



Updated March 28, 2022

Bureau of Reclamation: FY2022 Appropriations

Overview

The Bureau of Reclamation (Reclamation), part of the Department of the Interior, is responsible for construction and operation of hundreds of large dams and water diversion structures in the 17 western reclamation states designated in statute by Congress. 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 states and the second-largest hydroelectric power producer in the nation. 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 has evolved, and its focus has 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, dam safety, ecosystem restoration, Indian water rights settlements, and most 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 Policy and Administration.

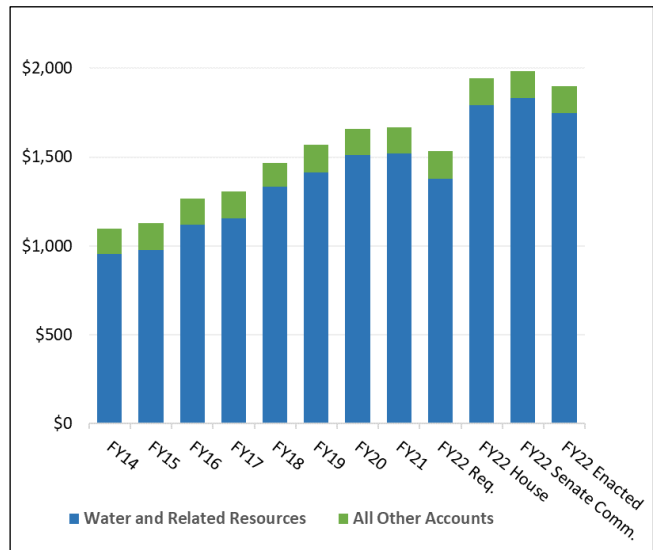
FY2022 Budget Request and Appropriations Action

The Administration request is commonly less than the final enacted total for Reclamation. For FY2022, President Biden requested \$1.53 billion in gross current authority (i.e., appropriations before offsets) for Reclamation. H.R. 4502, the House-passed appropriations bill that included Energy and Water Development and Related Agencies (in Division C), contained \$1.95 billion for Reclamation. S. 2605, as reported by the Senate Appropriations Committee, included \$1.99 billion for Reclamation. The final enacted bill, P.L. 117-103, Division D, included \$1.90 billion. **Figure 1** shows enacted appropriations levels since FY2014 for Reclamation’s Water and Related Resources Account, as well as its other smaller accounts, compared with the FY2022 levels. Also, in October 2021, Congress enacted \$8.30 billion in supplemental appropriations for various Reclamation programs under the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58). This funding is to be made available in equal installments for each of the five

fiscal years from FY2022 to FY2026 (i.e., \$1.66 billion per year).

Figure 1. Reclamation Appropriations: FY2014-FY2022

(nominal \$ in millions)



Source: Congressional Research Service (CRS) based on FY2014-FY2022 enacted appropriations, the FY2022 budget request, and FY2022 Appropriations Committee data.

Notes: Does not reflect supplemental funding; also does not reflect offsetting receipts for the Central Valley Project Restoration Fund.

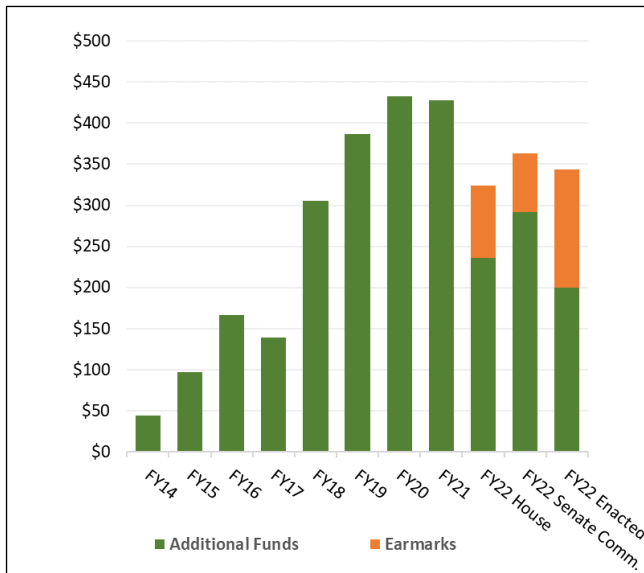
Earmarks and Reclamation

The Water and Related Resources account consists largely of individual project funding lines. During the 112th-116th Congresses, Reclamation appropriations were subject to general “earmark moratoriums” that restricted Congress from funding geographically specific project line items not requested by the Administration. Instead, Congress included “additional funding” amounts for selected categories of Reclamation projects, typically in five categories: Rural Water, Water Conservation & Delivery, Environmental Restoration and Compliance, Fish Passage/Fish Screens, and Facilities Maintenance and Rehabilitation. The Administration recommended allocations of these funds for specific projects in work plans made available several months after enactment of the appropriations bills. (Work plans are available at <http://www.usbr.gov/budget/>.)

For FY2022 Reclamation appropriations, Congress included the first “earmarks” since the 111th Congress. Congress also continued to fund the aforementioned additional funding categories, albeit at lower levels than for FY2018-FY2021 (**Figure 2**).

Figure 2. Reclamation Additional Funds and Earmarks, FY2014-FY2022

(nominal \$ in millions)



Source: CRS based on FY2014-FY2022 enacted appropriations and FY2022 Appropriations Committee 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 projects to receive funding, first Congress appropriates funds under this authority. Then the Administration must recommend specific projects for funding, and Congress decides whether to approve the recommendations in enacted appropriations legislation. From the first appropriations under the WIIN Act (FY2017) through FY2021, Congress appropriated \$603 million for these projects (including \$134 million for FY2021 under the Additional Funding category). To date, Congress has rejected Administration-requested funding for one project: the Shasta Dam and Reservoir Enlargement Project in California.

In July 2021, Reclamation recommended that six projects receive \$206 million in prior year Section 4007 appropriations. Congress agreed to these allocations in the bill approving continuing appropriations for FY2022 (P.L. 117-43). P.L. 117-43 also directed that \$117 million of the additional funding amount for water conservation and delivery go toward future Section 4007 projects. Congress also included \$1.05 billion in supplemental funding for water storage projects in the IJA. As of March 2022, Congress had approved Reclamation's allocations for 13 projects: 10 in California, 2 in Washington, and 1 in Idaho.

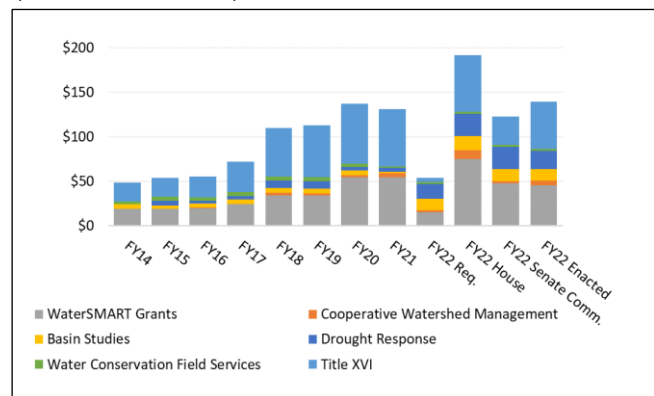
WaterSMART Program

Reclamation combines funding for six subprograms (many of them awarded as grants) that promote water conservation into one program—the WaterSMART program. 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 FY2022, the Biden Administration requested \$54 million for the WaterSMART program. Both H.R. 4502 and S. 2605 included higher funding than the President's request, such as major increases for subprograms, including WaterSMART Grants and Title XVI. P.L. 117-103 included a total of \$140 million for the WaterSMART program (Figure 3).

Figure 3. Reclamation WaterSMART Program: FY2014-FY2022

(nominal \$ in millions)



Source: CRS based on FY2014-FY2022 enacted appropriations, the FY2022 budget request, and FY2022 Appropriations Committee data.

Western Drought

Much of the western United States is facing extraordinary drought conditions, and several Reclamation programs address drought. For FY2022, Congress approved additional drought funding (i.e., funding in addition to “base” funding) of \$200 million in the continuing appropriations bill (P.L. 117-43), while also enacting “base” funding for drought programs in P.L. 117-103 (e.g., \$20 million for the drought response program). The IJA also included funding for some Reclamation programs addressing drought, among other programs.

Additional Reading

CRS Report R46303, *Bureau of Reclamation: History, Authorities, and Issues for Congress*

CRS In Focus IF10626, *Reclamation Water Storage Projects: Section 4007 of the Water Infrastructure Improvements for the Nation Act*

CRS Report R44148, *Indian Water Rights Settlements*

CRS Report R46308, *Bureau of Reclamation Rural Water Projects*

CRS Report R47032, *Bureau of Reclamation Provisions in the Infrastructure Investment and Jobs Act (P.L. 117-58)*

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