water use, snowpack, streamflow, soil moisture, groundwater levels, evapotranspiration, and water-related forecasts, including the USDA Natural

Resources Conservation Service's Snow Survey and Water Supply Forecasting Program; the National Oceanic and Atmospheric Administration's weather and hydrology-related data collection, monitoring, and drought information programs, including the National Integrated Drought Information System; the U.S. Geological Survey's Groundwater and Streamflow Information Program, and its five-year surveys of estimated use of water in the United States; and the National Aeronautics and Space Administration's National Land Imaging (Landsat) Program. Western Governors further support federal efforts to coordinate water data gathering and information programs across multiple agencies.

- b. **Extreme Weather Events Planning:** Western Governors recognize the significant effects posed by extreme weather events and variability in water supplies. Western Governors urge Congress and the Administration to work closely with states and other resource managers to improve predictive and adaptive capabilities for extreme weather variability and related impacts. We urge the federal government to prioritize improving the sub-seasonal and seasonal precipitation forecasting capabilities that support water management decision-making.
- c. **Water Data Exchange:** The Western Governors' Association and the Western States Water Council have worked together to create the Water Data Exchange, an online portal that enables states to share their water data with each other, federal agencies, and the public via a common platform. The Governors encourage the use of state water data in planning for both the public and private sectors.

C. GOVERNORS' MANAGEMENT DIRECTIVE

- 1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2027. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <http://www.westgov.org/resolutions> for the most current copy of a resolution and a list of all current WGA policy resolutions.