

Updated December 9, 2020

Bureau of Reclamation: FY2021 Appropriations

Overview

The Bureau of Reclamation (Reclamation), part of the Department of the Interior, is responsible for construction and operation of many of the large dams and water diversion structures in 17 coterminous western states. 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 narrower than 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.

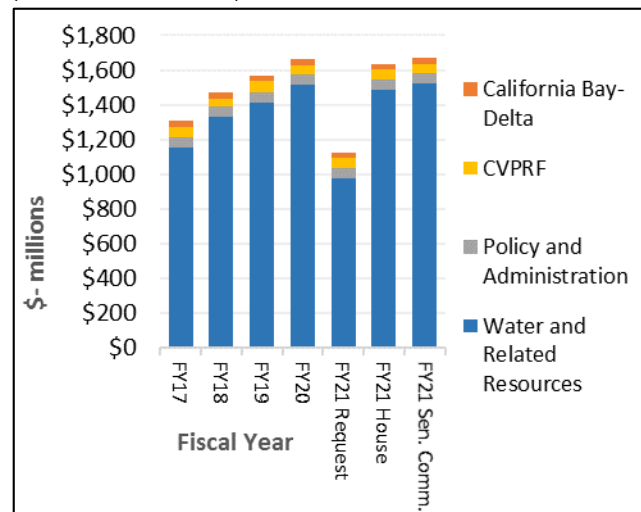
FY2021 Budget and Appropriations

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. 7617, the House recommended \$1.655 billion for Reclamation in FY2021, and the Senate Appropriations Committee majority draft FY2021 Energy and Water Development bill included \$1.691 billion. **Figure 1** shows recent enacted

appropriations levels for Reclamation compared with the FY2021 President's budget request and proposed FY2021 appropriations.

Figure 1. Reclamation Appropriations by Account, FY2017-FY2021 Appropriations

(nominal \$ in millions)



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

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

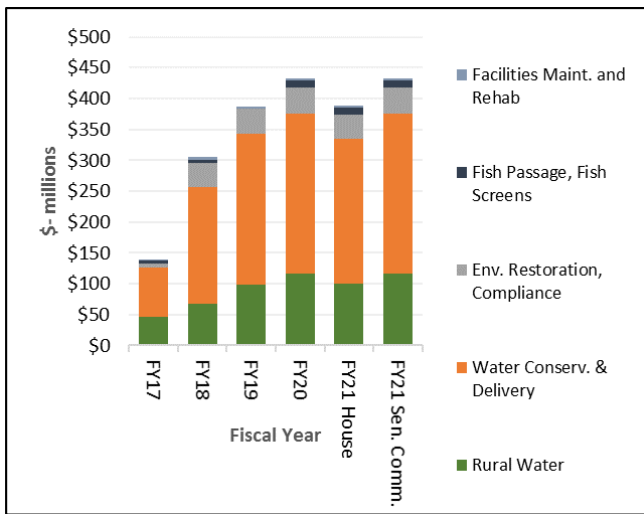
Earmarks and Reclamation

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. The Administration typically allocates these funds in work plans made available several months after Congress enacts appropriations bills. 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 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. The

draft Senate Appropriations Committee bill included \$433 million for these projects.

Figure 2. Reclamation Additional Funding Categories, FY2017-FY2021 Appropriations
(nominal \$ in millions)



Source: CRS, based on proposed and enacted appropriations data.

Reclamation Appropriations Issues

WIIN Act Section 4007 Funding

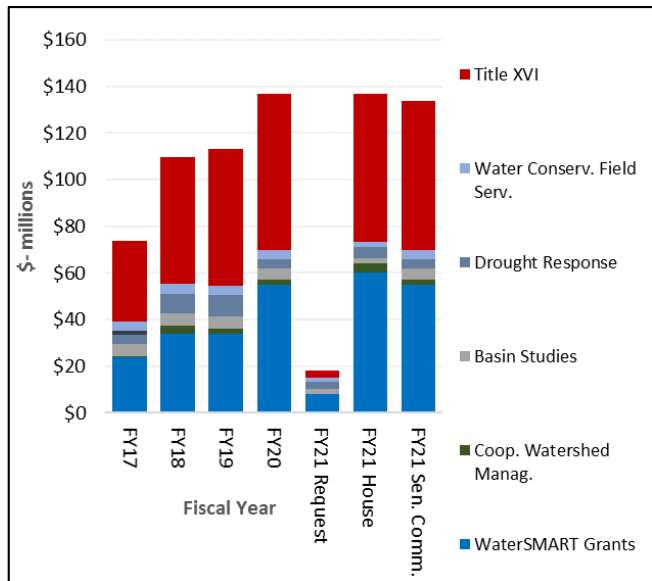
Section 4007 of the Water Infrastructure Improvements for the Nation Act (WIIN Act; P.L. 114-322) authorized a new process for Reclamation to study and construct federal and nonfederal water storage projects. For a project to receive funding that Congress previously appropriated under this authority, the Administration must recommend it for funding allocations and Congress must mention the project by name in enacted appropriations legislation. From FY2017 to FY2020, Congress appropriated \$469 million for this authority. To date, Reclamation has recommended two rounds of funding that were largely approved by Congress, with approximately \$49 million released to individual projects based on these approvals. Funding for one recommended project (the Shasta Dam and Reservoir Enlargement Project, in the February 2019 Administration recommendation) was *not* approved by Congress.

On June 22, 2020, Reclamation recommended a third round of projects to receive \$108.8 million in previously appropriated funds. In its FY2021 bill, the House approved all but one of the projects submitted by the Administration, again not funding the Shasta project (\$15 million). It also recommended \$67 million in FY2021 appropriations for future Section 4007 projects. The Senate committee majority draft FY2021 Energy and Water Development bill did not reference any recommended projects by name but included \$134 million for future projects. On December 3, 2020, Reclamation recommended a fourth round of projects to receive \$260.8 million in previous appropriations. Similar to the June list, Congress would need to reference these projects in FY2021 enacted appropriations for recommended funding to be released. For more information, see CRS In Focus IF10626, *Reclamation Water Storage Projects: Section 4007 of the Water Infrastructure Improvements for the Nation Act*.

WaterSMART Program

Reclamation combines funding for six subprograms (many of them awarded as grants) promoting water conservation into one program—WaterSMART. The largest subprograms are WaterSMART grants (i.e., water and energy efficiency grants) and Title XVI projects (i.e., water recycling and reuse projects). For FY2021, the Administration requested \$18 million for the WaterSMART program. The House recommended \$137 million, and the draft Senate committee bill recommended \$134 million (Figure 3).

Figure 3. Reclamation WaterSMART Program, FY2017-FY2021 Appropriations
(nominal \$ in millions)



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

Rural Water Supply

Congress has authorized Reclamation to build projects to provide water supplies to rural communities. The FY2021 President’s budget requested \$30 million for five authorized projects. The House recommended \$130 million for these projects, including \$100 million in “Additional Funds” for rural water projects, and the Senate committee draft provided \$147 million for them, including \$117 million in Additional Funds (see “Earmarks and Reclamation,” above). For more information, see CRS Report R46308, *Bureau of Reclamation Rural Water Projects*.

Emergency Supplemental Funding

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

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