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Bureau of Reclamation Rural Water Projects

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Bureau of Reclamation Rural Water Projects

Congress has authorized projects and programs through various federal agencies to address water supply needs. Since 1980, Congress has authorized the Bureau of Reclamation (Reclamation), among other agencies, to develop municipal and industrial (M&I) water supply projects in rural areas and on tribal lands. Congress has authorized these projects, known as *rural water supply* projects, for several locations throughout the West.

From 1980 through 2009, Congress authorized Reclamation to undertake the design and construction, and sometimes the operations and maintenance (O&M), of specific rural water supply projects intended to deliver potable water supplies to rural communities in western states. These projects are largely located in North Dakota, South Dakota, Montana, and New Mexico.

The rural communities served by these projects included tribal reservations and nontribal rural communities with nonexistent, substandard, or declining water supply or water quality. Many rural water projects are large in scope—taking water from one location and moving it across long distances to tie to existing systems. Although M&I portions of most Reclamation water supply facilities require 100% repayment with interest, Congress has authorized rural water projects that receive some or all costs from the federal government on a nonreimbursable basis (i.e., a de facto grant). For example, the federal government pays up to 100% of costs for tribal rural water supply projects, including O&M. For nontribal rural water supply projects, the federal cost share for current projects ranges from 75% to 80%.

The Rural Water Supply Act of 2006 (Title I of P.L. 109-451) created the Rural Water Supply Program, a structured program for developing and recommending future rural water supply projects. This program was to replace the previous process of authorizing projects individually—often without the level of analysis and review (e.g., feasibility studies) required for Reclamation’s other projects. Under the Rural Water Supply Program, Congress authorized Reclamation to work with rural communities and tribes to identify M&I water needs and options to address such needs through appraisal investigations and feasibility studies. Congress would then consider feasibility studies recommended by the Administration before authorizing specific project construction in legislation. Ultimately, Reclamation did not recommend and Congress did not authorize any projects through this process, and the authority for the program expired in 2016. Members have introduced legislation in the 116th Congress to reauthorize the Rural Water Supply Program through FY2026: the Water Justice Act (H.R. 4033) and the Securing Access for the Central Valley and Enhancing (SAVE) Water Resources Act (H.R. 2473). Other bills would authorize individual activities (i.e., a feasibility study and a project) previously considered by the Rural Water Supply Program or would address rural water needs by creating authorities for rural water grants or water technology programs.

Reclamation continues to construct rural water projects (and to provide O&M assistance for some tribal components) authorized and initiated outside of the Rural Water Supply Program. Enacted funding for rural water supply projects in FY2020 provided \$145.1 million for construction and O&M at seven authorized rural water projects, which was \$117.4 million above the Administration’s FY2020 budget request. Five projects received construction funding in FY2020: Garrison Diversion Unit of the Pick-Sloan Missouri Basin Program, Fort Peck Reservation/Dry Prairie Rural Water System, Lewis and Clark Rural Water System, Rocky Boy’s/North Central Montana Rural Water System, and Eastern New Mexico Water Supply. For FY2021, the Administration requested \$30.3 million for rural water projects. As of early 2020, Reclamation reported that \$1.2 billion was needed to construct authorized, ongoing rural water projects.

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Introduction

According to a 2019 study, 2 million Americans lack access to running water, indoor plumbing, or wastewater services.¹ Many of the communities with inadequate water supply infrastructure are in rural areas or on tribal lands. Over time, Congress has authorized projects and programs through various federal agencies to address rural water supply needs.² Since 1980, Congress has authorized the Bureau of Reclamation (Reclamation), among other federal agencies, to develop municipal and industrial (M&I) water supply projects in rural areas and on tribal lands.

Reclamation was established to implement the Reclamation Act of 1902, which authorized the construction of water works to provide water for irrigation in arid western states.³ Reclamation owns and manages 491 dams and 338 reservoirs, which are capable of storing a combined 140 million acre-feet of water.⁴ Reclamation has incorporated M&I water resource projects into larger projects that serve various other authorized purposes (e.g., irrigation, power). Reclamation-funded M&I water deliveries total approximately 10 trillion gallons of water per year.⁵ As part of Reclamation's M&I responsibilities, Congress has expressly authorized the agency to undertake the design and construction of *rural water supply* projects intended to deliver potable water supplies to defined rural communities.⁶

From 1980 through 2009, Congress authorized Reclamation to undertake the design and construction, and in some cases the operations and maintenance (O&M), of specific projects intended to deliver potable water supplies to rural communities in western Reclamation states. These projects were largely located in North Dakota, South Dakota, Montana, and New Mexico.⁷ The rural communities include tribal reservations and nontribal rural communities with nonexistent, substandard, or declining water supply or water quality.⁸ Many rural water projects are large in scope—taking water from one location and moving it long distances to tie to existing systems. M&I portions of Reclamation water supply facilities typically require 100% repayment of construction costs to the federal treasury with interest.⁹ Congress also has authorized rural

¹ Zoe Roller, *Closing the Water Access Gap in the United States: A National Action Plan*, U.S. Water Alliance, November 2019, at http://uswateralliance.org/sites/uswateralliance.org/files/publications/Closing%20the%20Water%20Access%20Gap%20in%20the%20United%20States_DIGITAL.pdf.

² For more information on these authorities, see CRS Report RL30478, *Federally Supported Water Supply and Wastewater Treatment Programs*, coordinated by Jonathan L. Ramseur.

³ The Bureau of Reclamation (Reclamation) is authorized to construct projects only in the 17 western states known as the *Reclamation states* (Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming), unless otherwise directed by Congress. For example, in 1986, Congress authorized Reclamation to also work in U.S. territories (P.L. 99-396) and, in 2005, Congress authorized Reclamation to construct three water reuse facilities in Hawaii (P.L. 109-70).

⁴ Reclamation, "About Us – Fact Sheet," at <https://www.usbr.gov/main/about/fact.html> (accessed March 4, 2020). An acre-foot is enough to cover 1 acre of land 1 foot deep, or 325,851 gallons.

⁵ *Ibid.*

⁶ Title I of P.L. 109-451 established Reclamation's definition of a *rural area*: a rural area is a community, or group of communities, each of which has a population of not more than 50,000 inhabitants. For projects authorized prior to this law, there was no official definition of what constituted *rural*; thus, the designation was used generally.

⁷ Congress specifically authorized Reclamation's involvement in the Lewis and Clark Rural Water Supply Project located in the Reclamation state of South Dakota and in the non-Reclamation states of Iowa and Minnesota.

⁸ Some rural water project authorizations also are linked to Indian water rights settlements. For more information on Indian water rights settlements, see CRS Report R44148, *Indian Water Rights Settlements*, by Charles V. Stern.

⁹ Reclamation project authorizations typically require 100% repayment, with interest, for the municipal and industrial (M&I) portion of water supply facilities, which makes traditional Reclamation M&I water assistance a de facto long-

water projects that receive funding from the federal government for some or all costs on a nonreimbursable basis (i.e., a de facto grant). For example, the federal government pays up to 100% of the cost of tribal rural water supply projects, including O&M. For nontribal rural water supply projects, the federal cost share for current projects ranges from 75% to 80%.¹⁰

The Rural Water Supply Act of 2006 (Title I of P.L. 109-451) created the Rural Water Supply Program, a structured program for developing and recommending rural water supply projects. This program was to replace the previous process of authorizing projects individually—often without the level of analysis and review (e.g., feasibility studies) consistent with Reclamation’s other projects. Under the Rural Water Supply Program, Congress authorized Reclamation to work with rural communities and tribes to identify M&I water needs and options to address such needs through appraisal investigations and feasibility studies. Congress would then consider feasibility studies recommended by the Administration before authorizing specific projects for construction in legislation. Ultimately, Congress did not authorize any projects for construction through this process, and the authority for the program expired in 2016.

Reclamation continues to construct rural water projects (and to provide O&M assistance for some tribal components) that were authorized and initiated outside of the Rural Water Supply Program. In 2012, Reclamation developed prioritization criteria for budgeting these projects:

- inclusion of tribal components
- amount of financial resources committed
- urgency and severity of need
- financial need and potential economic impact
- regional and watershed approach
- water, energy, and other priority objectives¹¹

According to Reclamation, the criteria aim to reflect both the priorities identified in the statutes that authorized individual projects and the goals of the Rural Water Supply Act of 2006.¹²

For FY2020, Congress appropriated \$145.1 million for construction and O&M at seven authorized rural water projects, which was \$117.4 million above the Administration’s FY2020 budget request.¹³ As of early 2020, Reclamation reported that \$1.2 billion was still needed to construct authorized, ongoing rural water projects.¹⁴ For FY2021, the Administration requested \$30.3 million for Reclamation rural water activities, of which \$8.1 million is for construction.¹⁵

term loan. Repayment obligations typically are spread over a 40- or 50-year repayment term. In contrast to M&I water repayment, Reclamation-built irrigation facilities generally are repaid without interest over similar periods.

¹⁰ Personal correspondence between CRS and Reclamation on January 9, 2020.

¹¹ Reclamation, *Assessment of Reclamation’s Rural Water Activities and Other Federal Programs That Provide Support on Potable Water Supplies to Rural Communities in the Western United States*, October 7, 2014, at <https://www.usbr.gov/ruralwater/docs/Rural-Water-Assessment-Report.pdf>. Hereinafter, *Assessment of Reclamation’s Rural Water Activities*.

¹² Reclamation, *Assessment of Reclamation’s Rural Water Activities*.

¹³ Reclamation, *Budget Justification and Performance Information Fiscal Year 2020*, 2019, at <https://www.usbr.gov/budget/2020/FY%202020%20Bureau%20of%20Reclamation%20Budget%20Justifications.pdf>. Hereinafter, *Reclamation, 2020 Budget Justification*. Reclamation, *FY2020 Distribution of Additional Funding*, February 2020, at https://www.usbr.gov/budget/2020/FY_2020_Spend_Plan/FY_2020_Additional_Funding_Distribution_List.pdf. Hereinafter, *Reclamation, 2020 Additional Funding*.

¹⁴ Personal correspondence between CRS and Reclamation on February 21, 2020.

¹⁵ Reclamation, *Budget Justification and Performance Information Fiscal Year 2021*, 2020, at <https://www.usbr.gov/>

This report provides an overview of Reclamation rural water projects, including completed and ongoing rural projects and efforts under Reclamation’s Rural Water Supply Program. The report also discusses considerations for Congress (e.g., funding prioritization, potential nexus with other federal programs) and presents recent legislation relating to authorizing additional projects and reauthorizing the Rural Water Supply Program.

Rural Water Projects

Congress has funded water supply projects in rural areas for more than four decades.¹⁶ Reclamation first became involved in these efforts beginning with authorization of the WEB Rural Water Supply Project in 1980 (P.L. 96-355). Since that time, Congress has authorized Reclamation to fund the construction of several other rural water supply projects (see **Table 1**). These projects have individual authorizations and generally aim to provide water exclusively for M&I water uses in rural areas—a departure from the historical mission of providing water for irrigation, with M&I water use as an incidental project purpose. According to a U.S. Government Accountability Office (GAO) report, Reclamation became involved in such projects because communities proposed projects directly to Congress and, in response, Congress created specific authorizations for these rural water supply projects, with Reclamation overseeing funding and construction.¹⁷ In addition to projects authorized only in Reclamation states, Congress specifically authorized Reclamation’s involvement in the Lewis and Clark Rural Water Supply Project located in South Dakota, Iowa, and Minnesota.¹⁸

budget/2021/FY_2021_Budget_Justifications.pdf. Hereinafter, Reclamation, *2021 Budget Justification*.

¹⁶ For more background on the various agencies providing resources for rural water needs and how Reclamation’s activities contrast with other agency activities, see U.S. Government Accountability Office (GAO), *Water Resources: Four Federal Agencies Provide Funding for Rural Water Supply and Wastewater Projects*, GAO-07-1094, September 7, 2007, at <https://www.gao.gov/products/GAO-07-1094>. Hereinafter GAO, *Rural Water Supply and Wastewater Projects*.

¹⁷ GAO reported that, according to a program assessment conducted by the Office of Management and Budget, Congress has chosen Reclamation to fill a void for projects that are larger and more complex than other rural water projects and that do not meet the criteria of other rural water programs (such as those under the jurisdiction of the Rural Utilities Service, or U.S. Army Corps of Engineers). *Ibid.*

¹⁸ The project was the first Reclamation-funded project to deliver water outside of the 17 Reclamation states. The Lewis and Clark Rural Water Supply Project started as the Southeast South Dakota Water Supply System in April 1990. By the time the project was authorized in 2000, Lewis and Clark had been reformulated to also serve the states of Minnesota and Iowa, two non-Reclamation states. Reclamation, “Lewis & Clark Regional Water System Celebrates 25 Years,” press release, June 17, 2015, at <https://www.usbr.gov/newsroom/stories/detail.cfm?RecordID=56834>. Before enactment, Reclamation testified to not supporting the legislation due to a number of concerns, including the expansion of Reclamation’s responsibilities outside the 17 Reclamation states. U.S. Congress, Senate Committee on Energy and Natural Resources, Subcommittee on Water and Power, *Hearing on S. 244, S. 623, S. 769, S. 1027, and H.R. 459*, Prepared Statement of Patricia J. Beneke, Assistant Secretary for Water and Science, Department of the Interior, on S. 244, 106th Cong., 1st sess., May 27, 1999, S. HRG. 106-208.

Table I. Reclamation Rural Water Projects

(\$ in millions)

| Project | Initial Authorization (Year) | State(s) | Authorized Nonfederal Construction Cost Share | Total Indexed Construction Authorization or Final Cost | Percentage Funded | Balance to Complete | Construction Status |
|--|------------------------------|-----------------------------------|---|--|-------------------|---------------------|---------------------|
| WEB Rural Water Development Project | P.L. 96-355 (1980) | South Dakota | NA ^a | \$117.2 | 100% | \$0 | Completed in 1995 |
| Garrison Diversion Unit M&I | P.L. 99-294 (1986) | North Dakota | Tribal = 0% Nontribal = 25% | \$1,030.1 | 75% | \$257.1 | Ongoing |
| Mni Wiconi Project | P.L. 100-516 (1988) | South Dakota | Tribal = 0% Nontribal = 20% | \$487.8 | 100% | \$0 | Completed in 2014 |
| Mid-Dakota Rural Water Project | P.L. 102-575 (1992) | South Dakota | Nontribal = 25% | \$154.4 ^b | 100% | \$0 | Completed in 2006 |
| Fort Peck Rural County Water Supply System | P.L. 104-300 (1996) | Montana | 0% | \$5.8 | 100% | \$0 | Completed in 2003 |
| Fall River Rural Water System | P.L. 105-352 (1998) | South Dakota | 30% | NA ^c | 100% | \$0 | Completed in 2010 |
| Perkins County Rural Water System | P.L. 106-136 (1999) | South Dakota | 25% | \$34.4 | 100% | \$0 | Completed in 2011 |
| Lewis and Clark Rural Water System | P.L. 106-246 (2000) | South Dakota, Minnesota, and Iowa | 20% ^d | \$556.4 | 65% | \$193.7 | Ongoing |
| Fort Peck Reservation/Dry Prairie Rural Water System | P.L. 106-382 (2000) | Montana | Tribal = 0% Nontribal = 24% | \$346.5 | 75% | \$85.8 | Ongoing |

| Project | Initial Authorization (Year) | State(s) | Authorized Nonfederal Construction Cost Share | Total Indexed Construction Authorization or Final Cost | Percentage Funded | Balance to Complete | Construction Status |
|--|------------------------------|------------|---|--|-------------------|---------------------|-------------------------|
| Rocky Boy's/North Central Rural Water System | P.L. 107-331 (2002) | Montana | Tribal = 0% Nontribal = 20% | \$409.4 | 35% | \$266.2 | Ongoing |
| Jicarilla Apache Rural Water System | P.L. 107-331 (2002) | New Mexico | NA ^e | \$76.1 | 42% | \$44.0 ^f | Unfinished ^g |
| Eastern New Mexico Water Supply | P.L. 111-11 (2009) | New Mexico | 25% | \$540.7 ^h | 10% | \$485.9 | Ongoing |

Sources: Bureau of Reclamation (Reclamation), Assessment of Reclamation's Rural Water Activities and Other Federal Programs That Provide Support on Potable Water Supplies to Rural Communities in the Western United States, 2014, at <https://www.usbr.gov/ruralwater/docs/Rural-Water-Assessment-Report.pdf>; Reclamation, Budget Justification and Performance Information Fiscal Year 2021, 2020, at https://www.usbr.gov/budget/2021/FY_2021_Budget_Justifications.pdf; personal correspondence between CRS and Reclamation in 2019 and 2020.

Notes: Final cost is a total of the amount funding provided each year in nominal dollars. Unless otherwise specified, construction authorization and balance to complete were indexed to October 2020 price levels as provided in the FY2021 budget. Reclamation uses the Bureau of Reclamation Construction Cost Trends Index, which is accessible at <https://www.usbr.gov/tsc/techreferences/mands/cct.html>. NA = Not applicable; see associated table notes.

- a. The authorization did not provide for a nonfederal cost-share requirement. Congress authorized the project under the terms and conditions of the Consolidated Farm and Rural Development Act (P.L. 87-128) and the U.S. Department of Agriculture's rules and regulations. The authorization indicated it would be for at least 75% as grant and the remainder to be provided as a loan. Nonfederal participation totaled \$5.2 million.
- b. Federal support was in the form of grants and loans, and \$675,000 was from a federal agency other than Reclamation.
- c. P.L. 105-352 authorized \$3.6 million for the U.S. Department of Agriculture for the planning and construction of the Fall River Rural Water System. Reclamation provided construction oversight of the project.
- d. Any project in the city of Sioux Falls, SD, requires a 50% nonfederal cost share.
- e. According to P.L. 107-331, the tribal share of the costs comprises the costs to design and initiate construction of the wastewater treatment plant; to replace the diversion structure on the Navajo River; and to construct raw water settling ponds, a water treatment plant, water storage plants, a water transmission pipeline, and distribution pipelines.
- f. Since authorization, the Jicarilla Apache Nation has spent about \$20 million constructing authorized facilities. The Jicarilla Apache Nation has requested reimbursement for these costs but has not substantiated the \$20 million to Reclamation with any backup technical data or financial information. The Balance to Complete figure does not include the requested \$20 million.
- g. As of October 2019, Reclamation and the Jicarilla Apache Nation are not in current discussions regarding this project.
- h. Indexed to October 2017 price levels (not October 2020).

Reclamation reported that, prior to authorization, some rural water projects did not go through the level of analysis and review that is consistent with Reclamation's other projects and did not meet the economic, environmental, and design standards that are required to determine the feasibility of federal water resources development projects.¹⁹ In these instances, following authorization, Reclamation was to complete the analysis that was necessary to execute the project while adhering to the project configuration and designs specified by the authorizing statutes and in accordance with other laws (e.g., Clean Water Act [33 U.S.C. §§1251-1387], National Environmental Policy Act [42 U.S.C. §4321 et seq.]).²⁰ Critics have sometimes expressed concerns over this approach—specifically, whether the authorized project would have emerged as the most cost-effective preferred alternative had a feasibility study been performed prior to authorization.²¹

Each rural water project authorization required that the cost ceilings authorized in the legislation be indexed to adjust for inflation to include the rising cost of materials and labor, which was estimated to be 4% annually.²² The result of these indexing requirements is that the overall cost of authorized rural water projects has risen and continues to rise due in part to actual federal appropriations for projects falling short of the optimal funding scenarios that were assumed under planning projections.²³ As of early 2020, Reclamation reported that \$1.2 billion was needed to construct authorized, ongoing rural water projects.²⁴

For FY2021, the Administration's budget proposal requested \$30.3 million: \$8.1 million for ongoing construction at four authorized rural water projects and \$22.2 million for O&M of tribal systems (e.g., \$14.5 million for the Mni Wiconi Project, \$7.7 million for the Garrison Diversion Unit M&I, and \$20,000 for the Mid-Dakota Rural Water System).²⁵ The FY2021 request is \$114.8 million less than FY2020 enacted funding of \$145.1 million. The FY2021 request continues a trend since FY2014 in which the President's budget requested reduced funding for rural water projects from prior-year enacted levels. Reclamation also has emphasized its authority to accept nonfederal contributions in excess of cost-sharing requirements as one way to expedite projects in the absence of increased federal funding. In the FY2021 budget request, Reclamation noted that nonfederal parties have the ability to move forward with important investments in water resources infrastructure by contributing amounts in excess of minimum contributions.²⁶

¹⁹ Reclamation, *Assessment of Reclamation's Rural Water Activities*; U.S. Department of the Interior, Office of Inspector General, Program Assessment Rating Tool, Progress Evaluation, Bureau of Reclamation, Rural Water Supply Projects, ER-RR-BOR-0002-2008, February 2009, at <https://www.doi.gov/sites/doi.gov/files/2009-I-0007.pdf>. Hereinafter Office of Inspector General, *Program Assessment*.

²⁰ Reclamation, *Assessment of Reclamation's Rural Water Activities*.

²¹ Office of Inspector General, *Program Assessment*.

²² Reclamation, *Assessment of Reclamation's Rural Water Activities*.

²³ Nonfederal sponsors generally have met their cost-share requirements prior to the federal government meeting its cost share; therefore, nonfederal sponsors are less subject to index increases. Reclamation, *Assessment of Reclamation's Rural Water Activities*; Office of Inspector General, *Program Assessment*.

²⁴ Personal correspondence between CRS and Reclamation on February 21, 2020.

²⁵ See "Rural Water Projects Under Construction in FY2020" for more information on the construction projects. Reclamation, *2021 Budget Justification*.

²⁶ Reclamation, *2021 Budget Justification*.

Rural Water Projects Under Construction in FY2020

In FY2020, Reclamation funded \$125.4 million in construction work at five projects (**Table 2**).²⁷ Reclamation’s FY2020 budget request included \$8.0 million in construction for four projects, but Congress provided \$117.4 million in appropriations above the President’s budget request.²⁸ The Administration distributed the funds above the request among five authorized projects, as described in Reclamation’s additional funding spend plan.²⁹ The following briefly describes the projects under construction in FY2020 based on Reclamation budget documents.

Table 2. Reclamation Rural Water Construction Funding: FY2020 Budget Request, FY2020 Appropriations, and FY2021 Budget Request

| Project | FY2020 Budget Request | FY2020 Work Plan | FY2021 Budget Request |
|--|-----------------------|------------------|-----------------------|
| Garrison Diversion Unit of the Pick-Sloan Missouri Basin Program | \$3.5 million | \$36.5 million | \$3.5 million |
| Fort Peck Reservation/Dry Prairie Rural Water System | \$2.4 million | \$31.4 million | \$2.4 million |
| Lewis and Clark Rural Water System | \$0.1 million | \$18.0 million | \$0.1 million |
| Rocky Boy’s/North Central Montana Rural Water System | \$2.0 million | \$24.5 million | \$2.0 million |
| Eastern New Mexico Water Supply | \$0 | \$15 million | \$0.05 million |

Source: Bureau of Reclamation, “Bureau of Reclamation Budget,” at <https://www.usbr.gov/budget/>.

Garrison Diversion Unit of the Pick-Sloan Missouri Basin Program

The Garrison Diversion Unit of the Pick-Sloan Missouri-Basin Program was authorized in 1965 (P.L. 89-108) and was amended in 1986 by the Garrison Diversion Unit Reformulation Act (P.L. 99-294) to include rural water services.³⁰ Garrison Diversion Unit water supply facilities are associated with Garrison Dam of the Pick-Sloan Missouri Basin Program. They are located in eight counties in the central and eastern part of North Dakota and serve four tribal reservations (Spirit Lake, Fort Berthold, Turtle Mountain, and Standing Rock Indian Reservations). The multipurpose project principally provides tribal and nontribal M&I water, along with fish and wildlife, recreation, and flood control benefits.

²⁷ The Administration’s request and enacted appropriations also included O&M funding of \$6.7 million for the Garrison Diversion Unit of the Pick-Sloan Missouri Basin Program, \$13.5 million for the Mni Wiconi Project, and \$15,000 for the Mid-Dakota Rural Water System.

²⁸ In FY2021, the President’s budget request included \$11.1 million in construction and allocated funding for Eastern New Mexico Water Supply for the first time since FY2018. Reclamation, *2021 Budget Justification*.

²⁹ Reclamation, *2020 Budget Justification*; Reclamation, *2020 Additional Funding*.

³⁰ The Dakota Water Resources Act (DWRA) of 2000 (Title VI of P.L. 106-554) further amended the Garrison Diversion Unit authorization. The DWRA deauthorized all but approximately 75,000 acres of the irrigation originally included in the project and increased construction ceilings for tribal and nontribal M&I water supplies by about \$600 million (\$200 million for the state M&I program, \$200 million for the tribal M&I program, and \$200 million for a Red River Valley Feature). DWRA also authorized an additional \$25 million for the Natural Resources Trust Fund (in addition to the original \$12 million), for a total of \$37 million in federal contributions.

Fort Peck Reservation/Dry Prairie Rural Water System

The Fort Peck Reservation Rural Water System Act of 2000 (P.L. 106-382), as amended, authorized rural water projects in northeastern Montana for the Fort Peck Reservation, serving the Assiniboine and Sioux Tribes, and for the Dry Prairie Rural Water Authority, serving towns outside of the reservation. The total service area population is around 25,000 people; rural water use is also available for commercial users and livestock. Currently, groundwater from shallow alluvial aquifers is the primary water source for the municipal systems, but groundwater quality is generally poor.³¹ The regional rural water project is to provide for a single water treatment plant located on the Missouri River, which is to distribute up to 13.6 million gallons of treated water per day through 3,200 miles of pipeline.

Lewis and Clark Rural Water System

The Lewis and Clark Rural Water System Act of 2000 (Division B, Title IV of P.L. 106-246) authorized the Lewis and Clark Rural Water System to serve over 300,000 people in southeast South Dakota, southwest Minnesota, and northwest Iowa. The project aims to address concerns regarding low water quality, contamination, and insufficient supplies of existing drinking water sources throughout the project area. The water source for the Lewis and Clark Rural Water System is the sand and gravel aquifers of the Missouri River near Vermillion, SD. The project is to collect, treat, and distribute water through a network of wells, pipelines, pump stations, and storage reservoirs to each of 15 municipalities (including the city of Sioux Falls) and five rural systems. As of February 2020, completed facilities delivered water to the first 14 of 20 members, serving more than 200,000 individuals in Iowa, Minnesota, and South Dakota.

Rocky Boy's/North Central Montana Rural Water System

The Rocky Boy's/North Central Montana Regional Water System Act of 2002 (Title IX of P.L. 107-331) authorized a rural water system to serve the Rocky Boy's Indian Reservation (Chippewa Cree Tribe) and surrounding communities in northern Montana. The system is designed to serve a total projected population of 43,000 (14,000 on reservation and 29,000 off reservation) by providing infrastructure to ensure existing water systems within the project service area comply with federal Safe Drinking Water Act (42 U.S.C. §§300f-300j-26) regulations. A core pipeline is to provide potable water from Tiber Reservoir to the Rocky Boy's Reservation, and non-core pipelines are to serve 21 surrounding towns and rural water districts. A \$20 million trust fund established with Bureau of Indian Affairs appropriations is to fund O&M and replacement for the core and on-reservation systems initially; eventually, water users are expected to entirely fund the project. Reclamation states that the current authorization is not adequate to cover the project.³²

Eastern New Mexico Water Supply

Section 9103 of the Omnibus Public Land Management Act of 2009 (P.L. 111-11) authorized the Eastern New Mexico Water Supply project to deliver water from Ute Reservoir on the Canadian River to eight member communities. The use of Ute Reservoir water aims to provide long-term water supply and reduce the eight communities' dependence on groundwater in the Ogallala Aquifer. Current funding is for planning, design, and construction of interim projects to deliver

³¹ Groundwater throughout the Reservation and Dry Prairie service area has concentrations of iron, manganese, sodium, sulfates, bicarbonates, and total dissolved solids above recommended standards.

³² See Missouri Basin, p. 107, of Reclamation, *2021 Budget Justification*.

groundwater to the communities before treated surface water is delivered from the Ute Reservoir Pipeline.

Rural Water Supply Act of 2006

The Rural Water Supply Act of 2006 (Title I of P.L. 109-451) authorized the Rural Water Supply Program and directed the Secretary of the Interior to undertake certain activities to implement the program. Specifically, the act directed Reclamation to conduct appraisal investigations and feasibility studies (or to ensure that nonfederal entities conducted such studies) and to recommend proposed projects to Congress for construction authorization and subsequent funding.

In 2008, Reclamation published an interim final rule (43 C.F.R. §404) that established operating criteria for the program and defined the criteria for the prioritization, eligibility, and evaluation of appraisal investigations and feasibility studies, in accordance with the act.³³ To be eligible under the rule, a rural community must have a population under 50,000. The rule prioritized domestic, residential, and municipal uses and prohibited the use of water for commercial irrigation purposes.³⁴ Interested entities (e.g., Reclamation states and western tribes) may request that either (1) Reclamation complete an appraisal investigation or feasibility study or (2) Reclamation provide financial assistance so the entity can conduct an appraisal investigation or feasibility study.³⁵

Reclamation began to implement the Rural Water Supply Program in FY2010 on a pilot basis, providing assistance to nonfederal entities to conduct appraisal investigations and feasibility studies.³⁶ Between FY2009 and

New Rural Water Supply Project Considerations

Appraisal Investigation: An analysis of domestic, municipal, and industrial water supply problems, needs, and opportunities using existing data. Appraisal investigations include a preliminary assessment of alternatives to determine if at least one warrants further investigation (i.e., a viable alternative). Cost is 100% federal up to \$200,000, with a 50% cost share for further costs unless the Department of the Interior provides an exception.

- Before authorization for the Rural Water Supply Program expired at the end of FY2016, 22 appraisal investigations were conducted, with nine recommendations for a feasibility study.

Feasibility Study: A detailed investigation and analysis of a reasonable range of alternatives, including at least one preferred alternative (i.e., a feasible alternative). Technical and economic analyses also are performed. A feasibility study generally is performed following the completion and recommendation of an appraisal investigation. Federal cost share is not to exceed 50%.

- Before the program authorization expiration of FY2016, five feasibility studies were conducted. No projects were recommended for construction funding, although two studies found feasible alternatives for rural water supply.

Authorization: Congress was to enact legislation before specific projects were constructed.

- No projects were authorized from the Rural Water Supply Program process.

³³ Reclamation, "Reclamation Rural Water Supply Program," 73 *Federal Register* 67778, November 17, 2008, at <https://www.federalregister.gov/documents/2008/11/17/E8-26584/reclamation-rural-water-supply-program>. The rule does not apply to previously authorized projects. More information can be found at Reclamation, "Rural Water Supply Program, Frequently Asked Questions," at <https://www.usbr.gov/ruralwater/general/faq.html>.

³⁴ Similarly, according to the rule, funds may not be used for the construction of major impoundment structures.

³⁵ The Rural Water Supply Act of 2006 (Title I of P.L. 109-451) allows nonfederal entities the option to prepare and submit a completed appraisal investigation and/or a feasibility study to Reclamation for review. If approved, the project would be eligible for Reclamation to recommend to Congress for authorization. Any entity that requests financial assistance must demonstrate that its proposal will be more cost-effective than it would be for Reclamation to complete the investigation or study.

³⁶ Reclamation, *Budget Justification and Performance Information Fiscal Year 2011*, 2010, at <https://www.usbr.gov/>

FY2012, Congress provided Reclamation a total of \$7.9 million for the program.³⁷ After FY2012, Reclamation no longer requested funding for the program and Congress did not appropriate funds for it.³⁸ Overall, Reclamation reported using this authority to study approximately 22 projects to varying extents (see **Appendix**).³⁹ Twelve were located in the Reclamation’s Great Plains region, five in the Upper Colorado region, four in the Lower Colorado region, and one in the Pacific Northwest region. Of these, Reclamation finalized and approved two feasibility reports: the *Musselshell-Judith Rural Water System Feasibility Report* (Montana) and the *Payson-Cragin Reservoir Water Supply Project Feasibility Report* (Arizona). Reclamation did not recommend these or any other projects for authorization, and Congress did not authorize any projects. In justifying its lack of construction recommendations, Reclamation pointed to existing rural water construction obligations, which it argued precluded recommendation of new projects with completed feasibility studies.⁴⁰

The authority for the Rural Water Supply Program expired at the end of FY2016 and has not been renewed. Members of Congress have introduced legislation in the 116th Congress that would reauthorize both the Rural Water Supply Program and particular projects and studies previously considered through the expired program (see “Legislation in the 116th Congress”).

Issues for Congress

Congress continues to fund construction and O&M (only required for tribal components) of authorized rural water projects; however, since the FY2016 expiration of the Rural Water Supply Program, Reclamation has for the most part ceased activities relating to new project study and authorization. Congress may consider conducting oversight or legislating changes to Reclamation’s rural water activities, including those related to existing or new program and project authorizations, funding prioritization criteria, and Reclamation’s role in supporting rural water projects.

Addressing Ongoing Rural Water Needs

The Rural Water Supply Act of 2006 required the Secretary of the Interior to assess the demand for new rural water supply projects in Reclamation states. In FY2009, Reclamation estimated that identified needs for potable water supply systems in rural areas ranged from \$5 billion to \$8 billion for nontribal needs; in the same year, it estimated approximately \$1.2 billion for specific tribal water supply projects.⁴¹ However, the Administration has not recommended, and Congress

budget/2011/2011Budget.pdf.

³⁷ Reclamation, “Bureau of Reclamation Budget,” at <https://www.usbr.gov/budget/>. For example, according to the *Assessment of Reclamation’s Rural Water Activities*, Reclamation received 23 applications in FY2010—seeking approximately \$5.5 million in federal funds. Reclamation awarded \$2.5 million. In addition, in FY2010, Reclamation received for review three appraisal investigations completed by nonfederal entities without federal funds, which is allowed under the program. In response to the FY2011 request for applications, Reclamation received 45 applications seeking \$7.5 million in federal funds and awarded \$2.3 million.

³⁸ According to Reclamation, *Assessment of Reclamation’s Rural Water Activities*, Reclamation did not request funds for grants to undertake additional appraisal investigations or feasibility studies for new rural water projects because of the significant backlog of existing authorized rural water projects and the high priority for completing those projects, as well as the very tight budget climate. Reclamation continued to request funding for ongoing rural water projects. Reclamation, “Bureau of Reclamation Budget,” at <https://www.usbr.gov/budget/>.

³⁹ Personal correspondence between CRS and Reclamation on January 3, 2020.

⁴⁰ Personal correspondence between CRS and Reclamation on May 17, 2017.

⁴¹ Reclamation reported working closely with various entities involved in water supply and management efforts to

has not authorized, any new Reclamation rural water projects since 2009. Additionally, because authorization of Reclamation's Rural Water Supply Program lapsed at the end of FY2016, Reclamation lacks a structured program for developing and recommending rural water supply projects.⁴²

Legislation in the 116th Congress

In the 116th Congress, House and Senate companion bills H.R. 967 and S. 334, both titled the Clean Water for Rural Communities Act, would authorize \$5 million for a feasibility study for the Dry Redwater Rural Water System and \$56.7 million (2014 price levels) for construction of the Musselshell-Judith Rural Water System. As noted, a feasibility report for the Musselshell-Judith Rural Water System was completed through Reclamation's Rural Water Supply Program, but the Administration did not recommend the project to Congress for authorization.⁴³

Congress also is considering legislation to reauthorize the Rural Water Supply Program through FY2026. In the 116th Congress, both the Water Justice Act (H.R. 4033) and the Securing Access for the Central Valley and Enhancing (SAVE) Water Resources Act (H.R. 2473) would reauthorize the existing program.

Congress may consider other legislative proposals to address the demand for rural water assistance in the West. For example, the Disadvantaged Community Drinking Water Assistance Act (H.R. 5347) would require the Secretary of the Interior to establish a grant program to provide financial assistance to disadvantaged communities of less than 60,000 residents that have experienced a significant decline in quantity or quality of drinking water. The grants could fund technical assistance, initial operating and capital costs for edible facilities, and up to 25% of such facilities' O&M. Other legislative proposals would address rural water needs by amending authorities to specific water technology and programs. For example, the Western Water Security Act of 2019 (H.R. 4891) would amend the Water Desalination Act of 1996, as amended (P.L. 104-298; 42 U.S.C. §10301 note), to add a classification for rural desalination projects with a higher federal cost share than desalination projects serving more than 40,000 individuals.⁴⁴

Funding of Current and Future Projects

In early 2020, Reclamation stated that \$1.2 billion was needed to complete authorized rural water projects under construction by the agency.⁴⁵ In addition, Reclamation has previously estimated

assess this demand. Reclamation noted challenges to collecting data on the needs and demands in the 17 western states, stating that the collective quality of available data was insufficient for making budgetary or policy decisions about the specific needs and demand for the program. Nonetheless, Reclamation determined that the data provided a broad perspective of the approximate range of unmet needs. Reclamation, *Assessment of Reclamation's Rural Water Activities*.

⁴² Several feasibility studies were completed through the Rural Water Supply Program, but the Administration did not recommend these studies for construction authorization (although the studies met the requirements of the Rural Water Supply Act of 2006). According to Reclamation, the projects with completed feasibility studies were not recommended for authorization and funding due to existing rural water construction obligations. Personal correspondence between CRS and Reclamation on May 17, 2017.

⁴³ Personal correspondence between CRS and Reclamation on May 17, 2017.

⁴⁴ The Water Desalination Act of 1996, as amended (P.L. 104-298; 42 U.S.C. §10301 note), provides for up to 25% federal cost share for construction of a desalination project; H.R. 4891 would provide up to 75% federal cost share for a rural desalination project that serves a population of not more than 40,000 individuals. Both provide authority for the Secretary of the Interior to consider reducing the nonfederal cost share.

⁴⁵ Personal correspondence between CRS and Reclamation on February 21, 2020.

nontribal rural water supply needs in excess of \$5 billion, and some observers have reported that assistance for communities is needed to address these needs.⁴⁶ Some stakeholders have requested continued and increased funding for Reclamation rural water projects. In the 115th Congress, representatives of the National Water Resources Association and the Family Farm Alliance asked Congress to compel Reclamation and the Office of Management and Budget to implement the Rural Water Supply Program and investigate opportunities to develop loan and loan guarantee programs that can help fund new water infrastructure projects.⁴⁷

Over the years, Reclamation has provided its views regarding funding for rural water projects. In general, Reclamation has testified that rural water projects must compete with a long list of other priorities, including aging infrastructure, environmental compliance and restoration actions, and dam safety.⁴⁸ During the consideration of authorizing existing rural water projects, Reclamation stated that long-standing agency policy was that local sponsors, particularly those that are nontribal, should reimburse Reclamation for 100% of the costs incurred for rural water supply from multipurpose projects.⁴⁹ Reclamation notes in its budget requests to Congress that constrained federal budgets do not preclude nonfederal sponsors' ability to move forward with rural water projects by funding in excess of the minimum nonfederal contributions.⁵⁰ Reclamation has recommended that tribes, where possible, and other project beneficiaries be responsible for the O&M expenses of their rural water projects.⁵¹

Congress has appropriated funds for rural water projects on a nonreimbursable basis (i.e., as de facto grants). In some cases, local and tribal sponsors do not have funds or have not prioritized funds to increase their funding contributions. Should Congress continue to support rural water projects through Reclamation, Congress may consider various options. These might include

- Continue to provide Reclamation annual appropriations for the agency to allocate funds to individually authorized rural water projects based on established agency criteria.⁵²
- Establish mandatory funding for Reclamation to allocate funds to individually authorized rural water projects based on established agency criteria. For example, the Authorized Rural Water Projects Completion Act (S. 1556) in the 115th Congress would have created a Reclamation Rural Water Construction Account

⁴⁶ Zoe Roller, *Closing the Water Access Gap in the United States: A National Action Plan*, U.S. Water Alliance, November 2019, at http://uswateralliance.org/sites/uswateralliance.org/files/publications/Closing%20the%20Water%20Access%20Gap%20in%20the%20United%20States_DIGITAL.pdf.

⁴⁷ See Testimony of Chris Treese, Board Member, National Water Resources Association, and Advisory Committee Member, Family Farm Alliance, in U.S. Congress, Senate Committee on Energy and Natural Resources, *Hearing to Receive Testimony on Opportunities to Improve and Expand Infrastructure Important to Federal Lands, Recreation, Water, and Resources*, hearing, 115th Cong., 1st sess., March 21, 2017.

⁴⁸ U.S. Congress, Senate Committee on Energy and Natural Resources, Subcommittee on Water and Power, *Subcommittee on Water and Power Legislative Hearing*, 115th Cong., 2nd sess., February 28, 2018.

⁴⁹ For example, see S.Rept. 105-368, S.Rept. 106-203, H.Rept. 106-633, and U.S. Congress, House Committee on Resources, Subcommittee on Water and Power, *Oversight Hearing on Rural Water Project Financing*, 106th Cong., 1st sess., July 29, 1999.

⁵⁰ Reclamation, *2020 Budget Justification*.

⁵¹ U.S. Congress, Senate Committee on Energy and Natural Resources, Subcommittee on Water and Power, *Hearing on S. 3265, S.3464, S. 3483, and H.R. 2842*, 112th Cong., 2nd sess., September 19, 2012.

⁵² In addition to prioritizing tribal needs, the criteria used for the FY2020 budget justification and work plan included the following categories: (1) financial resources committed; (2) urgent and compelling need; (3) financial need and regional economic impacts; (4) regional and watershed nature; and (5) meets water, energy, and other priority objectives. Reclamation, *2020 Budget Justification*. Reclamation, *Assessment of Reclamation's Rural Water Activities*.

to receive \$80 million annually that otherwise would be deposited into the Reclamation Fund.⁵³ Funds in the Reclamation Rural Water Construction Account, in addition to amounts appropriated for rural water projects, would be available for the construction of authorized rural water projects.⁵⁴

- Provide grant funding through a competitive process for nonfederal sponsors to support local projects, such as the grant program the Disadvantaged Community Drinking Water Assistance Act (H.R. 5347) would establish for communities with fewer than 60,000 residents.
- Direct appropriations to individually authorized rural water projects.⁵⁵

Other Rural Water Options

As GAO noted in a 2007 report, numerous federal entities provide funding for water supply and wastewater projects.⁵⁶ In addition to Reclamation (which funds only water supply projects), the U.S. Department of Agriculture (USDA), Environmental Protection Agency (EPA), Army Corps of Engineers (USACE), Department of Housing and Urban Development (HUD), and Department of Commerce (DOC) all provide funding for both water supply and wastewater projects. USDA, EPA, HUD, and DOC have formal, nationwide programs with standardized eligibility criteria and processes under which communities compete for funding. In contrast, Reclamation and USACE fund water projects in defined geographic locations under explicit congressional authorizations. According to GAO, Congress has chosen Reclamation to fill a void for projects that are larger and more complex than other rural water projects and that do not meet the criteria of other rural water programs.⁵⁷

Some might argue that these projects would be better accomplished via other existing federal water quality or water supply programs. However, as GAO has observed, as designed, some of Reclamation's authorized rural water projects do not fit criteria of other agency's programs due to their cost and regional focus; thus, project proponents have looked to Reclamation for funding.⁵⁸ For example, Reclamation may assist rural areas with populations in excess of 10,000 residents that may not be eligible for funding under other programs. Reclamation rural water projects also may serve more than one community (i.e., a regional area, as opposed to a single area).

Reclamation developed its Rural Water Supply Program with the intent to complement, rather than duplicate, the efforts of the other agencies' programs and activities. In creating the program, Reclamation signed memoranda of understanding and related documents with other agencies to

⁵³ For more information on the Reclamation Fund, see CRS In Focus IF10042, *The Reclamation Fund*, by Charles V. Stern.

⁵⁴ The Reclamation Rural Water Construction Account would be a subaccount of a new Reclamation Rural Water Construction and Settlement Implementation Fund. At a hearing on the bill, Reclamation testified that funding for rural water projects should come solely through discretionary appropriations to ensure appropriate annual review and oversight. U.S. Congress, Senate Committee on Energy and Natural Resources, Subcommittee on Water and Power, *Subcommittee on Water and Power Legislative Hearing*, 115th Cong., 2nd sess., February 28, 2018.

⁵⁵ Congress provided funding to rural water projects by directing appropriations to individual projects, irrespective of the President's budget request, prior to the earmark moratorium policies of the 112th Congress. Earmark moratorium policies of the 116th Congress preclude congressionally directed spending if the spending would benefit a specific entity or state, locality, or congressional district other than through a statutory or administrative formula or competitive award process.

⁵⁶ GAO, *Rural Water Supply and Wastewater Projects*.

⁵⁷ GAO, *Rural Water Supply and Wastewater Projects*.

⁵⁸ GAO, *Rural Water Supply and Wastewater Projects*.

coordinate efforts.⁵⁹ Reclamation has stated that it participates in a variety of broad coordination activities among agencies related to ongoing authorized projects. With the expiration of the Rural Water Supply Program, this formal coordination between Reclamation and other agencies' programs is no longer required.⁶⁰

⁵⁹ Reclamation, *Assessment of Reclamation's Rural Water Activities*, includes memoranda between the U.S. Army Corps of Engineers and Reclamation and between the U.S. Department of Agriculture, the Department of Housing and Urban Development, the Department of the Interior, and the Environmental Protection Agency. Personal correspondence between CRS and Reclamation on January 9, 2020.

⁶⁰ Personal correspondence between CRS and Reclamation on January 9, 2020.

Appendix. Rural Water Supply Program Appraisal Investigations and Feasibility Studies

The Bureau of Reclamation (Reclamation) provided the Congressional Research Service with a list of appraisal investigations and feasibility studies conducted for potential projects under the Rural Water Supply Program.⁶¹ Before the program authorization expired in FY2016, 22 appraisal investigations were conducted, with nine recommendations for a feasibility study.⁶² Five feasibility studies were conducted. Reclamation did not recommend any projects for construction funding, although two studies found feasible alternatives for rural water supply. Reclamation issued concluding reports for appraisal investigations and feasibility studies of projects that were not recommended for construction funding. Reclamation provided a range of reasons for issuing concluding reports: studies being incomplete, no found feasible alternatives, lack of funding, and program expiration.⁶³ According to Reclamation, some concluding reports were not issued due to a lack of time or resources. In these cases, Reclamation considered the appraisal reports as concluding reports for the purposes of the Rural Water Supply Program.⁶⁴ A feasibility report for the Musselshell-Judith Rural Water System was completed through Reclamation’s Rural Water Supply Program. Legislation introduced in the 116th congress, the Clean Water for Rural Communities Act (H.R. 967 and S. 334), would authorize the Central Montana Musselshell-Judith Rural Water System.

Table A-1. Rural Water Supply Program Appraisal Investigations and Feasibility Studies

| Study Name | Reclamation Region | Study Type | Final Status |
|--|--------------------|-------------------------|---|
| Central Montana (Musselshell-Judith) | Great Plains | Feasibility Study | A feasibility report was completed and found feasible alternatives. Reclamation did not recommend the project for funding due to existing rural water construction obligations. |
| | | Appraisal Investigation | An appraisal report was completed. Reclamation recommended further study. |
| Payson-Cragin Reservoir Water Supply Project | Lower Colorado | Feasibility Study | A feasibility report was completed and found feasible alternatives. Reclamation did not recommend the project for funding due to existing rural water construction obligations and the local sponsor initiating construction. |
| | | Appraisal Investigation | Appraisal-level analysis was completed outside the Rural Water Supply Program through a Mogollon Rim Water Resources Management study. |

⁶¹ Reclamation provides some reports on its website, but the list is incomplete. Reclamation, “Appraisal Reports,” at <https://www.usbr.gov/ruralwater/appraisal/index.html>. Personal correspondence between CRS and Reclamation on January 3, 2020.

⁶² An appraisal investigation is an analysis of domestic, municipal, and industrial water supply problems, needs, and opportunities primarily using existing data. It includes a preliminary assessment of alternatives to determine if there is at least one viable alternative that warrants a more detailed feasibility study to determine if there is feasible alternative for project construction.

⁶³ Personal correspondence between CRS and Reclamation on January 3, 2020.

⁶⁴ Personal correspondence between CRS and Reclamation on January 3, 2020.

| Study Name | Reclamation Region | Study Type | Final Status |
|---|--------------------|-------------------------|---|
| Coconino Plateau / North Central Arizona Water Supply | Lower Colorado | Feasibility Study | A feasibility study was incomplete as of program expiration. Instead of a concluding report, an interim report was issued. |
| | | Appraisal Investigation | Appraisal-level analysis was completed outside the Rural Water Supply Program through a North Central Arizona Water Supply study. |
| Lower Niobrara Natural Resources District | Great Plains | Feasibility Study | Reclamation issued a concluding report. |
| | | Appraisal Investigation | An appraisal report was completed. Reclamation recommended further study. |
| Dry Redwater Rural Water System | Great Plains | Feasibility Study | Reclamation issued a concluding report. |
| | | Appraisal Investigation | An appraisal report was completed. Reclamation recommended further study. |
| Douglas County Rural Water Project | Great Plains | Appraisal Investigation | An appraisal report was completed. Reclamation recommended further study; however, with the expiration of the Rural Water Supply Program, the appraisal report served as a concluding report. |
| Southern Black Hills | Great Plains | Appraisal Investigation | An appraisal report was completed. Reclamation recommended further study; however, with the expiration of the Rural Water Supply Program, the appraisal report served as a concluding report. |
| City of Sulphur | Great Plains | Appraisal Investigation | An appraisal report was completed. Reclamation recommended further study; however, with the expiration of the Rural Water Supply Program, the appraisal report served as a concluding report. |
| Lower Clearwater Exchange Project | Pacific Northwest | Appraisal Investigation | An appraisal report was completed. Although Reclamation recommended further study, the agency noted concerns that the identified alternatives may rely on transfer of ownership of preexisting facilities, which is prohibited by the Reclamation Rural Water Supply Act of 2006 (Title I of P.L. 109-451). The appraisal report served as a concluding report. |
| Navajo Nation-Mexican Hat/Kayenta | Upper Colorado | Appraisal Investigation | An appraisal report was completed and found viable alternatives. Reclamation did not recommend further study due to Rural Water Supply Program expiration. The appraisal report served as a concluding report. |
| Jemez Pueblo Rural Water System | Upper Colorado | Appraisal Investigation | An appraisal report was completed and found viable alternatives. Reclamation did not recommend further study due to Rural Water Supply Program expiration. The appraisal report served as a concluding report. |
| Southwestern Navajo Rural Water Study | Lower Colorado | Appraisal Investigation | An appraisal report was completed and found viable alternatives. Reclamation did not recommend further study due to lack of funding and Rural Water Supply Program expiration. The appraisal report serves as a concluding report. |

| | | | |
|---|----------------|-------------------------|---|
| Platte Alliance, Goshen County Water Supply | Great Plains | Appraisal Investigation | An appraisal report was completed and found viable alternatives. Reclamation did not recommended further study due to lack of funding and legal issues involving interstate water transfer. The appraisal report serves as a concluding report. |
| Nye County Appraisal Investigation | Lower Colorado | Appraisal Investigation | The appraisal report served as a concluding report. |
| Langdon, ND, Rural Water System | Great Plains | Appraisal Investigation | Reclamation issued a concluding report. |
| City of Strong City | Great Plains | Appraisal Investigation | Reclamation issued a concluding report. |
| Sisseton-Wahpeton Oyate | Great Plains | Appraisal Investigation | Reclamation issued a concluding report. |
| Northern Cheyenne Rural Water Supply | Great Plains | Appraisal Investigation | Reclamation issued a concluding report. |
| South Sioux City | Great Plains | Appraisal Investigation | Reclamation issued a concluding report. |
| Taos Pueblo Rural Water System | Upper Colorado | Appraisal Investigation | Reclamation issued a concluding report. |
| McKinley County | Upper Colorado | Appraisal Investigation | Reclamation issued a concluding report. |
| Navajo Nation Department of Water Resources Alamo Chapter | Upper Colorado | Appraisal Investigation | Reclamation issued a concluding report. |

Source: Personal correspondence between CRS and Reclamation on January 3, 2020.

Notes: Reclamation issued concluding reports for appraisal investigations and feasibility studies that were not recommended to move forward because they were incomplete, they found no viable or feasible alternatives, or for other reasons, such as lack of funding or program expiration. Appraisal investigations included a preliminary assessment of alternatives to determine if there is at least one viable alternative that warrants a more detailed feasibility study to determine if there is feasible alternative for project construction.

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