



**RESOLUTION
of the
WESTERN STATES WATER COUNCIL
regarding the
THE RECLAMATION FUND
No Host Virtual Meeting
July 22, 2020**

WHEREAS, in the West, water is indeed our “life blood,” a vital and scarce resource the availability of which has and continues to circumscribe growth, development and our economic well-being and environmental quality of life – the wise conservation and management of which is critical to maintaining human life, health, welfare, property and environmental and natural resources; and

WHEREAS, recognizing the critical importance of water in the development of the West, the Congress passed the Reclamation Act on June 17, 1902 and provided monies “reserved, set aside, and appropriated as a special fund in the Treasury to be known as the ‘reclamation fund,’ to be used in the examination and survey for and the construction and maintenance of irrigation works for the storage, diversion, and development of water for the reclamation of arid and semiarid land...” in seventeen western states, to be continually invested and reinvested; and

WHEREAS, then President Theodore Roosevelt stated, “The work of the Reclamation Service in developing the larger opportunities of the western half of our country for irrigation is more important than almost any other movement. The constant purpose of the Government in connection with the Reclamation Service has been to use the water resources of the public lands for the ultimate greatest good of the greatest number; in other words, to put upon the land permanent homemakers, to use and develop it for themselves and for their children and children’s children...;”¹ and

WHEREAS, the Secretary of the Interior was authorized and directed to “locate and construct” water resource projects to help people settle and prosper in this arid region, leading to the establishment of the Reclamation Service – today’s U.S. Bureau of Reclamation; and

WHEREAS, western states and the Bureau of Reclamation have worked in collaboration to meet the water-related needs of the citizens of the West, and protect the interests of all Americans, recognizing changing public values and the need to put scarce water resources to beneficial use for the “ultimate greatest good of the greatest number;” and

WHEREAS, the Bureau of Reclamation has facilities that include 338 reservoirs with the capacity to store 140 million acre-feet of water, with irrigation water for 10 million acres of farmland that produce 60 percent of the nation’s vegetables and 25 percent of its fruits and nuts, as well as providing water to about 31 million people for municipal and industrial uses, while generating more than 40 billion kilowatt hours of energy each year from 53 hydroelectric power plants, enough to serve 3.8 million households, while providing 245 recreation areas with over 90 million visits annually, and further providing flood control, and fish and wildlife benefits; and

WHEREAS, project sponsors have and continue to repay the cost of these facilities, which also produce power receipts that annually return over one billion in gross power revenues to the federal government, prevent millions in damages due to floods each year, and supports over 63.9 billion in economic returns and supporting over 456,219 jobs; and

¹State of the Union Address, 1907

WHEREAS, project sponsors have and continue to repay the cost of these facilities, which also produce power receipts that annually return around \$1 billion in gross power revenues to the federal government, prevent millions in damages due to floods each year, and supports over \$45 billion in economic returns and over 344,000 jobs; and

WHEREAS, the water and power resources developed under and flood control provided by the Reclamation Act over the last century supported the development and continue to be critical to the maintenance of numerous and diverse rural communities across the West and the major metropolitan areas of Albuquerque, Amarillo, Boise, Denver, El Paso, Las Vegas, Los Angeles, Lubbock, Phoenix, Portland, Reno, Sacramento, Salt Lake City, Seattle, Tucson and numerous smaller cities; and

WHEREAS, western States are committed to continuing to work cooperatively with the Department of Interior and Bureau of Reclamation to meet our present water needs in the West and those of future generations, within the framework of state water law, as envisioned by President Roosevelt and the Congress in 1902; and

WHEREAS, according to the Administration’s FY 2021 budget request actual and estimated receipts and collections accruing to the Reclamation Fund are \$ 1.761 billion for FY 2019, \$1.397 billion for FY 2020, and \$1.369 billion for FY 2021, compared to actual and estimated appropriations of \$1.293 billion for FY 2019, \$ 1.429 billion for FY 2020, and \$893 million for FY 2021 and as a result the unobligated balance at the end of each year respectively is calculated to be \$17.668 billion, \$17.956 billion and \$18.768 billion; and

WHEREAS, this unobligated balance in the Reclamation Fund continues to grow at an increasing rate from an actual balance of \$5.67 billion at the end of FY 2006, to the estimated \$18.768 billion by the end of FY 2021, over a 3-fold increase; and

WHEREAS, under the Reclamation Act of 1902, the Reclamation Fund was envisioned as the principle means to finance federal western water and power projects with revenues from western resources, and its receipts are derived from water and power sales, project repayments, certain receipts from public land sales, leases and rentals in the 17 western states, as well as certain oil and mineral-related royalties – but these receipts are only available for expenditure pursuant to annual appropriation acts; and

WHEREAS, with higher receipts than expenditures for authorized Reclamation purposes, the unobligated figure gets larger and larger, while the money is actually spent elsewhere for other federal purposes contrary to the Congress’ original intent.

NOW THEREFORE BE IT RESOLVED, that the Western States Water Council asks the Administration to request and the Congress to fully appropriate the receipts and collections accruing to the Reclamation Fund subsequent to the Reclamation Act and other acts for their intended purpose in the continuing conservation, development and wise use of western resources to meet western water-related needs – recognizing and continuing to defer to the primacy of western water laws in allocating water among uses – and work with the States to meet the water-related challenges and needs of the future.

BE IT FURTHER RESOLVED, that such “needs” may include Reclamation project dam safety costs, financing extraordinary maintenance and rehabilitation of aging infrastructure (including transferred works), authorized rural water supply projects, and the construction of Reclamation facilities incorporated as part of a Congressionally approved Indian water right settlements.

Position No. 451
Revised and Readopted
(see former Position #408 – 6/29/22017; Position #367– 7/18/2014;
Position #333 – 7/29/2011; and Position #304 – 7/11/2008)

BE IT FURTHER RESOLVED, that the Western States Water Council asks the Administration and the Congress to investigate the advantages of converting the Reclamation Fund from a special account to a true revolving trust fund with annual receipts to be expended with or without further appropriation for authorized purposes in the year following their deposit (similar to some other federal authorities and trust accounts).