USDA Announces $280 Million Grant Agreement to Support Rio Grande Valley Agricultural Producers Amid Severe Water Shortages

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McALLEN, Texas, March 19, 2025 - U.S. Secretary of Agriculture Brooke Rollins today announced a $280 million grant agreement between the U.S. Department of Agriculture (USDA) and the Texas Department of Agriculture (TDA) to provide critical economic relief to eligible Rio Grande Valley farmers and producers suffering from Mexico's ongoing failure to meet its water delivery obligations under the 1944 Water Treaty. Secretary Rollins announced this grant agreement today in McAllen, Texas alongside U.S. Senator Ted Cruz and U.S. Representative Monica De La Cruz (TX-15).

"Farmers and ranchers in the Rio Grande Valley have worked for generations to feed communities across Texas, the U.S., and beyond," **said Secretary Rollins**. "A lack of water has already ended sugarcane production in the Valley and is putting the future of citrus, cotton, and other crops at risk. Through this grant, USDA is expediting much-needed economic relief while we continue working with federal, state, and local leadership to push for long-term solutions that protect Texas producers."

"The Texas agriculture community helps feed, clothe, and fuel our entire country, and it is critical that they have the help and resources they need to keep their industry thriving," **said Senator Cornyn**. "Today's announcement of more than $280 million in emergency assistance is great news for South Texans, many of whom have been greatly impacted by Mexico's failure to deliver water under the 1944 Water Treaty. I was proud to help lead the fight to secure this important funding alongside Senator Cruz, Congresswoman De La Cruz, and Senate Ag Committee Chairman Boozman, who joined me in the Rio Grande Valley last year to hear firsthand from farmers about the challenges they are facing. I will continue advocating for the needs of Texas farmers and ranchers in Washington, and with the help of the Trump administration, I look forward to seeing this industry continue to grow."

"Farmers and ranchers are the backbone of our South Texas communities and economy. The funding deployment announced by Secretary Rollins today will provide critical relief for the South Texas agricultural industry after suffering tremendous losses due to drought conditions and the Government of Mexico's refusal to comply with the 1944 Water Treaty. I am proud to work alongside the Administration to deploy this critical aid and deliver solutions for the families, businesses, and communities across the nation that rely on Texas agriculture to thrive," **said Representative De La Cruz**.

"I'm proud to partner with the Trump administration and USDA to get this critical funding out the door and into the hands of our South Texas farmers and ranchers," **said Texas Agriculture Commissioner Sid Miller**. "The rollout of the 1944 Water Treaty Grant Agreement is exactly the kind of action we need to help our agriculture producers in the valley weather this prolonged drought."

Under the 1944 Water Treaty, Mexico is obligated to deliver an annual minimum of 350,000 acre-feet of water measured in five-year cycles or 1.75 acre-feet over five years to the United States from the Rio Grande River. The United States in turn delivers 1.5 million acre-feet of water to Mexico from the

Colorado River. Mexico's persistent noncompliance with this treaty agreement has led to severe water shortages for Rio Grande Valley farmers and ranchers, devastating crops, costing jobs and threatening the local economy.

As outlined in the grant agreement, TDA will oversee the implementation of these grant funds, including managing the sign-up process and distributing payments. Payments through this grant agreement will be issued to eligible producers who suffered eligible loss of water deliveries in calendar years 2023 and 2024.

An eligible producer is one who was in the business of production agriculture and had a Texas Commission of Environmental Quality Division certificate authorizing the diversion of water in calendar years 2023 and/or 2024 in the Lower Rio Grande River Valley Water District in Texas.

Producers who are likely to benefit from this grant funding will receive additional details through TDA.

More Information

To learn more about FSA programs, producers can contact their local USDA Service Center. Producers can also prepare maps for acreage reporting as well as manage farm loans and view other farm records data and customer information by logging into their farmers.gov account. If you don't have an account, sign up today.

FSA helps America's farmers, ranchers and forest landowners invest in, improve, protect and expand their agricultural operations through the delivery of agricultural programs for all Americans. FSA implements agricultural policy, administers credit and loan programs, and manages conservation, commodity, disaster recovery and marketing programs through a national network of state and county offices and locally elected county committees. For more information, visit fsa.usda.gov.

Farm Service Agency:

1400 Independence Ave.
SW Washington, DC 20250

Contact:

FPAC Press Desk
FPAC.BC.Press@usda.gov