

Natural Resources Committee
U.S. House of Representatives
Hearing on H.R. 1904
Indian Water Rights Settlement Extension Act

Questions from Representative Cox

Question: Mr. Mikkelsen, the current contributions from contractors to the Reclamation Fund are increasing the \$16 billion surplus in the Fund at a rate of nearly \$1 billion each year. These funds could be used for a host of priorities, including maintaining and restoring the capacity of critical infrastructure like the Delta-Mendota Canal and Friant-Kern Canals in the San Joaquin Valley, or increasing drought resilience by increasing water storage capacity like raising San Luis Reservoir, in addition to implementing Indian Water Rights Settlements.

If Congress were to take action to significantly increase appropriations from the Reclamation Fund, does Reclamation have the personnel in place that would be needed to move many of these projects forward in a timely manner? If not, what type of personnel would be needed and what's the lead time for staffing up?

Response:

I interpret your question to be regarding the Reclamation Fund established in 1902 from which funds are derived to support a wide range of activities authorized under Reclamation law. The Reclamation Fund is a separate and distinct account in Treasury from the Reclamation Water Settlement Fund, which was authorized in 2009 and is the subject of this hearing.

Currently, the Reclamation Fund has a balance in excess of \$16 billion and growing. Use of these balances to support the wide range of authorized Reclamation activities requires that Congress appropriate these funds in annual appropriations acts. There are several reasons the balance continues to grow including constrained budgets drawing down balances and increasing receipts deposited into the Reclamation fund. I would also note that over a billion of dollars of Reclamation projects have been appropriated out of the Treasury in recent decades (rather than from the Reclamation fund) because at the time the projects were authorized, there was concern that the Reclamation fund may have insufficient balances. Another contributing factor is increased mineral royalties from federal lands, which make up over half of the annual receipts, which are in addition to Reclamation project receipts.

If Congress were to significantly increase appropriations from the Reclamation Fund, Reclamation believes it has the personnel in place that would be needed to move many of these types of projects forward in a timely manner.