



DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

[RX.59389832.1009676 267R5065C6 RR83550000]

Change in Discount Rate for Water Resources Planning

AGENCY: Bureau of Reclamation, Interior.

ACTION: Notice of change in discount rate.

SUMMARY: The Bureau of Reclamation is announcing that the interest rate to be used by Federal agencies in the formulation and evaluation of plans for water and related land resources is 3.25 percent for fiscal year 2026.

DATES: This discount rate is to be used for the period October 1, 2025, through and including September 30, 2026.

FOR FURTHER INFORMATION CONTACT: Austin Olah, Bureau of Reclamation, Reclamation Law Administration Division, P.O. Box 25007, Denver, Colorado 80225; telephone (303) 445-3240; or email at aolah@usbr.gov.

SUPPLEMENTARY INFORMATION: The Water Resources Planning Act of 1965 and the Water Resources Development Act of 1974 require an annual determination of a discount rate for Federal water resources planning. The discount rate for Federal water resources planning for fiscal year 2026 is 3.25 percent. The prior year's rate, as announced in the Federal Register on December 12, 2024 (89 FR 100533), was 3.00 percent for fiscal year 2025. Discounting is used to convert future monetary values to present values.

This rate has been computed in accordance with section 80(a), Pub. L. 93-251 (88 Stat. 34), and 18 CFR 704.39, which: (1) specify that the rate will be based upon the average yield during the preceding fiscal year on interest-bearing marketable securities of the United States which, at the time the computation is made, have terms of 15 years or

more remaining to maturity (average yield is rounded to nearest one-eighth percent); and (2) provide that the rate will not be raised or lowered more than one-quarter of 1 percent for any year. The U.S. Department of the Treasury calculated the specified average to be 4.7330 percent. In accordance with the Water Resource Council Rules and Regulations, the maximum adjustment allowed for the current fiscal year rate is one-quarter of one percentage point from the previous fiscal year rate, which was 3.00 percent. Therefore, the fiscal year 2026 rate is 3.25 percent.

All Federal agencies will use the rate of 3.25 percent in the formulation and evaluation of water and related land resources plans for the purpose of discounting future benefits and computing costs or otherwise converting benefits and costs to a common-time basis.

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Bureau of Reclamation.*

[FR Doc. 2026-01591 Filed: 1/26/2026 8:45 am; Publication Date: 1/27/2026]