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## MEMORANDUM

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**TO:** SAN LUIS & DELTA-MENDOTA WATER AUTHORITY DIRECTORS  
**FROM:** SAMANTHA BARNCASTLE, EXECUTIVE DIRECTOR  
**SUBJECT:** UPDATE REPORT  
**DATE:** DECEMBER 8, 2025

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This memo is intended to keep you apprised as to what is happening regarding policy issues the Family Farm Alliance (Alliance) is engaged in. This month's report covers many of the issues I've tracked over the last month, the Alliance engagement in those matters, and upcoming deadlines and other things to keep an eye on as we end our year.

### GOVERNMENT SHUTDOWN – FINALLY OVER

After 43 days, the longest shutdown in U.S. history ended on November 12 with passage of a bipartisan funding package that restored federal operations and provided critical stability for agriculture and western water interests. The final FY 2026 Agriculture–FDA appropriations bill rejects most proposed cuts and includes \$26.7 billion in discretionary funding—maintaining \$903 million for conservation programs, \$850 million for NRCS working lands assistance, targeted investments in watershed and dam rehabilitation, and roughly \$10 million for irrigation modernization efforts important to western producers. Key agencies such as ARS, NIFA, FSA, and APHIS also received solid support, while some reductions were made to U.S. Department of Agriculture (USDA) climate hubs and urban agriculture programs. The bill extends the 2018 Farm Bill through January 30, 2026, ensuring continuity for commodity programs, crop insurance, Conservation Reserve Program (CRP), and nutrition programs. The agreement reverses shutdown-related layoffs, restores agency operations, and includes several notable provisions—from delaying FDA's food traceability rule to establishing a new USDA rural energy savings pilot. For the Family Farm Alliance, this deal provides needed funding stability for conservation, watershed restoration, and irrigation modernization at a time when western producers face drought, regulatory pressure, and market uncertainty, but there is more work to be done. We will continue to closely track implementation and any lead-up to full Farm Bill reauthorization in 2026, though right now, there is no 'skinny' farm bill expected before Christmas.

# TRUMP 47 ADMINISTRATION

## 1. Administration appointments

More than a month after the Senate confirmed Michael Boren as USDA undersecretary overseeing the Forest Service, he still hasn't assumed the role and remains in a temporary Department of Interior (DOI) position. The uncertainty has caused confusion within the Forest Service, especially as USDA weighs a potential reorganization that could shift parts of the agency to DOI. Despite expectations from lawmakers and stakeholders that he would play a key role in upcoming forest management initiatives, there are no signs Boren has begun his USDA duties, and USDA won't say when he will. Additionally, in Mid-November the Senate Commerce, Science and Transportation Committee activity included a vote on several high-profile nominees, among them Timothy Petty—former DOI assistant secretary for water and science—who pledged to accelerate fishery stock assessments while maintaining scientific integrity. His nomination is expected to move to a floor vote soon.

Meanwhile, the broader nomination landscape remains turbulent: President Trump has withdrawn 57 nominees in his second term—far more than any president in a first year—due to GOP resistance, vetting problems, internal disagreements, and shifting White House direction. The presidential personnel office has tightened background checks in response. Separately, the Administration suffered a blow when the 3rd Circuit Court of Appeals upheld the disqualification of Alina Habba as New Jersey's acting U.S. attorney, underscoring ongoing challenges the administration faces in placing loyalists in top federal legal positions.

## 2. Administration's Expedited Permitting Agenda Moves Forward

### a. Waters of the US (WOTUS)

The Trump Administration has released a sweeping proposal to redefine “Waters of the United States” under the Clean Water Act (CWA), a move that is poised to significantly narrow federal jurisdiction over wetlands and small or intermittent streams. The proposal is intended to align the definition of WOTUS with the Supreme Court's 2023 *Sackett* decision, which requires a “relatively permanent” water connection and a “continuous surface connection” for federal oversight. For Western farmers, ranchers, and irrigation districts, the rule represents a long-awaited shift toward greater clarity, reduced permitting burdens, and meaningful limits on federal overreach—especially for features like ditches, ephemeral drainages, and a variety of other water features that have been the source of uncertainty for years. Republican lawmakers, the Western Caucus, and agricultural groups have praised the rule as a common-sense correction that restores property rights and state authority after more than a decade of regulatory whiplash. Although environmental organizations and some Democrats criticize the proposal as too narrow, removing protections for many wetlands and small streams, the Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps) emphasize that the new approach is grounded in *Sackett* and designed to be clear, durable, and workable for landowners. The proposal is expected to generate substantial comment activity, and likely litigation, but for now it signals a significant pivot toward regulatory certainty for producers across the West. Additionally, some states have already begun ‘beefing up’ their own regulations to account for federal withdrawal of jurisdiction.

Comments regarding the new proposed rule are due January 5, 2026. An extension on the comment deadline of 30-days has been requested by some conservation groups and an association of cities, but it is unclear whether it will be granted. The Alliance team has plans to meet with a variety of groups, including members, partners, EPA’s office of Water and others before finalizing its comments. Those will be coming to you for review over the holidays, so please watch out for them.

#### b. ESA Rulemaking

The Administration has initiated a major overhaul of Endangered Species Act (ESA) regulations, advancing four proposed rules that collectively roll back the Biden-era ESA framework and reinstate key elements of the 2019–2020 rules. Over the past two months, the White House Office of Information and Regulatory Affairs (OIRA) has cleared three coordinated ESA rulemaking packages—addressing species listings, critical habitat designations, interagency consultation procedures, and threatened-species protections. All four rules were formally released by DOI and NOAA on November 19, 2025.

The proposals would restore a more restrictive definition of “foreseeable future,” tighten criteria for listing species or designating unoccupied habitat, and bring back the flexibility to decline critical habitat designations when they are not considered “prudent.” The Administration also proposes eliminating the “blanket rule” for threatened species and replacing it with species-specific 4(d) rules, similar to the long-standing NOAA Fisheries approach. Interagency consultation procedures would revert to the 2019 framework, removing the Biden Administration’s requirements for offsets and broader “effects of the action” standards. Importantly for landowners and project sponsors, the package reintroduces economic and national security considerations in critical habitat exclusion decisions and permits economic information to be included in the public record for listing decisions—though statutory language still requires decisions to be based on the best scientific and commercial data.

Supporters, including Western Caucus leaders, argue that the revisions restore clarity, reduce federal overreach, and align ESA implementation with the recent Supreme Court decision, called *Loper Bright*, regarding limiting agency discretion. Agricultural organizations and public-lands stakeholders are broadly supportive of reforms that improve predictability for grazing, water operations, and infrastructure projects. Environmental groups strongly oppose the package, warning that the proposals weaken protections for at-risk species and could limit recovery efforts on private and public lands.

The Alliance plans to provide comments to these proposed ESA reforms, particularly those that affect water operations, habitat designations tied to irrigation infrastructure, and consultation requirements for Bureau of Reclamation (Reclamation) projects. We will focus our comments on the need for regulatory clarity, science-based decision-making, and workable rules that allow Western irrigators to maintain reliable water supplies while contributing meaningfully to species recovery. A more predictable ESA framework—one that eliminates unnecessary procedural burdens and reduces litigation risk—is essential for advancing water infrastructure investment and long-term operational certainty in the West.

The four proposed rules were published in the Federal Register on November 21, initiating a 30-day comment period closing December 22. Environmental groups and states have begun sounding off regarding the need for more time to comment, but an extension on the deadline to file comments is unlikely. Meanwhile, Congress continues to pursue broader legislative changes to the ESA, and key agency leadership positions—including NOAA’s National Marine Fisheries Service deputy administrator—are moving forward in the Senate.

### **3. DOI Secretarial Order**

DOI Secretary Doug Burgum has issued Secretarial Order 3446, a policy shift giving local irrigation districts and other Reclamation contractors greater authority in managing aspects of federally funded water and power projects. Framed as part of the administration’s effort to “unleash American infrastructure” and cut red tape, the order enables Reclamation to revise contracts so qualified local partners can lead portions of procurement and project management while federal oversight remains in place. The first major test will be the B.F. Sisk Dam raise and San Luis Reservoir expansion in California, where the San Luis & Delta-Mendota Water Authority will take on significant procurement responsibilities. Supporters argue the approach could accelerate timelines and reduce costs, while environmental groups warn the policy lacks clarity—particularly regarding how environmental reviews and other federal safeguards will be handled. The order also directs Reclamation to identify broader opportunities to streamline processes across programs, including cost-share requirements, engineering reviews, and compliance obligations.

### **4. DOI, Bureau of Reclamation: Agency Realignment and Efficiency**

Our Reclamation agency realignment initiative is advancing following the much-anticipated new Secretarial Order, which provides additional guidance for the remainder of our work (detailed below). To operationalize this work, three targeted workgroups have been formed, supported by a Steering Committee to ensure coordination with Reclamation leadership. The groups have focused on clarifying federal vs. non-federal roles under the National Environmental Policy Act (NEPA), broadening opportunities for local implementation of operations and maintenance, and cutting unnecessary oversight delays. The overall aim is to reduce bureaucracy, empower qualified partners, and deliver tangible benefits to water users across the West. Summaries of where two of the workgroups are at are provided below.

### **5. DOI, BLM: Rescission of 2024 Conservation and Landscape Health Rule**

Western lawmakers and a broad coalition of agricultural organizations are urging the DOI to fully rescind the 2024 *Conservation and Landscape Health Rule*, which elevated “conservation leasing” and “intact landscapes” to a primary use of federal lands. Members of the Senate Western Caucus argue that the rule created legal uncertainty, sidelined traditional multiple-use activities like grazing and infrastructure access, and introduced exclusionary land-use practices that undermine rural economies. Major agricultural groups—including Farm Bureau, National Cattlemen’s Beef Association, Public Lands Council, and sheep-industry affiliates—submitted comments supporting rescission, noting that the 2024 framework threatened the stability of federal-lands ranching and conflicted with longstanding statutory obligations under the Federal Land Policy and Management Act. The Administration’s proposal to rescind the rule has completed its public

comment period, and significant political and stakeholder attention continues to shape the debate. And last week, DOI rolled out a new program – one dollar one tree, a public lands initiative – to ‘make Christmas great again’ simultaneously and help with landscape clearing and fire prevention in overcrowded forests.

The Family Farm Alliance filed comments supporting full rescission of the 2024 rule. For our members—particularly ranchers, irrigation districts, and water users operating on or near Bureau of Land Management (BLM) lands—the rule’s expansive focus on non-use “conservation” risked complicating access to federal rangelands, impairing water-infrastructure operations, and creating new uncertainties for water rights and watershed management. We view the proposed rollback as an opportunity to restore multiple-use balance, reduce regulatory friction, and ensure that BLM collaborates closely with the local communities who steward these landscapes. We will continue to monitor this rulemaking and related legislation, including proposals to solidify conservation designations and roadless-area protections, for their potential impacts on western water and agricultural operations.

## **DEVELOPMENTS IN THE 119<sup>TH</sup> CONGRESS**

Congress has returned from an extended recess to an intense, compressed legislative schedule, with leaders racing to complete nine remaining FY 2026 appropriations bills before the Jan. 31 funding deadline. Appropriators remain far apart on key spending levels and policy riders, including in the Interior-Environment and Energy-Water bills—both important to western water, infrastructure and natural resource programs. House and Senate leaders are also trying to clear a backlog of stalled legislation created by the shutdown, including FEMA reform, pipeline safety reauthorization, and a bipartisan highway package. Negotiations continue on the annual National Defense Authorization Act, which is expected to include provisions on nuclear energy, critical minerals, environmental cleanup, and resilience—several of which could intersect with western resource management priorities.

Permitting reform also took center stage this past month with the House markup of the bipartisan SPEED Act, legislation aimed at tightening NEPA deadlines and limiting litigation. Senators are simultaneously working on a broader package that may address transmission buildout and emissions reductions to secure Democratic support. While some Republicans are floating the idea of a second reconciliation bill to advance additional health or tax policies, committee leaders suggest there is little room for further energy or natural-resources legislation through that process, and a bipartisan approach is favored. With compressed timelines, unresolved spending disputes, and a long queue of competing priorities, Congress faces a challenging sprint to advance major bipartisan packages and avoid another shutdown.

### **6. Senate Energy-Water bill**

Senate Republicans released their draft without Democratic support, an uncommon move that signals major obstacles ahead. The dispute largely centers on funding priorities for the Department of Energy, the Corps, and Reclamation. The Senate GOP bill boosts water-infrastructure and fossil-energy spending while cutting clean-energy programs. It proposes a significant funding increase for the Corps, raising its budget to \$9.79 billion, partly to compensate for the loss of earmarks last year and to revive stalled projects, including some previously blocked by the White House. In

contrast, Reclamation would face a 15.5% cut, even as it tackles major drought-related challenges in Western states, further heightening Democratic opposition. In particular, the bill would defund Reclamation's popular Aging Infrastructure Account (AIA) loans by \$200M to help pay for FY 2026 operations. The Account originally was funded by the bipartisan Infrastructure Investment and Jobs Act (IIJA). Senate Democrats sharply criticized the partisan release of the bill, arguing that it undermines negotiation and fails to meet needs in renewable energy and Western water management. The disagreements over Corps funding boosts versus Reclamation cuts underscore the broader struggle to reach a bipartisan spending framework before the January deadline.

We are working with The Ferguson Group to better understand the politics driving this move, and are considering measures intended to alert Western Members of the importance of the AIA to Western water users.

## **7. Congress Kicks the Farm Bill Can Down the Road for Another Year**

House lawmakers voted to extend key farm bill programs for one year as part of the stopgap spending bill that ended the government shutdown, a move Senate Agriculture Chair John Boozman (R-AR) said will give Congress more time to finalize long-delayed updates to farm policy. The extension prevents outdated, decades-old farm law from taking effect in 2026 and provides \$26.7 billion in discretionary USDA funding through September 2026. It continues major programs—including the CRP and federal grain oversight—while other core supports like commodity programs and crop insurance were already extended through 2031 under the GOP *One Big Beautiful Bill* passed in July. The move underscores Congress's ongoing struggle to update the historically bipartisan farm bill, which has become increasingly partisan and complex in recent years.

## **8. Congress on Conservation programs**

Congress has temporarily removed long-standing income and payment caps for the Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP) as part of the latest government funding package, effectively opening these major USDA conservation programs to larger, higher-income farming operations for the first time in over two decades. Supporters argue the change reflects rising production costs and will streamline program administration, while conservation and sustainable agriculture advocates warn it will divert already oversubscribed funding away from small and mid-sized farms that rely most on cost-share assistance. Although the shift is tied to a short-term farm bill extension through September 2026, the long-term policy direction remains unclear, particularly as USDA staffing reductions may incentivize agencies to favor fewer, larger contracts over broader participation.

## **9. Every Drop Counts (H.R. 338) heard in Committee**

The House Natural Resources Subcommittee on Water, Wildlife and Fisheries held a hearing on November 19 that covered several Western water and fisheries bills, with the most significant for our members being H.R. 338, the Every Drop Counts Act. The bill would substantially expand Reclamation's Small Storage Program by raising the project cap to 150,000 acre-feet and explicitly supporting large-scale groundwater recharge, aquifer stabilization, and recovery projects—critical tools for drought resilience across the West. Witnesses highlighted how existing 30,000 acre-foot

limits exclude many modern recharge efforts and how expanded capacity would allow Reclamation to better partner with local agencies. The hearing also covered fisheries bills related to interstate coordination, illegal foreign fishing, and NOAA data challenges, while parallel Senate negotiations continue on a broader permitting package tied to transmission policy and clean-energy safeguards.

The Alliance submitted testimony for this hearing, underscoring the importance of flexible storage and groundwater recharge tools to support Western producers and long-term water reliability, and emphasizing the critical importance of groundwater recharge and small storage projects for stabilizing aquifers, protecting Western agriculture, and ensuring national food security. Rep. Jim Costa (D-CALIFORNIA) at the hearing requested that our written testimony be included in the hearing record.

## **10. SPEED Act to Speed up NEPA reviews**

House Natural Resources Chair Bruce Westerman is advancing the SPEED Act (H.R. 4776), a major permitting-reform bill that would tighten NEPA timelines, reduce litigation exposure, expand categorical exclusions, and allow federal agencies to rely on existing state, tribal, or prior federal environmental reviews. The bill, co-sponsored by blue dog Democrat in his last term, Jared Golden, also incorporates new “permit certainty” provisions that would prevent agencies from rescinding or weakening completed NEPA documents or approved permits without a court order—an issue of particular relevance to long-term water supply planning. While Chairman Westerman has been negotiating with House Democrats to secure bipartisan support, the committee markup revealed ongoing divisions. Only two Democrats ultimately supported the bill, citing concerns within their caucus about recent Administration actions affecting renewable energy projects. Nonetheless, the committee advanced the SPEED Act by a 25–18 vote, positioning it as a key component of broader congressional permitting-reform efforts expected this session. As it heads to the House floor with some support from moderate Democrats, some Republicans have signaled trouble as they believe the bill goes too far to protecting wind and solar projects they would otherwise like to see stall.

From the Alliance perspective, many elements of the SPEED Act reflect long-standing priorities for Western water users, including reducing duplicative reviews, improving coordination among agencies, and limiting litigation-driven delays that affect storage, conveyance, and drought-resilience projects. Members of Congress from Western states repeatedly highlighted the multi-year delays faced by irrigation districts and other water managers, underscoring the need for more predictable and timely federal processes. The bill’s future will depend heavily on negotiations in the Senate, where a broader bipartisan package is still taking shape, but momentum for meaningful permitting reform is accelerating. The Alliance will continue monitoring developments closely to ensure Western water infrastructure remains a central part of the national conversation.

## **11. EXPERTS Act**

Congressional Democrats have reintroduced the EXPERTS Act (H.R. 6145), a sweeping proposal aimed at countering the Trump administration’s aggressive deregulatory agenda and restoring federal agencies’ authority in the rulemaking process. The bill would reinstate the *Chevron*

deference overturned by the Supreme Court in 2024, bar private companies from participating in negotiated rulemaking, create a six-year statute of limitations for regulatory challenges, and establish a new Office of the Public Advocate to strengthen public participation. Sponsored by Rep. Pramila Jayapal in the House and Sen. Elizabeth Warren in the Senate, the legislation has only Democratic support and faces long odds in the Republican-controlled Congress. Supporters argue the bill is essential to ensuring that federal regulations continue to protect public health, safety, and the environment amid efforts by the administration to limit agency authority and expedite deregulation.

## **12. WIFIA Amendments reintroduced**

A bipartisan water infrastructure bill aims to boost drought resilience in the West. The bill, which are amendments to Water Infrastructure Finance and Innovation Act (WIFIA), would expand access to financing and technical assistance—particularly for rural areas—enabling more long-term water supply and irrigation projects. Rep. Dan Newhouse (R-WASHINGTON) highlighted the bill as a major step toward helping local water managers maintain systems and secure reliable water for communities and agriculture. At the national level, EPA announced \$7 billion in new WIFIA funding, including \$6.5 billion for water systems and \$550 million for states, alongside five newly approved low-interest loans for major water projects in Texas, Illinois, Oregon, and Florida. Responding to concerns about slowed loan closings, EPA emphasized that the expanded financing will modernize aging infrastructure, support water reuse and resilience, and create jobs. WIFIA remains popular in Congress because small federal appropriations leverage large amounts of low-cost financing, with utilities benefiting from long-term loans that can cover nearly half of major project costs. The Alliance continues to gather more coalition support for this initiative, and will soon be circulating an updated support letter, similar to the one from last time. More soon!

## **13. Wildfire bills**

Senators Cortez Masto (D-NEVADA) and Barrasso (R-WYOMING) also have dueling wildfire bills. Senator Barrasso's S. 140, the "Wildfire Prevention Act," would establish increased annual goals for forest management including mechanical thinning and prescribed burns. Barrasso sponsored a similar bill with then-Sen. Joe Manchin last year. Senator Cortez Masto's bill, the "Western Wildfire Support Act" (S. 91) is a comprehensive bill to improve federal firefighting, enhance detection (UAVs, satellite data), create funding accounts, expedite recovery, and support firefighter training and equipment. It has received bipartisan support in the past. The Alliance continues to watch all wildfire and watershed planning legislation and will continue to monitor these and other related bills.

## **14. Urban Canal Modernization Act**

Congressman Mike Simpson (R-IDAHO) introduced the Urban Canal Modernization Act. This legislation allows Reclamation to authorize a 35% non-reimbursable cost share to help repair and rehabilitate "urban canals of concern," canals through urban areas that would cause significant property damage or possible loss of life if the canal were to fail. Many western canals, including the New York Canal in Boise, are considered urban canals of concern and need repairs. The Urban



Canal Modernization Act has bipartisan support from Reps. Russ Fulcher (R-IDAHO), Dan Newhouse, and Adam Gray (D-CALIFORNIA). The Alliance formerly supports this legislation.

## **15. PFAS**

EPA is proposing significant changes to the Biden-era PFAS reporting rule under the Toxic Substances Control Act. While EPA maintains the same PFAS definition—covering at least 1,400 chemicals—the Trump administration argues the changes reduce burdens on industry while still collecting essential data. At the same time, EPA is moving ahead with approvals of several PFAS-containing pesticides, drawing criticism from environmental groups. The administration continues to support PFAS limits in drinking water but is also seeking court relief from some standards, creating uncertainty for states, farmers, and water providers. Senate Environment and Public Works Chair Shelley Moore Capito (R-WV) is pushing for permanent PFAS liability protections for “passive receivers” — entities such as water systems, landfills, airports, and farmers who do not produce PFAS but receive contamination through their operations. She suggests modeling the protections on the Brownfields program, which provides liability shields to innocent landowners and small waste generators. Senator Capito and others argue that without a clear federal framework for standards, disposal, and liability, cleanup projects and construction activities are increasingly stalled. Democrats on the committee, including Sen. Sheldon Whitehouse, say they are open to reforms but caution that exemptions must not shift cleanup costs to the public or allow manufacturers to escape responsibility. EPA plans to update PFAS disposal guidance in 2026, but lawmakers stressed the need for clearer and more timely federal direction as PFAS designations under Superfund continue to generate complex legal and financial challenges for water managers.

## **IN THE COURTS**

### **16. PCFFA v Nickels**

As previously reported, on September 5, 2025, the United States Court of Appeals for the Ninth Circuit (9th Cir.) issued its decision in *Pacific Coast Federation of Fishermen’s Associations v. Nickels*, affirming summary judgment for the defendants and holding that the CWA’s irrigation-return-flow exemption applies so long as the return flows do not contain additional point-source discharges from activities unrelated to crop production. In the decision, the court clarified that commingled nonpoint source pollution (such as road runoff, windblown dust, or groundwater seepage) does *not* automatically disqualify the exemption, so long as any added point-source pollutants are tied to crop production. Environmental groups filed a petition asking the full Ninth Circuit Court of Appeals to rehear the case. The Alliance participated in an amicus brief in support of Reclamation, SLDMWA, and other water users. Alliance General Counsel Norm Semanko noted that such *en banc* rehearings are rarely granted—only about 2% of requests succeed—and advised that the next step is to wait for the judges to decide whether to reconsider the case. The request has since been denied, so the environmental groups can now appeal to the U.S. Supreme Court, though the likelihood of review there is even lower, around 1%. And given its recent record, environmental groups may also want to think twice before asking the current Supreme Court to weigh in on an environmental issue!

## **17. Spotted Owl Litigation**

Environmental groups, led by Earthjustice and the Center for Biological Diversity, have sued the Fish and Wildlife Service (FWS) for missing ESA deadlines on final listing decisions for two populations of the California spotted owl. The lawsuit filed just before the Thanksgiving holiday seeks to compel FWS to issue overdue determinations following its 2023 proposal to list Southern California owls as endangered and Sierra Nevada owls as threatened, citing ongoing threats such as wildfire, drought, climate change, and competition from barred owls. FWS has attributed its delays to chronic underfunding and ESA workload constraints but declined to comment on the litigation. We will continue to monitor this case for impacts to any ability to maintain watersheds and forests, which may also impact our ability to manage water in the West.

## **ALLIANCE INITIATIVES**

### **18. AI in the West**

Massive growth in AI-driven data centers is rapidly reshaping the West’s energy and water landscape. A wave of “hyperscale” server farm proposals — including an enormous New Era Energy & Digital complex planned for Lea County, New Mexico — would require unprecedented levels of dedicated electricity generation, in some cases prompting developers to pair data centers with their own natural gas or nuclear facilities. Even today, existing data centers consume huge quantities of power and water; California’s centers alone used over 10 terawatt-hours of electricity and 13 billion gallons of water in 2023. Across the West, utilities report that data center demand could triple statewide loads, delay coal-plant retirements, drive new natural-gas generation, require major transmission expansions, and substantially increase costs for legacy ratepayers.

Data center developments are increasingly targeting Western regions with available land, infrastructure, or agricultural water rights. Utilities and state regulators warn that the West’s grid may not be prepared for the surge in demand, raising reliability and affordability concerns for irrigators. Water use for cooling — even with newer air-cooling systems — remains significant, and proposed facilities often seek access to municipal or agricultural supplies. While some developers advertise “sustainable” concepts, most initial operations would rely heavily on fossil-fuel generation, and environmental impacts remain substantial. As this trend accelerates, the Alliance will need to closely track potential impacts on water availability, energy costs, and regulatory pressures facing Western agriculture.

### **19. Agrivoltaics**

A recent article in the NY Times examined the intersection of agriculture and solar farms. Alaska is testing agrivoltaics—the combined use of land for solar power generation and food production—to address the state’s high costs of both energy and produce. Early research shows that crops can benefit from the partial shade provided by solar panels, which can reduce heat stress and water loss, while the vegetation growing beneath the panels may help keep the panels cooler and more efficient. This dual-purpose approach could improve self-sufficiency and reduce expenses for remote communities that rely heavily on imported goods. Although results so far are promising,

the project remains experimental, and researchers emphasize that more data and evaluation are needed before the model can be widely scaled.

## **WESTERN WATER “HOT SPOTS”**

### **20. Water Outlook Improves: Unpredictable Winter Ahead**

As of December 2025, the NOAA outlook for the Western US shows a mixed picture: ongoing long-term drought in the Southwest, but immediate heavy moisture/flooding risk in the Pacific Northwest from multiple atmospheric rivers, while the general Winter outlook suggests improvement for parts of the NW but persistence or development in the Great Plains, with La Niña conditions potentially bringing cooler, wetter patterns to some areas. The Colorado River Basin remains in severe drought, with low reservoir levels, despite some regional precipitation. Three strong atmospheric rivers are hitting Washington and Oregon (Dec 3-10, 2025), bringing heavy rain and potential flooding/landslides, especially to the Olympic Peninsula and Cascades. Drought is expected to improve in eastern Washington, Oregon, and Northern Idaho. In the Southwest & California, widespread drought persists, with low levels in Lake Mead/Powell, though Water Year 2025 had varied precipitation. Southern California-Nevada saw dry conditions with drought continuation into December. Intermountain West saw warmer temps and lower precipitation in western areas, but eastern parts (CO, NM, WY) saw more rain. La Niña conditions suggest cooler/wetter potential for areas like Montana and parts of Colorado. Look for more on the Water Outlook in our Newsletter coming out later this week!

### **21. Columbia, Snake and Yakima River Basins (ID/OR/MT/WA)**

Water tensions are escalating across Washington as severe, multi-year drought conditions force unprecedented regulatory actions and expose long-standing vulnerabilities in water management. In the Yakima Basin, the state issued its first-ever basin-wide curtailment of surface water for all but the most senior rights holders after reservoirs ran nearly dry—an event not seen at this scale in decades. Farmers have been forced to rip out orchards and vineyards, leave crops unharvested, and watch key irrigation districts struggle with century-old, failing infrastructure. The region’s \$4.5 billion agriculture economy is under significant strain, and both irrigators and tribes are expressing frustration with the state’s slow and incomplete water-rights administration, noting that most watersheds remain overallocated.

Meanwhile, on the west side of the Cascades, the Nooksack Basin has entered a full adjudication process after tribes and environmental groups pressed for action to protect instream flows for salmon. Farmers in Whatcom County—many without fully documented water rights and lacking the storage infrastructure available in Yakima—fear future curtailments and uncertainty as litigation proceeds. Across the state, the message is clear: without modernized infrastructure, clearer water-rights accounting, and long-term investments in storage and resilience, both agriculture and ecosystems face a future defined by deeper shortages and escalating conflict.

### **22. Colorado River Basin (AZ/CA/CO/NE/NM/UT/WY)**

#### **a. Negotiations stall**

Negotiations among the seven Colorado River Basin states passed the federal government’s November 11 deadline without a preliminary agreement, underscoring persistent divisions over how to share an increasingly scarce water supply. While all parties reported “collective progress,” the core dispute remains unchanged: Lower Basin states want all seven to share mandatory cutbacks during dry years, while the Upper Basin states argue they already live within the limits of hydrology and should not be required to take formal reductions. Years of historic drought-driven declines in river flows and reservoirs that remain roughly one-third full have created a system with little buffer and high stakes. DOI will move forward with releasing draft post-2026 operating options in December under the NEPA process and is now giving the states until mid-February to deliver a detailed consensus plan that can be folded into the federal review.

Despite sharp public rhetoric—most notably from Arizona, which has urged stronger federal involvement—state negotiators emphasize that no one has walked away from the table. Tribes, municipalities, irrigation districts, and conservation interests are all pressing for clarity as decisions about reservoir operations, shortage-sharing, and long-term rules will shape the region for decades. With the river operating under hydrology far drier than assumed in the 1922 Compact, the central challenge ahead is determining how to equitably divide a shrinking resource while maintaining reliability for agriculture, communities, and ecosystems. The next three months will be critical, as the basin must translate broad principles into an actionable, durable framework before the federal government finalizes its own plan by summer 2026. Failure to reach consensus could result in federal intervention or potential litigation—outcomes that all seven states say they wish to avoid.

#### b. Drought

Arizona’s Drought Interagency Coordinating Group has recommended continuing the state’s long-standing drought emergency and drought declarations, as hotter and drier conditions are expected to persist into a third decade. NOAA forecasts tied to a mild La Niña indicate below-average winter precipitation and reduced snowpack—critical to reservoir recharge—though early-fall storms somewhat improved soil moisture, offering only a “glimmer” of runoff hope. State and federal hydrologists reported continued short- and long-term drought across most of Arizona, below-normal inflows on the Colorado, Salt, and Verde Rivers, mounting pressure on hydropower production, and worsening wildfire and forest-health risks that further undermine watershed reliability. Maintaining the declarations keeps coordination and preparedness mechanisms in place as the state braces for another challenging water year.

### **23. Klamath River Basin (CALIFORNIA / OREGON)**

Chinook salmon are successfully returning to the Klamath River following dam removals, but some are now entering agricultural irrigation canals that lack long-promised fish screens. Landowners and the Klamath Drainage District are concerned both for fish safety and for avoiding regulatory or liability issues if salmon become stranded. Demand for customized screens far exceeds supply, though Oregon recently secured limited new funding and is partnering with federal agencies on multi-screen projects—some of which will not be in place until 2026.

### **24. California’s Central Valley – NEW Record of Decision!**

Reclamation has finalized a new “Record of Decision” that widens pumping from the Sacramento–San Joaquin River Delta — sending more water to farms in California’s Central Valley by scaling back some environmental protections for endangered fish and authorizing increased water exports in both wet and dry conditions. This move is likely to ease supply for irrigators dependent on the federal Central Valley Project, but could renew tension with state regulators and environmental stakeholders over water management and species impacts.

## **25. Rio Grande Basin (CO/NM)**

New binational studies from WWF, Sustainable Waters, and university researchers present the most comprehensive and concerning assessment to date of the Rio Grande–Bravo basin, finding that over 52% of water use is unsustainable and reliant on rapidly depleted reserves, while snowmelt has already declined 17% since 2000 and could drop another 28%, worsening reservoir shortages and drying long river reaches. These hydrologic stresses have driven major agricultural losses—18% of farmland in Colorado’s headwaters, 36% along New Mexico’s Rio Grande, and nearly half in the Pecos Basin—while Mexico’s irrigation use has increased and both countries face growing difficulty meeting treaty and compact obligations. The studies warn that without rapid, coordinated action, water security for 15 million people, nearly 2 million irrigated acres, and critical ecosystems is at risk, with solutions centered largely on agricultural water management reforms, including crop shifts, dam operations, water-sharing agreements, voluntary fallowing, and land-use changes. Compounding these concerns, new reporting highlights that prolonged drought—the driest 20-year period in 1,200 years—could disrupt migratory bird patterns along the Rio Grande’s Central Flyway, as reduced river flows and changes in irrigation diminish wetlands and flooded fields that currently sustain cranes, geese, and other waterfowl, underscoring the intertwined challenges of agriculture, wildlife habitat, and long-term basin resilience.

## **MISCELLANEOUS**

- Federal decisions to halt national gray wolf recovery planning, combined with ongoing and Sen. Kevin Cramer (R-NORTH DAKOTA) announced that the long-delayed Western Water Cooperative Committee (WWCC) will finally hold its first meeting on December 3–4 in Bismarck, creating a formal forum for western states to coordinate with the Corps on project operations and state water law compliance. The meeting follows years of agency delays despite WRDA 2022 requirements, after sustained pressure from Cramer and other western leaders to launch the committee.

## **ADMINISTRATIVE**

- I had speaking engagements at the Oregon Water Resources Annual Conference (Dec 2-3) in Hood River and at the Washington State Water Resources Association Annual Conference (Dec 3-5) in Spokane.
- Next week I will be attending the Colorado River Water Users Association Annual Conference (Dec 16-18) in Las Vegas (NEVADA) where I will participate in a legal panel

as the voice for irrigated agriculture. The panel, titled Navigating Rapid Policy Changes, will unpack the transformative impact of recent Supreme Court opinions and Federal policies on the nation's cornerstone administrative and natural resource laws and procedures and what it means for water users in the Colorado River Basin. We will move beyond headlines to analyze the practical consequences of the new legal and procedural landscape.

*This is a quick summary of just a few of the issues the Alliance has been engaged in. Please do not hesitate to contact me at 575-202-2705 or [samantha@familyfarmalliance.org](mailto:samantha@familyfarmalliance.org) if you would like further information about what the Alliance is doing to protect water for Western irrigated agriculture.*