



Bureau of Reclamation: FY2019 Appropriations

Overview

Most of the large dams and water diversion structures in the 17 states west of the Mississippi River 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 the other principal federal water resource agency, the U.S. Army Corps of Engineers.

Today, Reclamation manages hundreds of dams and diversion projects in the 17 western states. These projects provide water to approximately 10 million acres of farmland and 31 million people. Reclamation is the largest wholesale supplier of water in these 17 western states and the second-largest hydroelectric power producer in the nation. Operations of Reclamation facilities can be controversial, particularly in relation to how they affect fish and wildlife species and lead to conflicts among competing water users.

Reclamation’s role in water resources development has evolved over time. Reclamation’s focus has gradually shifted from construction of new water storage projects to operations and maintenance of existing projects, many of which are aging. Reclamation also has been authorized to carry out new missions and programs, including funding Indian water supply projects as part of congressionally authorized Indian water rights settlements (IWRS), as well as providing financial support for other projects addressing rural water supply, water reuse and recycling, and desalination efforts, among other things.

Reclamation’s Water and Related Resources account funds the majority of the agency’s activities, including construction, operations and maintenance, dam safety, and ecosystem restoration. It also funds IWRS and most of Reclamation’s programmatic and grant authorities. In addition to the Water and Related Resources account, Reclamation typically requests funding for three smaller accounts: the geographically specific California Bay-Delta Restoration and Central Valley Project Restoration Fund accounts (the latter of which is offset by customer receipts) and the Policy and Administration account (which funds administrative activities).

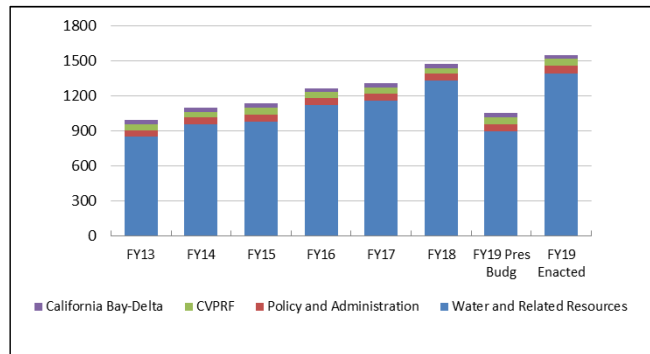
FY2019 Budget and Appropriations

The President’s budget request for FY2019 proposed \$1.049 billion in gross current authority for Reclamation. The proposal was approximately \$421 million less than the final FY2018 enacted level of \$1.47 billion. The FY2019 enacted bill (P.L. 115-244) provided Reclamation with

\$1.55 billion. **Figure 1** shows recent appropriations levels for Reclamation.

Figure 1. Bureau of Reclamation Appropriations, FY2013-FY2019

(nominal \$ in millions)



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

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

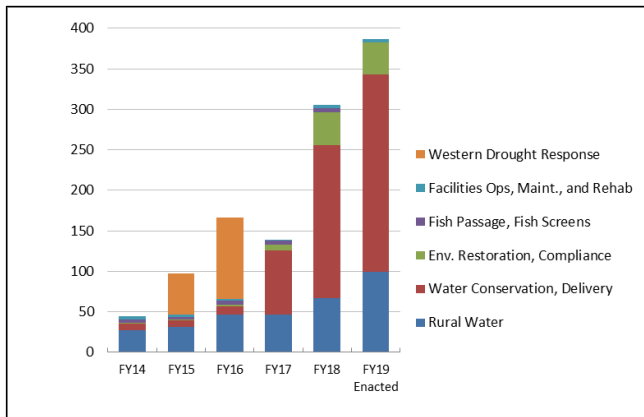
Earmarks and Reclamation

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

FY2018 enacted appropriations more than doubled recent funding levels for these projects, including \$306 million in addition to the President’s FY2018 budget request across five project categories. The FY2019 enacted bill provided \$387 million in increases above the President’s FY2019 budget request, spread across the following four categories: rural water (\$99 million); water conservation and delivery (\$244 million); environmental restoration or compliance (\$40 million); and facilities operation, maintenance, and rehabilitation (\$4 million). Additional funding amounts in recent appropriations bills are shown below in **Figure 2**.

Figure 2. Reclamation Additional Funding Items, FY2014-FY2019

(nominal \$ in millions)



Source: CRS, based on Reclamation appropriations data.

Issues for Congress

WIIN Act Funding

In the FY2019 budget request, Reclamation estimated that it will need at least \$1.6 billion for new infrastructure in the coming years. Section 4007 of the Water Infrastructure Improvements for the Nation Act (WIIN Act; P.L. 114-322), enacted in December 2016, authorized \$335 million in financial support for Reclamation for new or expanded federal and nonfederal water storage projects that could address some of these needs. In 2018 reporting to Congress, Reclamation recommended an initial list of seven projects to receive FY2017 funding that previously was appropriated for these purposes; Congress agreed to these recommendations in the enacted FY2018 appropriations bill. That same bill further stipulated that \$134 million of the \$189 million set aside for additional water conservation and delivery projects in FY2018 also be provided to Section 4007 WIIN Act water storage projects, and that \$30 million of the \$40 million in additional funding for environmental restoration and compliance be provided for activities under Sections 4001 and 4010 of the WIIN Act (which relate generally to pumping operations and environmental mitigation for the California Central Valley Project). No funding was requested for these projects in the FY2019 budget request, but the FY2019 enacted bill stipulated that \$134 million of the additional funding for water conservation and delivery in FY2019 once again be allocated for Section 4007 WIIN Act water storage projects and that another \$30 million be provided for activities under Sections 4001 and 4010 of the WIIN Act.

WaterSMART Program

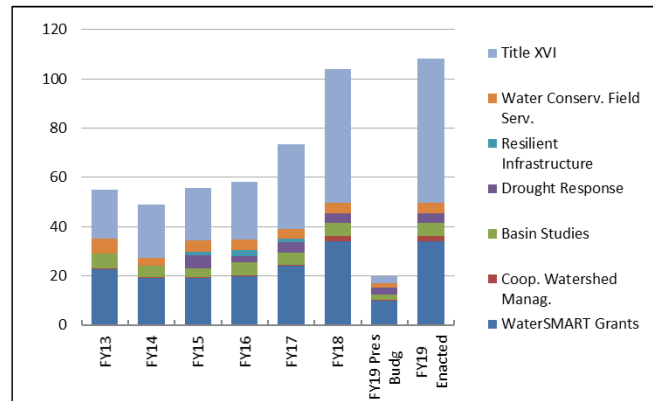
Reclamation combines funding for multiple agency-wide programs promoting water conservation into a single program—the WaterSMART (Sustain and Manage American Resources for Tomorrow) program. The program is part of the Department of the Interior’s focus on water conservation, reuse, and planning, and it is notable for its departure from Reclamation’s traditional project-based funding. In recent years, WaterSMART has included funding for seven programs. Of these seven programs, the largest are WaterSMART grants (which fund water and

energy efficiency projects) and Title XVI projects (which fund water recycling and reuse projects).

For FY2019, the Administration requested a total of \$19.9 million for the WaterSMART program, \$84.1 million below the FY2018 enacted level of \$104 million. The FY2019 enacted bill provided \$108.2 million for these programs. Recent funding levels for WaterSMART are shown below in Figure 3.

Figure 3. Reclamation WaterSMART Program, FY2013-FY2019

(nominal \$ in millions)



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

Rural Water Supply and Indian Water Rights Settlements

Reclamation is authorized to construct and operate projects that provide water supplies to rural communities and Indian tribes. In its FY2019 budget, the bureau estimated that approximately \$1.3 billion would be needed to complete its current backlog of authorized rural water projects and \$1.5 billion would be needed to complete IWRS projects.

The FY2019 President’s budget requested \$33.9 million for five authorized rural water projects: Mni Wiconi—South Dakota (\$13.5 million); Pick Sloan-Missouri Basin Program-Garrison Diversion Unit—North Dakota (\$12 million); Fort Peck Reservation/Dry Prairie Rural Water System—Montana (\$5 million); Rocky Boy’s/North Central Rural Water System—Montana (\$4 million); and Lewis and Clark Rural Water System—South Dakota, Minnesota, Iowa (\$100,000). Three of these projects also benefit tribal areas. The FY2019 enacted bill provided these projects with a total of \$132 million (the budget’s requested funding, plus the aforementioned \$98 million to be allocated in an FY2019 work plan).

For IWRS, the FY2019 budget requested \$101 million to implement four authorized Indian water rights settlements: Aamodt (\$8.3 million); Blackfeet (\$10 million); Crow Tribe (\$13 million); and Navajo-Gallup Water Supply (\$70 million). The FY2019 enacted bill made no changes to these amounts. For more information, see CRS Report R44148, *Indian Water Rights Settlements*.

Charles V. Stern, cstern@crs.loc.gov, 7-7786