



Bureau of Reclamation: FY2021 Appropriations

Overview

Most of the large dams and water diversion structures in 17 coterminous western states were built by, or with the assistance of, the Bureau of Reclamation (Reclamation), part of the Department of the Interior. Reclamation’s original mission was to develop water supplies, primarily for irrigation to reclaim arid lands in the West. Today, its mission includes management, development, and protection of water and related resources. Reclamation’s mission areas and geographic scope are generally narrower than those of the other principal federal water resource agency, the U.S. Army Corps of Engineers.

Reclamation manages hundreds of water storage and conveyance projects. These projects provide water to approximately 10 million acres of farmland and 31 million people. Reclamation is the largest wholesale supplier of water in 17 western states and the second-largest hydroelectric power producer in the nation. Reclamation facilities’ operations can be controversial, particularly in relation to effects on fish and wildlife species and conflicts among competing water users.

Reclamation’s role has evolved, and its focus has gradually shifted from construction of new water storage projects to operation and maintenance of existing projects. Reclamation also has expanded into new areas, including funding for water supply projects on tribal lands and in rural areas under congressionally authorized Indian water rights settlements and rural water supply projects, respectively. In addition, Congress has authorized Reclamation grants to nonfederal projects, including those for water reuse and recycling, conservation and efficiency, and desalination.

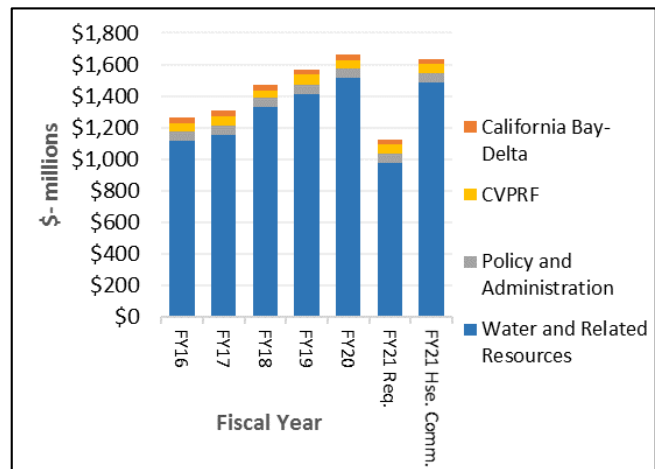
Reclamation’s Water and Related Resources account funds most agency activities, including construction, operation and maintenance, dams safety, and ecosystem restoration. It also funds Indian water rights settlements and most Reclamation programmatic and grant authorities. Reclamation typically also requests funding for three smaller accounts: California Bay-Delta Restoration, the Central Valley Project Restoration Fund (which is offset by customer receipts), and the Policy and Administration account.

FY2021 Budget and Appropriations

The President’s budget request for FY2021 proposed \$1.13 billion in gross current authority (i.e., appropriations before offsets) for Reclamation. In H.R. 7613, the House Appropriations Committee recommended \$1.655 billion for Reclamation in FY2021. **Figure 1** shows recent appropriations levels for Reclamation compared with the FY2021 President’s budget request and appropriations.

Figure 1. Reclamation Appropriations by Account, FY2016-FY2021 Appropriations

(nominal \$ in millions)



Source: CRS, based on Reclamation’s FY2021 budget request and enacted appropriations data.

Note: Does not reflect offsetting receipts for the Central Valley Project Restoration Fund (CVPRF).

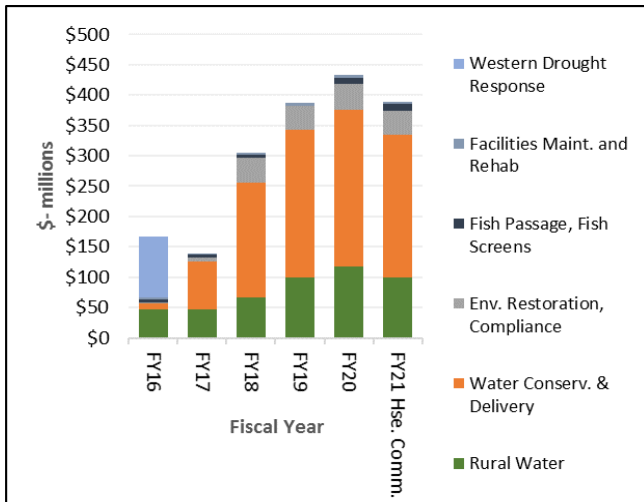
Earmarks and Reclamation

The Water and Related Resources account consists largely of individual project funding lines. Since the 112th Congress, these projects have been subject to earmark moratoriums that restrict Congress from funding geographically specific project line items that the Administration did not request. In lieu of these additions, since FY2014, Congress has included additional funding in appropriations bills beyond the President’s budget request for selected categories of Reclamation projects. These funds typically are allocated in work plans produced by the Administration and made available several months after appropriations bills have been enacted. Work plans are available at <http://www.usbr.gov/budget/>.

Work plans pursuant to recent enacted appropriations bills have continued the practice of providing additional funds for allocation on specific projects. This funding has generally increased over time (**Figure 2**). For FY2021, the House Appropriations Committee recommended \$389 million for additional Reclamation projects in the following five categories: rural water; water conservation and delivery; environmental restoration or compliance; fish passage and screens; and facilities operation, maintenance, and rehabilitation. Previously, FY2020 enacted appropriations provided \$433 million for these projects.

Figure 2. Reclamation Additional Funding Categories, FY2016-FY2021 Appropriations

(nominal \$ in millions)



Source: CRS, based on enacted appropriations data.

Reclamation Appropriations Issues

WIIN Act Section 4007 Funding

Section 4007 of the Water Infrastructure Improvements for the Nation Act (WIIN Act; P.L. 114-322) authorized a new process for Reclamation to study and construct federal and nonfederal water storage projects. For a project to receive funding that was previously appropriated under this authority, it must be recommended by the Administration and named by Congress in enacted appropriations legislation. From FY2017-FY2020, Congress appropriated \$469 million for this authority. Through early 2020, Reclamation had recommended two rounds of funding, with approximately \$49 million in funding for individual projects released based on congressional approvals in enacted appropriation bills. Funding for one recommended project (the Shasta Dam and Reservoir Enlargement Project in the February 2019 Administration recommendation) was *not* approved by Congress. For more information, see CRS In Focus IF10626, *Reclamation Water Storage Projects: Section 4007 of the Water Infrastructure Improvements for the Nation Act*.

On June 22, 2020, Reclamation recommended a third round of projects to receive \$108.8 million in previously appropriated funds. The House Appropriations Committee’s recommendation for FY2021 approved all but one of the projects submitted by the Administration, once again excepting the Shasta Project (\$15 million). The committee recommended that \$67 million in FY2021 appropriations also go toward future storage projects under Section 4007.

WaterSMART Program

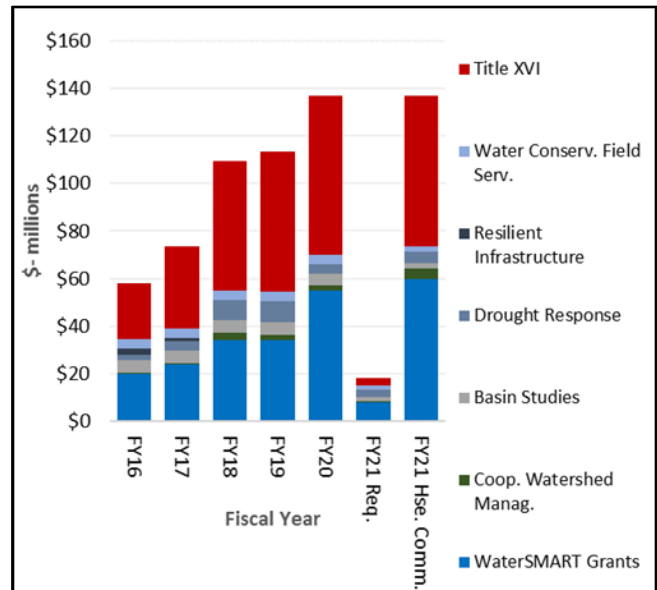
Reclamation combines funding for multiple programs promoting water conservation into a single program—WaterSMART. WaterSMART is notable for its departure from Reclamation’s traditional federal project-based funding. In recent years, WaterSMART has included funding for seven programs. The largest sub-programs in the initiative are WaterSMART grants (i.e., water and

related energy efficiency projects) and Title XVI projects (i.e., water recycling and reuse projects).

For FY2021, the Administration requested a total of \$18 million for the WaterSMART program. The House Appropriations Committee recommended \$137 million for these programs (Figure 3).

Figure 3. Reclamation WaterSMART Program, FY2016-FY2021 Appropriations

(nominal \$ in millions)



Source: CRS, based on Reclamation budget request and enacted appropriations data.

Rural Water Supply and Indian Water Rights Settlements

Congress has authorized Reclamation to build projects that provide water supplies to rural communities and Indian tribes. The FY2021 President’s budget requested \$30 million for five authorized rural water projects. The House Appropriations Committee provided \$130 million for these projects, including \$100 million in “Additional Funds” for rural water projects (see previous section, “Earmarks and Reclamation”). For Indian Water Rights Settlements, the FY2021 President’s budget requested \$86 million in discretionary funds to implement four authorized Indian water rights settlements. In addition to this funding, some settlements are expected to draw on mandatory funding that supports settlement implementation. For more information, see CRS Report R44148, *Indian Water Rights Settlements*.

Emergency Supplemental Funding

In addition to discretionary appropriations, the House Appropriations Committee included in Title VI of its FY2021 recommendation \$3 billion in emergency supplemental funding for Reclamation, including \$2.164 million for specific categories. For more information, see CRS Insight IN11465, *Proposed Supplemental Funding for Bureau of Reclamation Projects*.

Charles V. Stern, Specialist in Natural Resources Policy

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.