

*Diane Denish is the first woman to be elected Lt. Governor in New Mexico. A lifelong New Mexican, Diane was raised in Hobbs and has lived throughout the state. She is the former chair of the Democratic Party of New Mexico and for twelve years owned a successful small business. Named one of the Top 100 New Mexicans in honor of her community leadership, Diane has served as Chair of New Mexico First, New Mexico Community Foundation, the state's Commission on the Status of Women, and the New Mexico Tech Board of Regents. The National Kidney Foundation, the YWCA, and the Albuquerque Arts Alliance have honored her for her achievements in public service. She was honored by the American Academy of Pediatrics as 2004's Child Health Advocate. During her time in office she has fought to improve education, increase access to health care, crack down on criminals who endanger children, and create more economic opportunities for New Mexicans – especially those living in rural areas. As chair of the Children's Cabinet, her accomplishments for children include the passage of the Pre-Kindergarten Act and the first-born home-visiting program.*



## WHAT HAPPENS AFTER “THE YEAR OF WATER”?

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I am really pleased to be here. Before I even say anything, I want to introduce my chief of staff, Judith Espinoza, who is here. She is going to be leaving my office soon, but I just want to give her a lot of credit for the kind of institutional history she has brought and her vast knowledge of water issues and working with the State Engineer and Environment Department about various water issues in New Mexico. I am sure many of you know Judith, but it has been a pleasure for me to have her in my office and to have her policy expertise and the resource that she has brought to many of you. She has also used many of you as our resources when we are thinking about water policy in New Mexico. Thank you, Judith. I appreciate it.

We do not need to look much farther than the ruins at Chaco Canyon, where I just spent a day about a week ago, to know how zealously we have to guard what is the very best about our state and how delicately we have to treat this land of desert and mountains around us. We are nearing the end of “The Year of Water” in New Mexico. In 2007, Governor Richardson worked hard to put some focus on water issues in New Mexico. I believe that especially the focus on the finances for water needs has helped us accomplish a lot. In spite of just having a year of water, we know that water is going to continue to be an issue for all of us because frankly, as you all know better than

anybody, we have a fixed amount of water, like many other places. Our population continues to grow and grow and grow. On top of this, we have the continued climate change, something that is now kind of the buzz word, global warming. We know through science that climate change is real and that the consequences for all of us are here to stay. The consequences for generations to come are something that we can do something about maybe in a limited way, but we can do something about them.

Increasing desert climates and deforestation continue to expand all over the world, while at the same time the polar ice is melting. I am personally very

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grateful for what science has done and what the public arena has done to bring that to attention. As we think about it, it is not only affecting water policy, it is affecting all kinds of policy that is being made today to see what

kind of carbon footprint is being made. I think the consensus is that the world is getting warmer, and that means change is coming. It is something that we have to deal with in the southwestern states. It could mean less snow and less snowpack and more intense rains but for shorter periods of time. For us, that is something we have to be thinking about. As we recognize our regional water needs throughout the U.S., I think what the governor and I have tried to do, at least to begin doing, is to work hard to focus our policies and resources of the state on water issues. We don't want it to just be "The Year of Water." We did accomplish a few things, and I would like to mention some of the things that happened during "The Year of Water" that are important to all of us.

We worked hard on meeting water infrastructure needs in 2007. We appropriated about \$60 million for water infrastructure projects, including \$12 million for the lateral pipeline to bring fresh water to communities between Bernalillo and Farmington, \$20 million for drinking water and wastewater projects in communities throughout New Mexico, \$16 million for the acequia infrastructure projects to ensure small farmers continue

to be able to support their families through the land, \$10 million for the Strategic Water Reserve to expand the fund for future water security, and we increased funding for the Water Innovation Fund. The Water Innovation Fund has been one way we think we can look to the future and spur innovative techniques for both conserving and desalinating and all kinds of things that we know we need to do. We must recognize that what we need to do is to continue to build a sustainable environment for our families, and that includes allocating money for the infrastructure needs. We need to act now, and that is important.

Let's talk a little bit about other things that we accomplished. We worked hard to clarify and protect water rights for New Mexicans. We have a lot of work to do on Indian water rights. Over the last few years, the administration has tried to move to address some very old water rights problems by negotiating settlements with the Indian water rights claims. We have now signed settlements, gratefully, with the pueblos of Nambe, Pojoaque, Tesuque, Taos, and San Ildefonso as well as with the Navajo Nation. I think that is an incredible feat. Those government to government relationships have become very, very important as we think about the future of water and water rights in New Mexico. Although all of those settlements have not been approved by the federal government, we chose to demonstrate what I call the state's commitment to solving the claims in a mutually beneficial manner and we allocated \$10 million to the water rights settlement fund last year. It is just a show of fiscal responsibility, and I think it has greatly influenced Washington on the seriousness of our commitment as a state to finally settle many of these water rights claims.

One of the keys to good water management as many of you in this audience know even better than any of us is to know what you have and who has the rights to use it. I remember when I first got into politics, there were times when I thought—and I still think this from time to time—that we have a lot more water rights allocated than what we actually have water. That seemed a little scary to me as somebody looking to the future. We all know that water rights in New Mexico have a very storied history, and the key objective of our administration has been to protect the state's water rights as we move through our administration. It is a complicated but necessary method for ensuring that everyone's rights are protected—adjudication. None of us like to talk about it, but we currently have 12

water rights adjudications pending in the court affecting 65,000 property owners statewide. It takes up a lot of the judicial court time. That is not counting the Middle Rio Grande area where it is estimated that there are about 180,000 people who would be affected by some of these water rights. We have not yet begun the process of adjudicating the Middle Rio Grande region. That, frankly, gives people the chills when we start thinking about adjudicating those Middle Rio Grande water rights, not the least of which is someone like me when I start hearing about it as I travel around the state.

We know it is a difficult, onerous task for all of us, but I think the collaborative discussion has to continue among legislators, the courts, all of the stakeholders, the administration, the pueblos, and the tribal entities to see if in fact we can reach some consensus and a better way to do these adjudications.

We have also put into place processes for water rights owners to help facilitate the use of their water or if they desire the voluntary transfer of their water from one purpose to another. We have tried to make sure that we are accounting for and protecting the water that we already have.

We put a lot of the water research and investment into watershed protection and river restoration in New Mexico. This year, the New Mexico government stepped up and allocated \$2.5 million to fund projects to restore rivers in New Mexico and the riparian ecosystems statewide. I think that is a huge step forward to have that recognition. Removing invasive salt cedar plants and other invasive plants is not done simply for nostalgia about how the river used to be. We know that those kinds of plants make water move faster through the channels, making it impossible to nurture the ecosystem surrounding it. In contrast, if we can nurture the systems as they should be with our native plants, they can create that sponge-like environment that traps and holds the water so that we do not become so desert like. I had the chance to explore the Gila project and some other projects in New Mexico to see what it means when you try to restore the natural flow of the river and what happens to the ecosystem. I think \$2.5 million is the first in what I hope will be a continuing state program to sustain and restore rivers as they should be. I want to mention that Gila River project simply because I have a little house down in Hillsboro. As I go over those mountains to Silver City and have the chance to explore what happens in the environment, the Gila River has become

one of those environments and places that I have kept my eye on.

Wastewater handling is another area in which we need to play a role. We need to use technology and wastewater as much as we can because we know we need to conserve and reuse water. I don't know if any of you saw the most recent article in the New York Times about “from the toilet to the tap.” Did anyone see that article? It was about recycling sewer water to become drinking water.

That is something to look forward to. In the past, the cost effectiveness of cleaning up wastewater was too great for any of us to consider, but as the value of water rises, as it becomes like the new gold, more people need

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the water that we have, and people are bidding on water rights around here, technology will become not only a possibility but an effective way to conserve and protect New Mexico's water supply. I have been grateful for all the people I have been able to talk to about the Water Innovation Fund and the ways that the fund can help not only to advance that technology but to improve that technology.

The people in Cloudcroft who have had a serious water issue over the last few years have already realized how important treating wastewater is, and they are getting ready to build a state-of-the-art treatment plant that will purify their water to the point that it can be returned to the municipal water supply. I think every community in New Mexico needs to be thinking about that. I like to say that in many ways in New Mexico, in all areas, we have been investing in innovation. I do not think there is any area as much needed as water innovation and water technology. We need to be investing in that innovation for the future of conserving and purifying water so that we can continue to have an adequate water supply.

We need to try to grow our water supply. Now how are we going to do that? Every time it rains, I take a little credit for it, because that is what you do in politics. If it rains or we get a high snowpack, we take credit because it is something we did. That's just the way it is. There is not much that we can do to grow our water supply except to think about growing well in New Mexico—how we plan for the influx of the population, how we plan developments, how we plan

infrastructure, how we make sure that we have the most up-to-date sewer and water lines that are in good repair and don't leak. While we can't actually grow

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the amount of water, we can think about how we grow in New Mexico. I think we are all committed to doing that. As we look at people who come to New

Mexico, we have two new enormous developments just in Albuquerque, Mesa del Sol and the SunCal development on the west side, which are going to result in hundreds of thousands of homes added to the community. We need to hold developers accountable for how they develop the areas, how they have not only energy efficient, but water efficient residences, and what the requirements are for building the houses so that they use an efficient amount of water, that they have efficient toilets, dishwashers, washing machines, and so on.

That brings us to individual accountability. We still need a long-term media message to individuals and families about what water conservation really is and how an individual can play a role in that. I think, like anything we do in this country, long-term sustained media messages educate people, whether it is about the use of tobacco, the use of drugs, or water conservation. Over a long period of time, it will have an impact on our children and their families.

We've got some other options. We've got desalination, pumping brackish water from the ground and cleaning it for municipal use. I come from an area of the state where there is a lot of brackish groundwater and that is down in southeastern New Mexico. Sandoval County and Alamogordo are both looking very seriously at the desalination approach and making sure that that happens. Like I said, that new option "from the toilet to the tap," cleaning up the sewer water, either for irrigation or in some cases drinking water, is going to become a very practical thing to do not just in New Mexico but in this country. There is a little note on here that says "Yuck!", and maybe we think of it that way, but I think in the future as technology improves we will have to do that.

Last of all, where some of us come in is to establish a comprehensive and coordinated strategy for dealing with water in New Mexico. Our administration has

been one of the first ones to develop a state water plan. I am committed to ensuring that we continue to do that. We have to continue to work with our regional water plans because they are comprehensive. Many of them have been very insightful and have brought great ideas to the state. Just in November, Governor Richardson appointed, by executive order, a water cabinet to try to unify and coordinate the direction of all executive agencies that have any responsibility for dealing with our state water resources because we know that there are pockets of responsibilities out there that do need to be coordinated.

What we know is that we have to keep working at it. We have to work together. I like to say that no big problem that we have in New Mexico can be solved without everybody taking responsibility for some portion of the solution. It happens in healthcare, it happens in education, and it is happening in water. Communities, municipalities, the federal government, the state government, individuals, businesses—everybody has to be thinking about what their role is in conserving and preserving water resources in New Mexico.

We believe so much about what we love here is precious about the environment. Our water supply, we know, is limited and precious. Like many other states in the West, we are going to be fighting about water and where we get it. We know that it is time to be smart and to work hard and to work together to get the most out of what we actually have here, in this wonderful place that we call the Land of Enchantment. I would say to you that as we bring this "Year of Water" to a close that I hope we have taken some baby steps in thinking about what we have to do with the future. It is my very strong belief that the "Century of Water" is really just beginning in New Mexico.

**Question:** Is the water cabinet in place today?

**Denish:** The water cabinet is in place today. Judy probably knows about it; it has representatives from the Environment Department and the Office of the State Engineer. John D'Antonio probably knows better than I do who is on the water cabinet, but it is in place today.

**Question:** The regional plan is really important, but we are having trouble getting funding for the regional plans.

**Denish:** I think what we need to do as we look at our water cabinet is think about the funding mechanism for the regional plans so that the regional plans can

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feed into the state water plan. I know it is difficult because there are not that many resources for planning, but I do think it is part of the overall infrastructure to have a long-term strategic plan.

**Question:** What do you see as the most relevant water-related issue for the 2008 legislative session?

**Denish:** The big push in this upcoming legislative session is going to be on healthcare. We are going to think about universal health coverage. The funding issues, primarily the water issues, will be related to funding and continuing the Strategic Water Fund, the Water Innovation Fund, and the Infrastructure Fund. John may know if he has some legislative issues that are coming up, but the governor has agreed to keep the legislative call very narrow this year, because he might not be in town that much. We’ve got a very narrow call in place right now. Unless it rises to kind of a sense of urgency, I think that that call will stay fairly narrow.

Again, I want to say thank you. I do want to say to all of you that I hope your holiday season is one of happiness and your new year, 2008, is one of great prosperity and that you will share with me, as I know all of us do, the hope for peace in the world. Thank you.