

New Mexico's Strategic Water Reserve

REACHING THE RESERVE'S FULL POTENTIAL TO BENEFIT COMMUNITIES & THE ENVIRONMENT



The Challenge

New Mexico is among the driest states in the nation and our water supplies are only becoming more limited. We must invest in water conservation today to prepare for a drier future.

If we fail to act, we will face costly litigation and find ourselves unable to meet the water needs of New Mexico's communities, farms, businesses, and rivers.

The Strategic Water Reserve

In 2005, an overwhelming majority of the New Mexico Legislature voted to create the Strategic Water Reserve to secure the future of the state's water supplies. The Interstate Stream Commission administers the Reserve and may:

- Buy, lease, or accept donated water rights from willing sellers, lessors, or donors for the Reserve
- Use water in the Reserve to comply with interstate river agreements or compacts
- Use water in the Reserve to benefit threatened or endangered species or prevent future listings

The Strategic Water Reserve is an important water management tool that allows New Mexico to incentivize water conservation, prevent water shortages, protect wildlife, and avoid litigation. **However, we must address funding shortages, administrative barriers, and program limitations before we can realize the Reserve's full potential.**



Realizing the Reserve's Potential

The Solutions

New Mexico is the only state in the West without a statewide program to keep water in rivers. Updating the Strategic Water Reserve is an important first step in catching up with our neighbors.

1. Provide consistent long-term funding.

The Reserve is chronically underfunded. From 2005 to 2022, only \$8 million was appropriated for the Reserve. Just half of this money stayed in the Reserve long enough for the state to spend it, as water rights can take years to purchase or lease.

Just as you would not expect someone to sell their car without first receiving payment, we cannot expect families, small businesses, and other water rights holders to sell or lease their water to the Reserve without guaranteed compensation.

We must ensure that the Reserve has dependable long-term funding so that water rights sellers or lessors can rest assured that they will be paid for their water.

The consequence of coming up short in funding was brought to light last year when a closing dairy in Socorro wanted to sell its water rights to the Reserve. This water would have flowed through the Bosque del Apache, providing critical habitat to migratory birds and supporting local tourism. It also would have helped the state meet its obligations under interstate water agreements. Unfortunately, New Mexico lost out when the seller understandably moved on to another buyer because the state did not have sufficient funding in-hand to purchase the water.

2. Reduce the administrative burden on willing sellers and lessors.

It is currently easier for water rights holders to sell their water to the oil and gas industry, a golf course, or a cannabis grower than it is to sell to the Strategic Water Reserve. We must streamline the transaction process so that the Reserve is competitive with other potential buyers.

3. Allow the Reserve to provide additional benefits to the environment and recreation.

The Reserve is currently limited to providing water for federally listed threatened or endangered species, preventing new species listings, and maintaining compliance with interstate river agreements. Allowing the Reserve to be used more broadly would enable the acquisition of water to protect river health, water quality, recreational flows, and state listed species.

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