



STATE WATER
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Press Release

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Governor Vetoes State Water Contractor-Sponsored Subsidence Bill

SB 872 created a pathway to funding for critical water infrastructure projects

Sacramento, CA — On September 27, 2026, [Governor Newsom vetoed Senate Bill 872 \(McNerney\)](#). The bill, co-sponsored by the State Water Contractors and supported by over 60 organizations, including environmental groups, labor, builders and business interests, would have established the Delta Levees and Canal Subsidence Fund to support critical levee and canal subsidence projects.

SB 872 was unanimously passed by the California Senate and Assembly before making its way to the Governor's desk.

Statement from Jennifer Pierre, General Manager of the State Water Contractors:

"We are disappointed by Governor Newsom's veto of SB 872, a bipartisan bill with unanimous support from the legislature that would have helped address critical Delta levee and State Water Project (SWP) subsidence repair.

"While the \$68 million allocated from Prop 4 for SWP aqueduct repairs caused by subsidence is greatly appreciated and much-needed, this is just a fraction of the funding necessary – in the billions of dollars – to fully repair this vital backbone infrastructure. SB

872 would have provided a critical conduit for that funding.

“Canal subsidence remains one of the greatest threats to California's water infrastructure and the overall reliability of the SWP, which delivers water to 27 million Californians and 750,000 acres of farmland. SB 872 would have established a pathway to program funding for necessary improvements that ensure the SWP is climate resilient, can move water when it's wet for use when it's dry, and remains an affordable source of clean water. Without this pathway, the costs of repairing damage caused by subsidence fall on the 27 million Californians who rely on the SWP, resulting in increased water costs and reduced water reliability.

“We thank Senator McNerney and the broad coalition of supporters who championed this legislation. Californians deserve affordable, reliable water and delaying investments that protect its delivery only shift greater costs onto the people who depend on it. The State Water Contractors remain committed to advancing solutions that strengthen California's water infrastructure and ensure reliable water supplies for our communities.”

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The State Water Contractors is a statewide, non-profit association of 27 public agencies from Northern, Central and Southern California that purchase water under contract from the California State Water Project. Collectively, the State Water Contractors deliver water to more than 27 million residents throughout the state and more than 750,000 acres of agricultural land. For more information on the State Water Contractors, please visit www.swc.org.

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