



United States Department of the Interior

BUREAU OF RECLAMATION
P.O. Box 25007
Denver, CO 80225-0007

JUN 20 2013

IN REPLY REFER TO:

84-53000
LND-9.00

Subject: Submitting Copies of Completed "Designation of Excess Land" (Form 7-21XS) Forms to Reclamation

Dear Ladies and Gentlemen:

You recently received a May 18, 2013, letter from the Bureau of Reclamation regarding tracking of formerly excess land. That letter explained the benefits to districts of opting to track formerly excess land in the district. While each district is evaluating the benefits that could come from tracking the district's formerly excess land, Reclamation has also enhanced its own current efforts to track **all** excess land, including formerly excess land, in order to supplement proper administration of the excess land provisions in the Reclamation Reform Act of 1982 (RRA), the Acreage Limitation Rules and Regulations (43 CFR¹ part 426; Regulations), and the Information Requirements for Certain Farm Operations in Excess of 960 Acres and the Eligibility of Certain Formerly Excess Land (43 CFR part 428). These enhanced efforts are designed to better assist the districts with their excess land situations, such as:

- Helping to ensure the delivery of Reclamation irrigation water to only land that is eligible to receive such water,
- Avoiding potential compensation (full-cost) bills for delivery of Reclamation irrigation water to ineligible excess land,
- Collecting the appropriate water rate for Reclamation irrigation water legally delivered to excess land and formerly excess land (albeit only under very specific circumstances),
- Ensuring the appropriate RRA forms are submitted by all applicable landholders to properly identify excess land, and
- Avoiding potential administrative fee bills for improperly completed or missing RRA forms regarding excess land, or illegal delivery of Reclamation irrigation water to ineligible excess land.

Another issue has been identified as part of Reclamation's enhanced efforts to track excess land. Specifically, because a Form 7-21XS² has a 6-year retention period,³ a Form 7-21XS can be

¹ Code of Federal Regulations.

² For discussion purposes in this letter, references to Form 7-21XS also include a corresponding "Attachment Sheet for Form 7-21XS – Identification of Involuntarily Acquired Excess Land" (Form 7-21XSINAQ) if one was submitted in conjunction with the Form 7-21XS in question.

³ The retention of RRA forms, including retention of Form 7-21XS, is addressed in the following district letters, located in the "Reclamation Reform Act of 1982 Reference Sources for District Offices" binder and on the RRA website at www.usbr.gov/rra:

- Letter dated October 10, 1997: Subject is "Guidelines for Retention of Reclamation Reform Act of 1982 Certification and Reporting Forms."
- Letter dated April 29, 2008: Enclosure 1 is "Documents That May be Found in the Landholder's RRA File."

disposed of after 6 years if it is superseded by a newer Form 7-21XS or the status of all the excess land included on that form changes from excess to nonexcess. This means that the excess land information on a Form 7-21XS will be lost upon the form's disposal, making it likely that neither the district nor Reclamation will have the appropriate records to assist the district if the excess land that was identified on the discarded Form 7-21XS should become an issue in the future, particularly as formerly excess land.

Although districts are strongly encouraged to track their excess land (including formerly excess land), Reclamation is **required** to track all excess land. The most accurate record of excess land is the Form 7-21XS submitted to the district by the direct landowner of the excess land. Because Form 7-21XS is not permanently retained by districts, it is possible a Form 7-21XS could be disposed of prior to Reclamation recording data from the form. This would result in incomplete data and reduce Reclamation's ability to assist districts with the tracking of excess land.

How will the issue of discarded excess land information be resolved?

To alleviate this problem, Reclamation is **requiring district offices to submit to Reclamation copies of all Form 7-21XS forms it receives** for a given water year when the district submits its annual district summary forms to Reclamation for that water year.

Providing Reclamation with copies of current and new Form 7-21XS forms will have the added benefit of establishing a secondary source for Form 7-21XS forms that are found to be required but have been properly or accidentally disposed. In certain cases, a Form 7-21XS can be effective for many years beyond the 6-year retention period. For example, a landholder who submits a standard RRA form and a Form 7-21XS can use a "Verification of Landholdings" (Form 7-21VERIFY) for the next 20 water years to verify the information on the initial standard RRA form and accompanying Form 7-21XS. If at some point during those 20 years (and after the 6 consecutive years required for RRA form retention) the Form 7-21XS is disposed of, the district will be left without a copy of the Form 7-21XS in the landholder's file. However, if a copy of the Form 7-21XS was submitted to Reclamation, Reclamation can provide the district with another copy, as opposed to requiring the district to obtain from the landowner another completed Form 7-21XS.

When will the districts begin to submit to Reclamation copies of the Form 7-21XS forms that have been submitted by landowners in the district?

This effort will begin with the **2014 water year**.

- For the 2014 water year, copies of **all** of the district's **current** Form 7-21XS forms must be submitted to Reclamation in order to begin this process with a complete set of current Form 7-21XS forms from each district.
- For water years subsequent to the 2014 water year, copies of only **new** Form 7-21XS forms need to be submitted to Reclamation. This can include a Form 7-21XS from:
 - Landowners that file a Form 7-21XS to designate excess land for the first time,
 - Part owners who for the first time had a parent entity in which they have an ownership interest designate excess land on their behalf, and
 - Landowners who are superseding an existing Form 7-21XS.

We realize the initial effort in the 2014 water year of copying all of the district's current Form 7-21XS forms may be sizeable depending on the district. However, the benefit to the districts from that effort will make itself apparent over time.

What if the district submits its district summary forms electronically⁴ to Reclamation in a given water year?

For a district that submits its district summary forms electronically, the district summary forms can still be submitted electronically using the district's assigned personal identification number (PIN) for the water year in question. However, the copies of the district's Form 7-21XS being submitted to Reclamation for that water year **must be submitted in hard copy via regular mail**. The reason for this is to protect the privacy of the landowner identified on each Form 7-21XS copy being submitted. While the electronically submitted district summary forms also contain personally identifying information for landholders, those forms are provided to the district for completion in a format that is already protected by a PIN. This PIN is assigned annually by Reclamation upon the district's request. Electronic copies of the district's Form 7-21XS forms (made from hard copies of those forms at the district) will not have the same PIN protection that would allow them to be sent electronically to Reclamation.

Please contact the appropriate Reclamation office if you have any questions regarding the information in this letter.

Sincerely,



Richard W. Rizzi
Manager, Land Resources Division

⁴ The process for submitting district summary forms electronically can be found in the following district letter, located in the "Reclamation Reform Act of 1982 Reference Sources for District Offices" binder and on the RRA website at www.usbr.gov/rra:

- Letter dated December 30, 2008: Subject is "Transmittal of the 'Electronic Submittal of District Summary of Landholdings Forms' Directive."

