



IN REPLY REFER TO:

United States Department of the Interior

BUREAU OF RECLAMATION
Washington, D.C. 20240

**Statement of Camille Calimlim Touton, Commissioner
U.S. Bureau of Reclamation
Before the
Subcommittee on Energy and Water Development
Committee on Appropriations
U.S. House of Representatives
on the President's Fiscal Year 2025 Budget
April 17, 2024**

Thank you, Chairman Fleischmann, Ranking Member Kaptur, and members of the Subcommittee for the opportunity to discuss with you the President's Fiscal Year (FY) 2025 Budget for the Bureau of Reclamation. I am Camille Calimlim Touton, Commissioner for the Bureau of Reclamation.

Reclamation manages water for agriculture, municipal and industrial use, the environment, power production, and provides flood control and recreation for millions of people. We are also the second largest producer of hydropower in the United States and operate 53 hydroelectric powerplants that annually produced, on average, 40 billion kilowatt-hours for the last 10 years. Reclamation's project and programs serve as the water and power infrastructure backbone of the American West, constituting an important driver of economic growth in hundreds of basins throughout the Western States. Reclamation's activities support economic activity valued at \$34.1 billion, and support approximately 450,700 jobs.¹ Reclamation delivers 10 trillion gallons of water to millions of people each year and provides water for irrigation of 10 million farmland acres, which yields approximately 25 percent of the Nation's fruit and nut crops, and 60 percent of the vegetable harvest.

Reclamation's fundamental work to modernize and maintain infrastructure, conserve natural resources, use science and research to inform decision-making, serve rural, Tribal, and underserved populations, and stay as nimble as possible in response to the requirements of drought and aridification – position us to meet the Biden-Harris Administration's core tenets. The Bureau of Reclamation's 2025 budget provides the foundation to meet our mission and remains committed to working with a wide range of partners, including water and power customers, Tribes, State and local officials, and non-governmental organizations.

Reclamation is requesting a net total of \$1,543,321,000 in Federal discretionary appropriations, which is anticipated to be augmented by almost \$2.5 billion in other Federal and non-Federal funds for FY 2025. Of the total, \$1,443,527,000 is for the Water and Related Resources account, which is Reclamation's largest account, \$66,794,000 is for the Policy and Administration

^{1/} U.S. Department of the Interior Economic Contributions Report – Fiscal Year 2021.

account, and \$33,000,000 is for the California Bay Delta account. A total of \$55,656,000 is budgeted for the Central Valley Project Restoration Fund.

Reclamation is committed to efficient and effective implementation of the Infrastructure Investments and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), which was enacted as Public Law 117-58 on November 15, 2021. Title IX of the BIL, Western Water Infrastructure, authorized \$8.3 billion to be appropriated to Water and Related Resources in \$1.66 billion annual installments from FY 2022 – FY 2026, making a once-in-a-generation investment in the Nation’s infrastructure and economic competitiveness. This landmark investment will rebuild America’s critical infrastructure, tackle the climate crisis, advance environmental justice, and drive the creation of good-paying union jobs. By addressing long overdue improvements and strengthening our resilience to the changing climate, this investment in our communities across the country will grow the economy sustainably and equitably for decades to come.

Reclamation has been putting these resources to work in communities with focus on areas where the greatest impact can be realized. Since President Biden signed the BIL, Reclamation has selected 420 distinct projects for funding, totaling more than \$2.9 billion. The Spend Plan that sets out FY 2025 allocations of this funding was submitted to Congress at the same time as this FY 2025 request as required and is available at <https://www.usbr.gov/bil/2022-spendplan.html>. The Spend Plan allocates funding at the program level, and subsequent addenda to the Plan allocate programmatic funds to the project level for certain programs.

Reclamation is also committed to efficient and effective implementation of The Inflation Reduction Act (IRA), Public Law 117-169, which was enacted on Aug. 16, 2022. Title V, Subtitle B, Part 3 of the law, entitled “Drought Response and Preparedness,” makes available \$4.587 billion to mitigate drought in Reclamation States; to plan, design and construct domestic water supply projects for disadvantaged communities or households that do not have reliable access to domestic water supplies; to design and implement projects to cover water conveyance facilities with solar panels; and to provide emergency drought relief for Tribes. The programs and projects funded under the IRA will help increase water conservation, improve water efficiency across western basins experiencing long-term drought, and prevent the Colorado River System’s reservoirs from falling to critically low elevations. Reclamation is actively engaged implementing the law and has already directed funds to Colorado River water delivery contract or entitlement holders for activities that mitigate drought in the short term. A total of 23 Lower Basin agreements have been executed in Arizona and California, serving to conserve up to 1,567,668 acre-feet of water through 2026. An additional 104,427 acre-feet of system conservation in the Upper Basin have been executed using IRA funding. Information on plans, developments and funding will be available at <https://www.usbr.gov/inflation-reduction-act>.

Modernizing and Maintaining Infrastructure: Reclamation’s water and power projects throughout the western United States provide water supplies for agricultural, municipal, and industrial purposes. Reclamation’s projects also provide energy produced by hydropower facilities and maintain ecosystems that support fish and wildlife, hunting, fishing, and other recreation, as well as rural economies.

Activities to Support Underserved Communities, Tribal Programs & Tribal Water Rights Settlements: Reclamation tackles the challenges of underserved communities through investments in Tribal water rights settlements, continuation of the Native American Affairs

technical assistance program, rural water projects, and investments in specific projects for underserved communities through programs such as WaterSMART. The BIL and IRA appropriations invest substantial portions of its funding to underserved populations, rural, and Tribal communities. Reclamation is committed to investing public dollars equitably, including through the Justice40 Initiative, a government-wide effort toward a goal that 40 percent of the overall benefits from Federal investments in climate and clean energy flow to disadvantaged communities.

Section 70101 of the BIL established the Indian Water Rights Settlement Completion Fund (Completion Fund), making \$2.5 billion available to the Secretary of the Interior to satisfy Tribal settlement obligations as authorized by Congress prior to enactment of the BIL. In FY 2022 through FY 2024, the Secretary of Interior allocated \$2.434 billion of those funds, \$815.4 million of which supported Reclamation's Tribal settlement implementation actions. The Department expects to allocate the remaining \$65.9 million in funding from the Completion Fund in FY 2025; more detail can be found in the Permanents chapter of the FY 2025 Reclamation budget request. In addition to the Completion Fund, FY 2025 represents the sixth year of Reclamation Water Settlements Fund (RWSF) allocations, which provides \$120 million in annual mandatory authority for Reclamation Indian water rights settlements. The RWSF is authorized as an interest-bearing account; and making use of the accrued interest, Reclamation anticipates \$142 million being available in FY 2025. Funding made available by previous mandatory authorities, such as that authorized in the Claims Resolution Act, remain available for settlement implementation, while the ongoing operations and maintenance requirements of the Arizona Water Settlement Act are expected to continue to be supported within the Lower Colorado River Basin Development Fund.

The 2025 President's Budget request continues previous proposals to provide mandatory funding for Indian Water Rights Settlements. The 2024 President's Budget proposed legislation to provide mandatory funding for Indian Water Rights Settlements to cover the costs of existing and future water rights settlements and to address the ongoing Operation, Maintenance, and Repair requirements associated with four enacted Indian Water Rights Settlements managed by Reclamation. The proposal would provide \$2.8 billion: \$250.0 million annually over 10 years for existing and future water rights settlements and \$34.0 million a year over 10 years for requirements associated with the Ak Chin Indian Water Rights Settlement Project, the Animas-La Plata Project (Colorado Ute Settlement), the Columbia and Snake River Salmon Recovery Project (Nez Perce Settlement), and the Navajo-Gallup Water Supply Project. Funds would be deposited into the Indian Water Rights Settlement Completion Fund established by the BIL and be available to Reclamation for implementation.

In addition to supporting the mandatory funding proposals, the FY 2025 discretionary request includes \$181 million for the White Mountain Apache Tribe (WMAT) Water Rights Quantification Act of 2010. P.L. 117-342, enacted January 5, 2023, which amended the White Mountain legislation, increasing the authorization of the WMAT Cost Overrun Subaccount from \$11 million to \$541 million and extending enforceability from April 2023 to December 2027. Funding will support the design, construction, and eventual operations and maintenance of a rural water system to provide clean, potable water.

The FY 2025 discretionary request also includes \$29.5 million for the Native American Affairs program to improve capacity to work with and support Tribes in the resolution of their water rights claims and to develop sustainable water sharing agreements and management activities; \$9

million of this amount will support Tribal drought assistance efforts in FY 2025, while \$500,000 will support Departmental and Reclamation efforts for Tribal Co-Stewardship activities. This funding will also strengthen Department-wide capabilities to achieve an integrated and systematic approach to Indian water rights negotiations to consider the full range of economic, legal, and technical attributes of proposed settlements. Reclamation is committed to increasing opportunities for Tribes to develop, manage, and protect their water and related resources. The Native American Affairs Program is a collaborative, coordinated, integrated function in Reclamation, which performs activities that support the opportunities.

Reclamation's Rural Water program, under which many activities support Tribal needs, addresses important needs in rural communities for clean, reliable, safe drinking water; the FY 2025 request includes \$58.5 million to support investments made through BIL to ensure construction, operations, and maintenance of the existing authorized projects can proceed as efficiently as possible. Funding also supports Reclamation efforts for Tribal Nations by supporting many activities across the Bureau, including the Yakima River Basin Water Enhancement Project, the Klamath Project, and the Lahontan Basin project, among others.

Finally, the WaterSMART Program prioritizes funding under its competitive grant programs for disadvantaged and underserved communities. The WaterSMART Program aims to address water supply issues and improve water management through partnerships with communities, States, Tribes, municipalities, and agricultural stakeholders.

Conservation and Climate Resilience: The climate crisis is challenging Reclamation's ability to both produce energy and sustain reliable water delivery. The Nation faces undeniable realities that water supplies for agriculture, fisheries, ecosystems, industry, cities, and energy are confronting stability challenges due to climate change. Reclamation's projects address the Administration's conservation and climate resilience priorities through funding requests for the WaterSMART program, funding to secure water supply to wildlife refuges, and proactive efforts through providing sound climate science, research and development, and clean energy. To address these challenges, Reclamation has implemented its Climate Change Adaptation Strategy, which affirms Reclamation will use leading science and engineering to adapt climate-based situations across the West.

The WaterSMART Program serves as a contributor to Reclamation's/Interior's Water Conservation Priority Goal. Since 2010, projects funded under contributing programs, including WaterSMART Grants, Title XVI (Water Recycling and Reuse Program), California Bay-Delta Program, Yakima River Basin Water Enhancement Project, and Desalination construction projects have achieved a total of 1,745,157 acre-feet water savings.

Through WaterSMART, Reclamation works cooperatively with States, Tribes, and local entities as they plan for and implement actions to address current and future water shortages due to a number of factors including drought, degraded water quality, increased demands for water and energy from growing populations, environmental water requirements, and the potential for decreased water supply availability due to climate change. This includes cost-shared grants for planning, design, and construction of water management improvement projects; water reclamation and reuse projects; watershed resilience projects; the Basin Study Program; and drought planning and implementation actions to proactively address water shortages.

Reclamation's FY 2025 budget for WaterSMART also includes \$500,000 for the Aquatic Ecosystem Restoration Program. Through this program, Reclamation provides funding for fish passage improvements and aquatic habitat enhancement, including removal of dams or other aging infrastructure if such projects are supported by a broad multi-stakeholder group, and if the project maintains water security for all involved. This program aligns with the Administration's priorities for climate change and climate resiliency. Reclamation was also appropriated \$250 million for aquatic ecosystem restoration and protection projects in the BIL. The FY 2025 request includes \$65.6 million for the WaterSMART Program.

Climate Science: Reclamation's FY 2025 budget for Research and Development (R&D) programs includes \$22.6 million for the Science and Technology Program, and \$7.0 million for Desalination and Water Purification Research—both of which focus on Reclamation's mission of water and power deliveries. Climate change adaptation is a focus of Reclamation's R&D programs, which invests in the production of climate change science, information and tools that benefit adaptation, and by yielding climate-resilient solutions to benefit management of water infrastructure, hydropower, environmental compliance, and water management.

The Desalination and Water Purification Research program addresses drought and water scarcity impacts caused by climate change by investing in desalination and water treatment technology development and demonstrations for the purpose of more effectively converting unusable waters to useable water supplies. The Science and Technology program invests in innovation to address the full range of technical issues confronting Reclamation water and hydropower managers and includes the Snow Water Supply Forecasting Program that aims to improve water supply forecasts through enhanced snow monitoring and water management to address the impacts of drought and a changing climate.

Dam Safety: At the time of publication, Reclamation manages 490 dams throughout the 17 Western States. Reclamation's Dam Safety Program has identified 364 high and significant hazard dams at 242 facilities, which form the core of the program. Through constant monitoring and assessment, Reclamation strives to achieve the best use of its limited resources to ensure dam safety and maintain our ability to store and divert water and to generate hydropower.

The Dam Safety Program helps ensure the safety and reliability of Reclamation dams to protect the downstream public. Approximately 50 percent of Reclamation's dams were built between 1900 and 1950, and the majority of the dams were built before adoption of currently used, state-of-the-art design and construction practices. Reclamation continuously evaluates dams and monitors performance to ensure that risks do not exceed the Federal Guidelines for Dam Safety Risk Management and the Public Protection Guidelines. The Dam Safety Program represents a major funding need over the next 10 years, driven largely by necessary repairs at B.F. Sisk Dam in California. The B.F. Sisk Dam is a key component of the Central Valley Project, providing 2 million acre-feet of water storage south of the California Sacramento-San Joaquin River Delta. Reclamation is modifying the dam to reduce the risk of potential failure resulting from potential overtopping in response to a seismic event, using the most current science and technology to develop an adaptive and resilient infrastructure. In addition to B.F. Sisk, Reclamation has identified 12 projects with anticipated modification needs through 2030, as well as 5 additional projects that will be assessed for potential risk reduction efforts starting in 2024. The FY 2025 request includes \$182.6 million to support corrective actions at dams, \$118 million of which is anticipated to support modifications at B.F. Sisk.

The proposed budget also requests \$74.8 million for specific Extraordinary Maintenance (XM) activities across Reclamation in FY 2025. This request is central to mission objectives of operating and maintaining projects to ensure delivery of water and power benefits. Reclamation's XM request relies on condition assessments, condition/performance metrics, technological research and deployment, and strategic collaboration to better inform and improve the management of its assets and deal with its infrastructure maintenance challenges. Reclamation was also appropriated \$3.2 billion in the BIL to repair aging infrastructure.

Renewable energy: Reclamation owns 78 hydroelectric power plants. Reclamation operates 53 of those plants to generate approximately 14 percent of the hydroelectric power produced in the United States. Each year on average, Reclamation generates approximately 40 million megawatt hours of electricity and collects over \$1.0 billion in gross power revenues for the Federal Government.

Reclamation's FY 2025 budget request includes \$4.5 million to increase Reclamation hydropower capabilities and value, contributing to Administration clean energy and climate change initiatives and enhancing water conservation and climate resilience within the power program. Reclamation's Power Resources Office oversees power operations and maintenance, electric reliability compliance, and strategic energy initiatives.

Environmental Responsibilities: Reclamation remains committed to meeting our environmental responsibilities through a variety of project examples throughout the West, such as the Central Valley Project and the Middle Rio Grande Collaborative Program. The FY 2025 budget also funds Reclamation's Endangered Species Act recovery programs and other programs that contribute towards these efforts, such as the Columbia/Snake River Salmon Recovery Program, the San Juan River Recovery Implementation Program, the Upper Colorado Recovery Implementation Program, and the Multi-Species Conservation Program within the Lower Colorado River Operations Program, among others.

The investments described in Reclamation's FY 2025 budget, in combination with BIL and IRA implementation efforts will ensure that Reclamation can continue to provide reliable water and power to the American West. Water management, improving and modernizing infrastructure, using sound science to support critical decision-making, finding opportunities to expand capacity, reducing conflict, and meeting environmental responsibilities are all addressed in this FY 2025 budget request. Reclamation continues to look at ways to plan more efficiently for future challenges faced in water resources management and to improve the way it does business.

Thank you for the opportunity to summarize the President's FY 2025 Budget Request for the Bureau of Reclamation.