



TUWaterWays

Water News and More from the Tulane Institute on Water Resources Law & Policy
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Finance Bros Worry About Water, Too!

The recent downgrade of Corpus Christi, Texas's credit rating due to the [ongoing severe drought](#) and looming water shortage is a warning to cities everywhere. Corpus Christi may be six months or less away from a [Day Zero](#) event—a term that describes when the taps run dry due to insufficient water supply to meet demand—with its reservoirs [now below 10 percent capacity](#), and the city is scrambling to develop new water sources before [the well runs dry](#). As it turns out, running out of water is incredibly [bad for business](#)! It's especially bad for business when you must secure much of your water infrastructure funding through the issuance of bonds, and the bond market sees you as a bad risk. In December 2025, Moody's reportedly [downgraded Corpus Christi's utility debt rating from Aa3 to A1](#), and prior to that, Fitch Ratings and S&P Global downgraded their outlooks on the city's utility revenue from stable to negative, signaling bearish sentiment with respect to the city's utility finances and ability to service its bond debts.

According to a [Drought Information Statement](#) issued by the National Weather Service for Corpus Christi, many counties in the region are experiencing Exceptional (D4) or Extreme (D3) Drought conditions with only some counties only experiencing Severe (D2) or Moderate (D1) Drought. All counties in South Texas are experiencing at least some level of drought, demonstrating just how dire the situation is for the region, and especially for Corpus Christi, its second-most populous city and Texas's eighth. According to the same statement, these drought conditions will likely persist through May. This drought is and will continue to be disastrous for the economy of South Texas and beyond. Texas is the second-largest economy in the United States and the eighth largest in the world by GDP, and it is also one of the fastest growing economies in the United States. A water crisis in Texas carries national and international economic implications.

Texas is also a microcosm of the greater world; with [many regions at risk of approaching such Day Zero events](#). The financial sector is taking note, with a Forbes article last year finding that [water scarcity represents a \\$300 billion market risk](#). Many people have chosen to stick their heads in the sand rather than acknowledge the dire situation we are in, but when their pocketbooks and investment portfolios are at stake, people tend to listen. So, if you won't listen to your friendly neighborhood water lawyer, perhaps you'll listen to your financial advisor.

Expiring Soon: Great Lakes Restoration Initiative Funding

The [Great Lakes Restoration Initiative](#) (GLRI) is just one of several congressionally funded programs affecting water, but it is of an outsized importance given that the [Great Lakes hold about twenty percent of the world's fresh surface water](#). Not only are they major sources of water for the United States and Canada, but they also support over 300,000 jobs that pay \$8.8 billion in wages annually. According to the National Oceanic and Atmospheric Administration (NOAA), for every dollar we invest in protecting the Great Lakes, the return is \$3.35 in economic activity. TL;DR: The Great Lakes are of vital importance to North America and require [thoughtful management](#) and protections. Unfortunately, this has [not been a good year](#) for protecting the environment in the United States.

Why are we going on and on about the Lakes Huron, Ontario, Erie, Michigan, and Superior? Because funding for GLRI expires on September 30th and given Congress's track record over the past few months—one total and two partial government shutdowns due to appropriations lapses—it would not be inconceivable that funding could lapse. Moreover, federal information gathering and sharing by NOAA and other agencies has been largely sidelined by staffing and funding cuts. Advocates are asking for \$500 million annually through 2031, and the [authorization bill's bipartisan authors would agree](#), a small ask when compared to the economic productivity and importance of the Great Lakes. Let's hope that the rest of Congress sees fit to fund GLRI for the next five years! Maybe this Sunday's [World Water Day](#) will spur them to action?

Coming Up:

[Mississippi River Commission](#)
[2026 High-Water Inspection Public Hearing](#)
March 27, 2026; Baton Rouge, LA

[Coastal Law CLE](#)
May 7 & 8, 2026; New Orleans, LA

Water jobs:

[Assistant Attorney General, Federal and Interstate Water Unit;](#)
[Colorado Office of the Attorney General](#)

[Senior Attorney, Gulf Regional Office;](#) Earthjustice; Houston, TX
or Remote



The [Tulane Institute on Water Resources Law and Policy](#) is a program of the Tulane University Law School. The Institute is dedicated to fostering a greater appreciation and understanding of the vital role that water plays in our society and of the importance of the legal and policy framework that shapes the uses and legal stewardship of water.

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