

The logo for the National Ground Water Association (NGWA) is displayed in a bold, blue, sans-serif font. The letters 'N', 'G', and 'W' are significantly larger than the 'A'. The background of the entire page is a faded, light blue image of a classical building with a large dome and columns, with an American flag on a tall pole to the left.

NGWA

FLY-IN PACKET

March 24-25, 2026



NATIONAL GROUND WATER ASSOCIATION SMART WATER POLICIES 2026: LEGISLATIVE PRIORITIES

About The National Ground Water Association

NGWA is the leading trade association and professional society representing the groundwater industry of over 100,000 employees. We are committed to the management, protection, and use of groundwater resources. Our industry of water well contractors, scientists and engineers, manufacturers, and suppliers are actively working to provide safe and clean water to communities across the country. We thank you for meeting with us during our Fly-In to discuss the issues in this packet, if you have additional questions- please reach out to NGWA Government Affairs Manager, Ben Frech, at bfrech@ngwa.org.

For more information on our policy priorities and for a digital copy of this policy packet please visit: www.smartwaterpolicies.com

FACTS:

44% of Americans depend on groundwater from private and public sources

53 billion Gallons of groundwater used daily for irrigation

2,854 locations in the U.S. contaminated with PFAS

The United States currently leads the world in data center development by a significant margin, with more than 5,400 data centers as of November 2025

NGWA recently released their position paper: **Data Centers and Groundwater Resources**

Policy Agenda

National Ground Water Association: Fly-In March 25th, 2026

Funding Priorities (FY2027) At a Glance

SRFs	\$3.25B each for Clean Water & Drinking Water — with emphasis on rural water systems, community systems, and technical assistance
USGS Ground Water Monitoring	\$2M annually — critical as drought and data center growth increase monitoring demands
USDA/EPA Rural Water	\$20M (USDA Decentralized Systems) + \$3M (EPA Private Wells Technical Assistance)
Managed Aquifer Recharge (MAR)	\$700K for USACE MAR Policy Advisory Group (authorized WRDA 2022; initial funding in FY2026)

Policy Issues & Recommendations

Geothermal

- Geothermal deployment is growing and a significant driver of employment in the groundwater industry, though residential tax credits were sunset and commercial credits are set to phase out.

FY2027 RECOMMENDATIONS

- Maintain full value of geothermal commercial tax credits (no phase-down)
 - Support tax extenders/reconciliation legislation preserving commercial eligibility and reinstating residential credits
 - Direct Treasury to establish a geothermal Safe Harbor Table for Geothermal Technology
-

PFAS

- Federal PFAS funding (over \$9B) is largely limited to larger public systems, leaving private well users and many small/rural systems underserved.
- New standards are increasing compliance costs without matching federal support.

FY2027 RECOMMENDATIONS

- Increase EPA Emerging Contaminants funding, prioritizing small and rural systems
 - Support the **Healthy H2O Act** and increase SRF Funding in 2027
-

National Ground Water Monitoring Network

- Groundwater supplies ~40% of U.S. drinking water, yet monitoring funding continues to decline.
- Data gaps limit response to drought, contamination, and aquifer depletion — becoming more critical as demand increases from drought, long-term supply challenges, and expanding data center development.

FY2027 RECOMMENDATIONS

-
- Provide **\$2M annually** for USGS National Ground Water Monitoring Network agreements and program operations
-

Workforce Development

- The groundwater industry faces a significant labor shortage, with more than 100,000 workers needed in the coming decade.

FY2027 RECOMMENDATIONS

- Establish a dedicated groundwater workforce funding carveout within DOL and DOE programs to support expanding needs within the groundwater industry.
 - Support training, apprenticeship, and career pathway programs with tax credits and incentives for businesses.
-

Farm Bill

- Continued delays in passing a full Farm Bill create uncertainty for conservation and groundwater-dependent agriculture.
- Agriculture remains the largest user of groundwater, making these programs essential for long-term sustainability.

POLICY RECOMMENDATION

- Pass a full **Farm Bill** with:
 - Provisions supporting MAR, groundwater sustainability, and rural/private well systems
-

Data Centers & Groundwater

- NGWA has developed the included position paper on the rapid growth of data centers and associated groundwater impacts.
- Paper was developed by a task force of groundwater contractors, groundwater scientists, engineers, manufacturers, suppliers, and academics.
- This resource is intended to guide policymakers and inform future legislation to ensure sustainable water management as data center development demand increases.



Data Centers and Groundwater Resources

Position Statement

The position of the National Ground Water Association (NGWA) is that data center development must protect groundwater quality and quantity, be transparent in water and energy use, and incorporate best available technologies to minimize or eliminate consumptive water use while supporting reliable and sustainable infrastructure growth.

Issue Overview

Data centers are a fundamental part of modern life and national security. Artificial intelligence and cloud computing are expected to advance and expand. Data centers have significant power demands, and many rely on water for cooling, often using large quantities of groundwater. As power and groundwater are finite, data center development must consider infrastructure needs and best available science and engineering practices to limit the consumptive use of groundwater and impacts to the environment.

Groundwater Protection Principles

NGWA supports data center development that embraces the best available technologies to improve efficiency and minimize or eliminate consumptive groundwater use. Development should include monitoring of water withdrawals and other potential impacts to groundwater and surface water quality and quantity, while respecting the existing water users in the region and maintaining or improving existing environmental conditions. These developments will be site-specific with each location requiring study to evaluate the resources available and the potential capacity of the environment to assimilate the demands placed on it. Proper research and design practices must be engaged to ensure resiliency through the cumulative effects of groundwater withdrawal and other potential impacts, as well as the potential effects of drought and a changing climate on the assimilation capacity of the environment.

Transparency in Water and Energy Use

NGWA believes transparency is essential to responsible data center development and community trust. At a minimum, data center operators should clearly disclose:

- Sources of water used (groundwater, surface water, reclaimed water)
- Annual and peak water withdrawal and discharge volumes
- Consumptive versus non-consumptive use
- Relationship between cooling systems, energy demand, and water use.

Transparency should occur during planning, permitting, and ongoing operation.



Minimum Planning and Reporting Criteria

Few regulations exist to manage new data center impacts on sometimes limited water resources. These resources need to be protected and sustained for all locally designated beneficial uses. Development of data centers generally fall under local agency (city and county) land use planning authorities that may not be prepared to manage these new demands on local resources. NGWA recommends that data centers proposing the use of groundwater integrate a data-center-specific hydrogeologic assessment into planning efforts that provides at a minimum:

- Planned data center water uses
- Information on the proposed source and its resiliency
- Information on the proposed receiving water body or aquifer, its quality, and the volume and rate of discharge
- Identify and evaluate potential impacts to nearby users and resources and appropriate monitoring procedures.

Geothermal Systems

The NGWA has identified several geothermal heat exchange systems that can either reduce or eliminate water use for conditioning data centers. Through the institution of proper site research and design methodology, geothermal technologies such as conventional closed-loop geothermal, pump and injection systems, and submerged closed-loop heat exchangers are scalable solutions that can satisfy a wide range of data center cooling needs.

Leveraging the commercial geothermal tax credits that are already in place, this technology can provide shovel-ready solutions to reduce water use and power consumption. We recommend that robust efforts be made to improve research, development, training, and implementation. It is critical that geologists, hydrogeologists, engineers, and water well contractors have access to cutting-edge research and training to further improve the viability of these solutions.

Conclusions

Data centers represent critical infrastructure, and their continued growth must be planned and managed in a manner that protects groundwater resources that are relied upon by communities and ecosystems. As the number and scale of data centers expand and concentrate in many regions, the potential for cumulative groundwater impacts increases. NGWA affirms that groundwater protection, transparency in water use, and early, science-based planning are essential components of responsible data center development.

NGWA urges policymakers, regulators, and data center developers to incorporate groundwater sustainability into siting, permitting, and operational decisions. This includes clear disclosure of water sources and use, application of minimum planning criteria, potential impacts to receiving water bodies, and prioritization of best available technologies that reduce groundwater withdrawals. NGWA strongly supports the evaluation and use of geothermal systems and other low water use solutions as scalable approaches that can significantly reduce or eliminate consumptive water use. Aligning data center growth with long-term groundwater protection is not only achievable—it is necessary to ensure the responsible use of groundwater resources now and in the future.

Contact

National Ground Water Association
601 Dempsey Road
Westerville, OH 43081
(800) 551-7379
government@ngwa.org

Dates

Originally adopted by the NGWA Board of Directors on February 20, 2026
©2026, National Ground Water Association, Westerville, Ohio

The National Ground Water Association is a not-for-profit professional society and trade association for the global groundwater industry. Our members around the world include leading public and private sector groundwater scientists, engineers, water well system professionals, manufacturers, and suppliers of groundwater-related products and services. The Association's vision is to be the leading groundwater association advocating for responsible development, management, and use of water.



Address 601 Dempsey Road, Westerville, Ohio 43081-8978 U.S.A.
Phone (800) 551-7379 • (614) 898-7791 **Fax** (614) 898-7786
Email ngwa@ngwa.org **Websites** NGWA.org and WellOwner.org