

lands shall be disposed of by the United States under the reclamation law: *Provided*, That the water users on the projects shall have a preference right to the use of the water: *And provided further*, That any surplus water temporarily available may be furnished upon a rental basis for use on lands excluded from the project under this section, on terms and conditions to be approved by the Secretary of the Interior.

(May 25, 1926, ch. 383, §§ 40, 41, 44 Stat. 647.)

SECTIONS 423 TO 423g AND 610 UNAFFECTED BY
SECTIONS 451 TO 451k OF THIS TITLE

Section 10 of act Aug. 13, 1953, ch. 428, 67 Stat. 568, provided in part that: "Nothing contained in this Act [enacting sections 451 to 451k of this title] shall be held to repeal, supersede, or supplement the provisions for exchange and matters related thereto contained in the Act of May 25, 1926 (44 Stat. 636), as amended and supplemented [sections 423 to 423g and 610 of this title]."

§ 423a. Construction charges on permanently unproductive lands already paid; disposition

The construction charges prior to May 25, 1926, paid on permanently unproductive lands excluded from the project shall be applied as a credit on charges due or to become due on any remaining irrigable land covered by the same water-right contract or land taken in exchange as provided in section 423c of this title. If the charges so paid exceed the amount of all water-right charges due and unpaid, plus the construction charges not yet due, the balance shall be paid in cash to the holder of the water-right contract covering the land so excluded or to the irrigation district affected; which in turn shall be charged with the responsibility of making suitable adjustment with the landowners involved. Should all the irrigable lands of a water-right applicant be excluded from the project as permanently unproductive, and no exchange be made as provided in said section, the total construction charges paid before May 25, 1926, less any accrued charges on account of operation and maintenance, shall be refunded in cash, the water-right contract shall be canceled, and all liens on account of water-right charges shall be released.

(May 25, 1926, ch. 383, § 42, 44 Stat. 647.)

§ 423b. Suspension of payment of construction charges against areas temporarily unproductive

The payment of all construction charges against said areas temporarily unproductive shall remain suspended until the Secretary of the Interior shall declare them to be possessed of sufficient productive power properly to be placed in a paying class, whereupon payment of construction charges against such areas shall be resumed or shall begin, as the case may be. Any payments made on such areas shall be credited to the unpaid balance of the construction charge on the productive area of each unit. Such credit shall be applied on and after April 23, 1930, which shall not be construed to require revision of accounts adjusted before April 23, 1930, under the provisions of this section as originally enacted. While said lands so classified as temporarily unproductive and the construction charges against

them are suspended, water for irrigation purposes may be furnished upon payment of the usual operation and maintenance charges, or such other charges as may be fixed by the Secretary of the Interior the advance payment of which may be required, in the discretion of the said Secretary. Should said lands temporarily classed as unproductive, or any of them, in the future be found by the Secretary of the Interior to be permanently unproductive, the charges against them shall be charged off as a permanent loss to the reclamation fund and they shall thereupon be treated in the same manner as other permanently unproductive lands as provided in sections 423 to 423g and 610 of this title except that no refund shall be made of the construction charges paid on such unproductive areas and applied as a credit on productive areas as herein authorized.

(May 25, 1926, ch. 383, § 43, 44 Stat. 647; Apr. 23, 1930, ch. 205, 46 Stat. 249.)

REFERENCES IN TEXT

Sections 423 to 423g and 610 of this title, referred to in text, was in the original "this Act", meaning act of May 25, 1926, ch. 383, 44 Stat. 636, as amended, which enacted sections 423 to 423g and 610 of this title. Section 610 of this title was omitted from the Code. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

1930—Act Apr. 23, 1930, provided that the credit shall be applied on or after April 23, 1930, and was not to be construed as requiring revision of accounts adjusted before such date, and that no refund shall be made of the charges on unproductive areas and applied as a credit on productive areas.

§ 423c. Exchange of unpatented entries; entries, farms or private lands, eliminated from project; rights not assignable; rights of lienholders; preference to ex-service men

Settlers who have unpatented entries under any of the public land laws embracing lands which have been eliminated from the project, or whose entries under water rights have been so reduced that the remaining area is insufficient to support a family, shall be entitled to exchange their entries for other public lands within the same project or any other existing Federal reclamation project, with credit under the homestead laws for residence, improvement, and cultivation made or performed by them upon their original entries and with credit upon the new entry for any construction charges paid upon or in connection with the original entry: *Provided*, That when satisfactory final proof has been made on the original entry it shall not be necessary to submit final proof upon the lieu entry. Any entryman whose entry or farm unit is reduced by the elimination of permanently unproductive land shall be entitled to enter an equal amount of available public land on the same project contiguous to or in the vicinity of the farm unit reduced by elimination, with all credits in this section hereinbefore specified in lieu of the lands eliminated. Owners of private lands so eliminated from the project may, subject to the approval of the Secretary of the Interior, and free from all encumbrances, relinquish and convey to the United States lands so owned and held by them, not exceeding an area of one

hundred and sixty acres, and select an equal area of vacant public land within the irrigable area of the same or any other Federal reclamation project, with credit upon the construction costs of the lands selected to the extent and in the amount paid upon or in connection with their relinquished lands, and the Secretary of the Interior is authorized to revise and consolidate farm units, so far as this may be made necessary or advisable, with a view to carrying out the provisions of this section: *Provided further*, That the rights extended under this section shall not be assignable: *And provided further*, That in administering the provisions of this section and section 423a of this title, the Secretary of the Interior shall take into consideration the rights and interests of lien holders, as to him may seem just and equitable: *Provided further*, That where two entrymen apply for the same farm unit under the exchange provisions of this section, only one whom¹ is an ex-service man, as defined by section 438² of this title, the ex-service man shall have a preference in making such exchange.

(May 25, 1926, ch. 383, § 44, 44 Stat. 648.)

REFERENCES IN TEXT

Section 438 of this title, referred to in text, was repealed by act Aug. 13, 1953, ch. 428, § 10, 67 Stat. 568. For provisions giving preference to ex-servicemen, see section 451g of this title.

§ 423d. Amendment of existing water right contracts by Secretary of the Interior

The Secretary of the Interior is authorized, in his discretion, to amend any existing water-right contract to the extent necessary to carry out the provisions of sections 423 to 423g and 610 of this title, upon request of the holder of such contract. The Secretary of the Interior, as a condition precedent to the amendment of any existing water-right contract, shall require the execution of a contract by a water-users' association or irrigation district whereby such association or irrigation district shall be required to pay to the United States, without regard to default in the payment of charges against any individual farm unit or tract of irrigable land, the entire charges against all productive lands remaining in the project after the permanently unproductive lands shall have been eliminated and the charges against temporarily unproductive areas shall have been suspended in the manner and to the extent authorized and directed by sections 423 to 423g and 610 of this title.

The Secretary is authorized, in his discretion, upon request of individual water users or districts, and upon performance of the condition precedent above set forth, to amend any existing water-right contract to provide for increase in the time for payment of construction charges, which have not been accrued, to the extent that may be necessary under the conditions in each case, subject to the limitation that there shall be allowed for repayment not more than forty years from the date the first payment matured under the original contract, and also to extend the time for payment of operation and mainte-

nance or water-rental charges due and unpaid for such period as in his judgment may be necessary not exceeding five years, the charges so extended to bear interest payable annually at the rate of 6 per centum per annum until paid, and to contract for the payment of the construction charges then due and unpaid within such term of years as the Secretary may find to be necessary, with interest payable annually at the rate of 6 per centum per annum until paid.

The Secretary of the Interior is authorized to complete and execute the supplemental contract, being negotiated on May 25, 1926, and which had, on that date, been approved as to form by the Secretary, between the United States and the Belle Fourche Irrigation District and at the expiration of said supplemental contract to enter into a permanent contract on behalf of the United States with said District in accordance with the terms of said supplemental contract.

(May 25, 1926, ch. 383, § 45, 44 Stat. 648.)

REFERENCES IN TEXT

Sections 423 to 423g and 610 of this title, referred to in text, was in the original "this Act", meaning act of May 25, 1926, ch. 383, 44 Stat. 636, as amended, which enacted sections 423 to 423g and 610 of this title. Section 610 of this title was omitted from the Code. For complete classification of this Act to the Code, see Tables.

CODIFICATION

Section constitutes a part of section 45 of act May 25, 1926. The remainder of said section 45 (the third par. and the fourth par., except the final proviso, which is classified as the last par. of this section) has been omitted.

§ 423e. Completion of new projects or new division; execution of contract with district as condition precedent to delivery of water; contents of contract; cooperation of States with United States; limitations on sale of land

No water shall be delivered upon the completion of any new project or new division of a project until a contract or contracts in form approved by the Secretary of the Interior shall have been made with an irrigation district or irrigation districts organized under State law providing for payment by the district or districts of the cost of constructing, operating, and maintaining the works during the time they are in control of the United States, such cost of constructing to be repaid within such terms of years as the Secretary may find to be necessary, in any event not more than forty years from the date of public notice hereinafter referred to, and the execution of said contract or contracts shall have been confirmed by a decree of a court of competent jurisdiction. Prior to or in connection with the settlement and development of each of these projects, the Secretary of the Interior is authorized in his discretion to enter into agreement with the proper authorities of the State or States wherein said projects or divisions are located whereby such State or States shall cooperate with the United States in promoting the settlement of the projects or divisions after completion and in the securing and selecting of settlers. Such contract or contracts

¹ So in original. Probably should be "one of whom".

² See References in Text note below.