



# Proposed Supplemental Funding for Bureau of Reclamation Projects

July 22, 2020

The House Appropriations Committee's reported version of the FY2021 Energy and Water Development appropriations bill (H.R. 7613) includes \$3 billion in emergency supplemental funding for the Bureau of Reclamation (Reclamation). This is in addition to the bill's regular FY2021 funding for Reclamation of \$1.636 billion. Reclamation owns and operates hundreds of large dams and water diversion structures in the 17 conterminous states west of the Mississippi River. Congress created Reclamation in the Reclamation Act of 1902, which authorized the Secretary of the Interior to construct irrigation works in western states. Background on Reclamation is available [here](#).

Over the past five years, [Congress has appropriated to Reclamation an average of approximately \\$1.4 billion per year](#). In contrast to the U.S. Army Corps of Engineers, Reclamation has not built many new projects over the past few decades and has not received significant supplemental funding since the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). Most of its expenditures are typically to maintain existing projects. Recently, Congress has supported some new Reclamation construction efforts. In [Section 4007 of the Water Infrastructure Improvements for the Nation Act](#) (WIIN; P.L. 114-322), Congress provided Reclamation with its first significant new water storage project construction authority in almost 50 years. Congress had appropriated \$469 million for this authority through FY2020. Congress has also directed Reclamation to participate in construction of congressionally approved Indian water rights settlements. In addition to approximately \$100 million per year in discretionary funding for these projects, Congress approved [mandatory funding of \\$120 million per year](#) for them from FY2020 to FY2029.

## Reclamation Funding in H.R. 7613

H.R. 7613 would provide FY2021 supplemental appropriations of \$3 billion to Reclamation, of which \$2.164 billion would be designated for specific categories (**Table 1**). This Insight provides context and background on these categories.

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**Table I. Bureau of Reclamation Supplemental Funding in H.R. 7613**

<b>Program or Project Type</b>	<b>Funding Allocation</b>
Title XVI Water Reuse and Recycling	\$50,000,000
WaterSMART Grants	\$300,000,000
Canal Conveyance Capacity Correction Projects	\$200,000,000
Indian Water Rights Settlements	\$605,000,000
Rural Water Projects	\$100,000,000
Environmental Restoration and Compliance	\$100,000,000
Emergency Facility Remediation/Repair	\$8,500,000
Central Utah Project Completion Act	\$100,000,000
Central Valley Project Improvement Act	\$250,000,000
California Bay-Delta Restoration Act	\$250,000,000
San Joaquin River Restoration Settlement Act	\$200,000,000
<b>Total</b>	<b>\$2,163,500,000</b>

**Source:** Congressional Research Service, based on Title IV, H.R. 7613

H.R. 7613 includes funding for two Reclamation [WaterSMART](#) Programs: [WaterSMART Grants](#) and [Title XVI projects](#). WaterSMART Grants fund water and energy efficiency improvements in Reclamation states and have received an average of \$26 million annually since the authority was first enacted in 2009. Title XVI projects are water reuse and recycling projects authorized individually by Congress pursuant to Title XVI of the Reclamation Projects Authorization and Adjustment Act of 1992 (P.L. 102-575). There are currently 84 authorized Title XVI Projects, with total authorized federal funding for these projects in excess of \$1.8 billion. Since the last major change to Title XVI (2016), these projects have received approximately \$44 million per year.

A significant portion of funding in H.R. 7613 would benefit projects in California, the largest reclamation state and home to Reclamation's single largest project: the [Central Valley Project](#). Several water storage and restoration projects that were originally authorized in the 2004 [California Bay-Delta Restoration Act](#) (P.L. 108-451) would receive \$250 million from the bill. The committee also recommended \$250 million for activities pursuant to the 1992 Central Valley Project Improvement Act (Title XXXIV of P.L. 102-575) and implementation of the [ongoing restoration program](#) pursuant to the San Joaquin River Restoration Settlement Act (Title X, Subtitle A of P.L. 111-11). While not explicitly designated for California, some or all of the \$200 million for canal capacity correction projects would likely benefit the largest such proposed project: California's [Friant-Kern Canal Capacity Correction Project](#).

Some of the funding in H.R. 7613 would benefit “nontraditional” Reclamation projects in the form of [Indian water rights settlements](#) and [rural water projects](#). The \$605 million for Indian water rights settlements would be available to spend on seven settlements: White Mountain Apache Settlement in Arizona; Crow Settlement in Montana; Aamodt Settlement in New Mexico; Taos Pueblo Settlement in New Mexico; Navajo Nation Settlement (Navajo-Gallup Project) in New Mexico; Gila River Indian Community Settlement in Arizona; and Tohono O’odham Settlement in Arizona. The \$100 million for rural water projects would be available for six authorized but not completed Reclamation rural water projects: Garrison Diversion Unit in North Dakota; Lewis and Clark Rural Water System in South Dakota, Minnesota, and Iowa; Fort Peck Reservation/Dry Prairie Rural Water System in Montana; Rocky Boy’s/North Central Rural Water System in Montana; Jicarilla Apache Rural Water System in New Mexico; and Eastern New Mexico Water Supply in New Mexico. Reclamation reported that as of FY2020, \$1.2 billion would be needed to complete these rural water projects.

In some cases, it would be up to Reclamation to allocate funding. The \$100 million in funding for environmental restoration and compliance in H.R. 7613 has no associated requirements. Similarly, the \$8.5 million for emergency remediation of Reclamation facilities that have failed or where there is imminent threat of failure mentions no specific project or area by name. There has been one major Reclamation facility “failure” in recent years: the May 17, 2020, [St. Mary Canal](#) failure in Montana.

The bill includes an additional \$100 million for the Central Utah Completion Act Project (a project originally authorized for Reclamation but not currently owned by the bureau). Taking this into account, approximately \$838.5 million would remain for Reclamation to allocate for any other priorities as it sees fit. These could include additional funding for any of the aforementioned categories or funding for other Reclamation needs. Among other things, Reclamation might choose to spend some or all of this funding on the aforementioned new or expanded water storage projects under Section 4007 of the WIIN Act. Reclamation could also utilize funding to address major repair and rehabilitation needs at its projects. Earlier this year, for example, Reclamation estimated that its five-year extraordinary maintenance and rehabilitation needs were in excess of \$3.8 billion.

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