

Amigos Bravos • Audubon Southwest • Friend of the Bosque del Apache National Wildlife Refuge • Middle Rio Grande Water Advocates • National Wildlife Federation • New Mexico Wild • Rio Grande Restoration • Rio Grande Waterkeeper • Sierra Club • Think New Mexico • Trout Unlimited • Western Resource Advocates • WildEarth Guardians

July 25, 2022

The Honorable Members of the Legislative Water & Natural Resources Committee

Co-Chair Representative Derrick J. Lente	Senator Crystal R. Diamond
Co-Chair Representative Matthew McQueen	Representative Rebecca Dow
Vice-Chair Senator Liz Stefanics	Representative Candy Spence Ezzell
Representative Gail Armstrong	Senator Ron Griggs
Representative Kay Bounkeua	Senator Carrie Hamblen
Senator Pete Campos	Representative T. Ryan Lane
Senator Joseph Cervantes	Senator Linda M. Lopez
Senator David M. Gallegos	Representative Rod Montoya
Representative Pamilya Herndon	Representative Roger E. Montoya
Representative Susan K. Herrera	Representative Greg Nibert
Senator Stuart Ingle	Senator Gerald Ortiz y Pino
Representative Tara L. Lujan	Senator Shannon D. Pinto
Representative Marian Matthews	Representative William "Bill" R. Rehm
Representative Kristina Ortez	Representative Andrea Romero
Representative Larry R. Scott	Representative G. Andrés Romero
Senator Benny Shendo, Jr.	Representative Patricia Roybal Caballero
Senator Jeff Steinborn	Senator Joshua A. Sanchez
Representative James R.J. Strickler	Representative Debra M. Sariñana
Representative Candie G. Sweetser	Senator Antoinette Sedillo Lopez
Senator Pat Woods	Representative Nathan P. Small
Representative Martin R. Zamora	Senator Mimi Stewart
Representative Jack Chatfield	Senator Peter Wirth

Dear Members of the Water and Natural Resources Committee,

We write to ask for your support and leadership in ensuring sufficient funding of the Strategic Water Reserve and adequate capacity for the Interstate Stream Commission (ISC) to ensure this tool is used to its maximum efficacy.

As you well know, New Mexico is facing unprecedented challenges related to its water resources that are likely to impact water security for the state, our ability to meet the state's obligations under the Rio Grande Compact, the needs of native and imperiled species throughout the state, and the quality of life that waterways bring to all New Mexicans. We have greatly appreciated your work to prepare the state to face these challenges head on.

We believe a key component of the solution to these challenges is adequately funding the Strategic Water Reserve and ensuring dedicated agency capacity to utilize this important tool. **We request your support for an infusion of \$15 million in one-time surplus General Fund monies and a recurring appropriation sufficient to fund two full-time staff persons within the ISC dedicated to the Strategic Water Reserve and related initiatives.**

The Strategic Water Reserve was first proposed in 2003 as an innovative water management tool to keep more water in New Mexico's rivers and to serve as a buffer against both drought and conflict over Compact obligations. The two authorized purposes for the water rights held in the Reserve are to 1) assist the state in complying with interstate stream compacts and court decrees and 2) to benefit threatened or endangered species or to avoid the listing of additional species. Both of these purposes have the potential to prevent expensive litigation that can burden the state.

Unfortunately, since its enactment in 2005 the Strategic Water Reserve has not been adequately funded, and there are currently no ISC staff assigned specifically to Strategic Water Reserve planning and implementation. Despite an initial investment of \$4.8 million, a total of \$4 million appropriated to the Reserve was clawed back to meet other budget needs, forcing water managers to cut off negotiations to acquire water rights in critical stretches of the middle Rio Grande as well as elsewhere across the state. In addition, due to the complexities and nuances of the state budgeting process, the funding that has been provided for the Reserve has not always been available for the length of time required to complete water rights transactions, which are often complicated and time-consuming. The lack of consistent funding and staff time has left the ISC unable to fully utilize this important tool. As climate change impacts continue to threaten the water security of our state, demand continues to grow, and overarching legal structures such as the Rio Grande Compact add additional complications, we believe the time is now to ensure this tool is ready and able to most effectively meet these challenges and ensure a secure and equitable water future for New Mexico.

There is growing legislative support for the Strategic Water Reserve as seen in the 2019 junior bill allocation of \$242,000, the 2020 capital outlay appropriation of \$750,535 and in SB 162 during the 2022 legislative session, which proposed a major infusion of funds in the Strategic Water Reserve and received an outpouring of bipartisan support both from the legislature and from the public in testimony during committee hearings. (Our appreciation to the members of this committee who co-sponsored SB 162 and who provided capital and junior budget monies in recent years.)

Fundamentally, the Strategic Water Reserve is one of a cadre of tools that must be deployed to ensure sustainable and climate resilient water systems that meet the needs of all water users. We hope you will work with your colleagues on the Legislative Finance Committee to include in the 2024 state budget one-time funding of \$15 million for the Strategic Water Reserve and two additional full-time staff persons at the ISC dedicated to maximizing the positive impacts of the Reserve. Thank you for your consideration.

Sincerely,

Steven Fry, Policy & Project Specialist

*Amigos Bravos*

Judy Calman, Policy Director

*Audubon Southwest*

Mary Ruff, Board Chairperson

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*National Wildlife Federation*

Brittany Fallon, Policy Director

*New Mexico Wild*

Steve Harris, Executive Director

*Rio Grande Restoration*

Camilla Feibelman, Executive Director and Dale Doremus, Water Chair

*Sierra Club Rio Grande Chapter*

Kristina G. Fisher, Associate Director

*Think New Mexico*

Dan Roper, Angler Conservation Coordinator

*Trout Unlimited*

Anjali Bean, Senior Policy Analyst

*Western Resource Advocates*

Tricia Snyder, Rio Grande Campaigner and Daniel Timmons, Rio Grande Waterkeeper and Wild Rivers Program Director

*WildEarth Guardians*