



# WESTERN STATES WATER

## Addressing water needs and strategies for a sustainable future.

Issue #2698  
May 18, 2026

Chair - Julie Cunningham; Executive Director - J.D. Strong; Editor - Elysse Ostlund Campbell

### **ADMINISTRATION/WATER QUALITY/WATER RIGHTS** **BLM/Grazing Rulemaking**

On May 12, the Bureau of Land Management (BLM) published a notice of a proposed rule, Revision of Regulations for Grazing Administration, Exclusive of Alaska (91 FR 26852).<sup>1</sup> The revisions to 43 CFR Parts 1700 and 4100 are intended to (1) align the regulations with the 2014 Congressional amendments to section 402 of the Federal Land Policy and Management Act (FLPMA) regarding environmental reviews during grazing permit renewals; (2) implement the 2016 Government Accountability Office (GAO) recommendations to better document and deter unauthorized grazing; (3) address court rulings that enjoined implementation of parts of the 1995 Rule (Public Land Council v. Babbitt, 167 F.3d 1287 (10th Cir. 1999)) and the 2006 Rule (Western Watersheds Project v. Kraayenbrink, 620 F.3d 1187 (9th Cir. 2010)); and (4) modernize the regulations to accommodate the need for grazing flexibility and align with best practices. Comments are due by July 13 at [www.regulations.gov](http://www.regulations.gov) docket BLM-2026-0001.

The revisions expand land health standards across all BLM programs, ensuring that all resource uses share the responsibility for maintaining healthy rangelands rather than placing a disproportionate burden on grazing permittees. The rule introduces standardized “rapid landscape-scale condition assessments” to increase efficiency and provides a framework for taking “appropriate action” to address causal factors when land health standards are not met. The existing fundamentals of land health include (1) watersheds in properly functioning physical condition, including maintaining or improving water quality, water quantity, and timing and duration of water flow; (2) ecological processes maintained to support healthy biotic populations and communities; (3) water quality that complies with state water quality standards and achieves BLM objectives such as meeting wildlife needs; and (4) habitats maintained for special status species.

### **Water Quality**

The proposed rule would call for the orderly rescission of existing standards that address water quality, removing water quality from the fundamentals of land health (sections 1700.1 and 4180.1). The proposed rule noted: “...BLM believes that water and air quality are best regulated by the state agencies responsible for enforcing state standards, alongside the Environmental Protection Agency (EPA), as appropriate, while the BLM continues to manage its actions in accordance with those standards under the Clean Water Act.” BLM is specifically soliciting comments on the appropriate scope of land health assessment and evaluation and BLM management to address land health concerns, and (including from state water quality agencies) the proposed adjustments to the fundamentals of land health.

### **Water Rights**

The proposed rule also addresses water rights for livestock grazing in two subparts. Section 4120.3-2, Cooperative range improvement agreements, addresses title to permanent range improvements, subject to existing rights. Paragraph (b) would be revised to explicitly include water rights permitted or authorized under state law as part of those existing rights: “Subject to valid existing rights, including water rights permitted or authorized under state law, title to permanent range improvements such as fences, wells, and pipelines where authorization is granted after August 21, 1995 shall be in the name of the United States. The authorization for all new permanent water developments such as spring developments, wells, reservoirs, stock tanks, and pipelines shall be through cooperative range improvement agreements. A permittee’s interest in contributed funds, labor, and materials will be documented by the Bureau of Land Management to ensure proper credit for the purposes of §§ 4120.3–5 and 4120.3–6(c).”

The second subpart, Section 4120.3-9, Water rights for the purpose of livestock grazing

on public lands, revises the text “to clarify that the provisions of this regulation apply only to stockwater rights acquired on the basis of state law” and does not apply to “Federal reserved water rights, such as water rights reserved by Public Water Reserve 107.” It requires the water rights to be acquired and administered in the name of the United States, to the extent allowed by state law, including through joint ownership agreements if necessary.

It also requires BLM to provide grazing permittees 30 days’ notice before making any changes to a water right’s point of diversion, place of use, or purpose of use: “(b) The Bureau of Land Management will not change the purpose of use, place of use, or place of diversion of a water right acquired, perfected, maintained or administered under paragraph (a) of this section except in accordance with state law. The Bureau of Land Management must give a minimum of 30 days’ notice to any grazing permittees who utilize the subject water for their livestock before making any such change.”

The WSWC and WestFAST previously hosted a series of workshops on state, federal, and livestock owner perspectives of and legal constraints regarding water rights for grazing on federal lands. A 2021 report of those proceedings is available here: <https://westernstateswater.org/wp-content/uploads/2021/06/WSWC-Grazing-Report.pdf>

## **CONGRESS/WATER RESOURCES** **NASA/ FY2027 Appropriations**

On May 13, The House Appropriations Committee approved the FY 2027 Commerce, Justice, Science and Related Agencies Appropriations Act (H.R. 5342) in a 32–28 vote.<sup>2</sup> The bill would provide \$24.4B for the National Aeronautics and Space Administration (NASA), level with FY2026 funding. The bill would implement a \$1.25B cut to the overall science budget, including a \$100M cut to Earth Sciences. The LandsatNext program would receive \$110M.

On April 29, the House Commerce, Justice, and Science Appropriations Subcommittee convened to examine NASA’s FY2027 budget request, with Administrator Jared Isaacman. The FY27 request totaled \$18.8B—a \$5.6B (23%) cut from current enacted levels, as noted by Chairman Rogers (R-KY) in his opening statement. Rogers also noted that an additional \$2B for NASA was included in the reconciliation bill moving through Congress.

Ranking Member Meng (D-NY) noted that the budget cuts the Science Mission Directorate by \$3.4B, nearly 50%, and eliminates or reformulates more than 50 missions. She flagged that NASA provided over \$350M in Earth science research in FY2025, while the FY27 request drops that figure to \$164M. Meng argued that these reductions threaten NASA’s successful scientific partnership with universities. She asked Isaacman directly how the proposed budget ensures a balanced portfolio of missions is maintained, including the smaller and mid-scale mission classes that train early-career researchers.

Isaacman argued that the budget does not represent a retreat from Earth observation. He stated the agency is “not accepting any gaps across Earth sciences.” He argued that commercial satellite companies are now producing Earth-observing satellites rapidly and at lower cost, making it possible to accomplish certain missions through commercial partnerships, freeing NASA resources for missions industry cannot undertake.

## **NOAA/ FY2027 Appropriations**

H.R. 5342 would appropriate \$5.9B for the National Oceanic and Atmospheric Administration (NOAA), and rejects the proposed elimination of the Office of Oceanic and Atmospheric Research (OAR). It would increase funding for OAR’s Weather Laboratories and Cooperative Institutes by 16%, providing \$40M for the National Mesonet Program, \$15M to address radar gaps, \$15M for commercial radar data, and \$5M to use AI for better weather alert dissemination.

On April 29, the House Commerce, Justice, and Science Appropriations Subcommittee convened to review NOAA’s Fiscal Year 2027 budget request, with Administrator Dr. Neil Jacobs. The \$4.54B request represents a cut of roughly \$1.1-\$1.6B from current enacted levels.

Chairman Franklin (R-FL) supported modest increases for the National Weather Service and confirmed with Jacobs that new hurricane hunter aircraft will be delivered on schedule by 2030. Jacobs noted the aircraft also fly atmospheric river missions in the Pacific during the off-season.

Full Committee Chairman Babin (R-TX) questioned the proposal to eliminate research grants supporting streamflow and rainfall modeling, flash flood guidance, and atmospheric-hydrologic coupling. He cited the July 4th flash

floods in Kerr County, Texas as evidence that improving flood warning systems remains a priority, and said he did not believe the budget met the president's own stated expectations for protecting lives and property.

Ranking Member Lofgren (D-CA) criticized the proposed elimination of NOAA's research labs and cooperative institutes. She highlighted a new atmospheric river forecast system—developed with UC San Diego and Colorado State University—that gives water agencies better flood warnings and helps them capture excess rainfall for dry periods.

Rep. Bonamici (D-OR) clarified with Jacobs that were OAR to be eliminated, internal research would be absorbed by other departments but outside research grants would be completely cut. When Rep. Menny (D-TX) asked who would update critical flood map standards going forward, Jacobs pointed to the Cooperative Institute for Research and Operations in Hydrology, housed within the Weather Service.

Whitesides challenged the proposed elimination of the National Integrated Drought Information System (NIDIS), arguing that drought data acts as the ultimate early warning system for predicting fire behavior. Jacobs assured the committee that the Weather Service would continue to collect baseline observations and issue predictions even without NIDIS.

## **WESTERN STATES/WATER RESOURCES** **Western Governors Association**

On May 15, the Western Governors' Association (WGA) provided written testimony to House and Senate leadership on the appropriations and activities of the BLM, U.S. Fish and Wildlife Service (FWS), National Park Service (NPS), U.S. Forest Service (USFS), the EPA, and the Bureau of Indian Affairs (BIA).<sup>3</sup> WGA stressed that a strong, cooperative state-federal partnership is essential to efficient public lands management, and urged the subcommittee to direct agencies to consult meaningfully with states and territories—as required under Executive Order 13132.

The testimony urged Congress to fund active forest management and wildfire resilience efforts while also supporting voluntary, state-coordinated conservation of wildlife migration corridors and habitats. It applauded the passage of the Good Samaritan Remediation of Abandoned Hardrock Mines Act (Pub. L. 118-155)

and called for full funding of the Abandoned Hardrock Mine Reclamation (AHMR) program.

WGA also called for full funding of the U.S. Geological Survey (USGS) Groundwater and Streamflow Information Program: "Data for water management and drought response planning is critical to western states.... The data generated by the program is integral to water supply management decisions of states, utilities, reservoir operators, and farmers. It is also essential for risk management, disaster mitigation, and drought and flood forecasting throughout the West."

WGA urged the subcommittee to fully appropriate and distribute to states EPA's Clean Water and Drinking Water State Revolving Funds (SRFS). "Infrastructure management is another crucial element of water resource management, and federal investments in our nation's aging water and wastewater facilities are essential to our nation's continued economic prosperity and environmental protection.... Congressionally directed spending and community grants should not diminish resources otherwise made available to states."

Finally, WGA defended state primacy over groundwater. They argued that federal regulatory reach "was not intended to, and should not, be applied to the management and control of groundwater resources. They asked for "express and unambiguous language protecting states' authority over groundwater resources in any water-related legislation, as well as clear direction to administrative agencies to respect such authority."

## **WSWC/Colorado River**

On May 13, WSWC joined more than 70 organizations and signed a letter to the Senate Committee on Energy and Natural Resources and the House Committee on Natural Resources, calling on Congress to establish a near-term drought mitigation program with at least \$2B in federal funding.<sup>4</sup> Signatories span Arizona, California, Colorado, New Mexico, Utah, and Wyoming, and Tribal Nations. The requested funding would support programming that builds on the Bureau of Reclamation's existing investments to address urgent water supply risks.

The coalition said that a near-term drought mitigation must extend beyond September 2026. Anything less risks a costly

---

cycle of continuing emergency operations. Funding should be transparent and inclusive of input from Basin states and other stakeholders. “Such investment represents a small fraction of the economic value generated by the Colorado River system and those who rely on it, yet it is critical to protecting that value and avoiding far greater costs associated with system instability.”

The letter urged the establishment of a long-term federal funding mechanism for continued conservation to stabilize the system, advance new technologies, and evaluate and advance additional supply options. “We are committed to being part of the solution. Delivering the scale of efficiency and innovation the Basin needs will require a strong partnership with the federal government, guidance from in-basin stakeholders, and dedicated funding streams that move beyond crisis management into sustained, on-the-ground implementation.”

### WestFAST/Data Centers

On May 7, 2026 a Western States Federal Agency Support Team (WestFAST) webinar featured MaryAnn Dickinson, Policy Director of Land and Water at the Lincoln Institute of Land Policy, presenting on the water and land use challenges posed by data center siting in local communities.<sup>5</sup> Dickinson framed the issue not as one of opposing AI, but of managing its infrastructure responsibly. She explained that hyperscale data centers can consume up to 5 million gallons of water per day for cooling, electricity demand from data centers is projected to reach 130 gigawatts by 2030, and that each 100-word AI prompt uses roughly one water bottle’s worth of water. She emphasized that these decisions are almost always made at the local level, yet land use planning and water policy are rarely well-integrated. The Lincoln Institute is working to give communities better tools, including model zoning ordinances, strategies to avoid water rate shock, and hydrological gap analyses for hotspot states like Arizona and Virginia.

Dickinson highlighted the commonly overlooked risk of data center abandonment. She explained that chip technology evolves rapidly, rendering both chips and their storage racks obsolete within 5–10 year. The cost of retrofitting an entire facility may exceed the cost of

abandonment and building elsewhere. Lincoln is working with a financial risk expert to develop instruments communities require applicants to include, such as insurance policies, derivatives, surety bonds, and structured purpose vehicles. Attendees raised concerns about the indirect water footprint of energy generation, non-disclosure agreements during permitting, and the disconnect between corporate “water positive” pledges and actual local watershed impacts. The Western States Water Council expressed interest in collaborating with Lincoln on state-level guidance, and Dickinson noted she hopes to publish several of these tools and case studies later in 2026.

### REFERENCES

<sup>1</sup> “Revision of Regulations for Grazing Administration, Exclusive of Alaska.” Federal Register. May 12, 2026. <https://www.federalregister.gov/documents/2026/05/12/2026-09387/revision-of-regulations-for-grazing-administration-exclusive-of-alaska>.

<sup>2</sup> “Committee Approves FY27 Commerce, Justice, Science, and Related Agencies Appropriations Act.” House Committee on Appropriations. May 13, 2026. <https://appropriations.house.gov/news/press-releases/committee-approves-fy27-commerce-justice-science-and-related-agencies>.

<sup>3</sup> Western Governors' Association. 2026. “Western Governors Submit Testimony on FY 2027 Appropriations to U.S. House - WGA - Western Governors' Association.” Westgov.org. 2026. <https://westgov.org/policy/correspondence-letter/western-governors-submit-testimony-on-fy-2027-appropriations-to-u.s-house>.

<sup>4</sup> “Colorado River Funding Coalition Letter May 13, 2026,” Westernstateswater.org, 2026, <https://westernstateswater.org/newsletters/2026/colorado-river-funding-coalition-letter-may-13-2026/>.

<sup>5</sup> “WestFAST Webinar: Water Issues and Data Centers with Mary Ann Dickinson.” Westernstateswater.org. 2026. <https://westernstateswater.org/events/westfast-webinar-water-issues-and-data-centers/>.

---

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