

and maintenance of works constructed to furnish or distribute a water supply pursuant to a contract entered into with the United States in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), the Secretary of the Interior may transfer to said district, municipality, or organization title to movable property which has been purchased with funds advanced by the district, municipality, or organization or which, in the case of property purchased with appropriated funds, is necessary to the operation and maintenance of such works and the value of which is to be repaid under a contract with the district, municipality, or organization. In order to encourage the assumption by irrigation districts, municipalities, and water users' organizations of the operation and maintenance of works constructed to furnish or distribute a water supply, the Secretary is authorized to use appropriated funds available for the project involved to acquire movable property for transfer under the terms and conditions hereinbefore provided, at the time operation and maintenance is assumed.

(July 29, 1954, ch. 616, 68 Stat. 580; Aug. 2, 1956, ch. 884, 70 Stat. 940; Pub. L. 89-48, §1, June 24, 1965, 79 Stat. 172.)

#### REFERENCES IN TEXT

Act of June 17, 1902, referred to in text, is popularly known as the Reclamation Act, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 371 of this title and Tables.

#### AMENDMENTS

1965—Pub. L. 89-48, which directed that section 1 of the Act of July 29, 1954, be amended generally, was executed by amending generally this section which comprised all of the Act of July 29, 1954, as the probable intent of Congress, notwithstanding that such Act did not have any section designations. Prior to amendment, this section read as follows: "Whenever an irrigation district or water users' organization assumes operation and maintenance of irrigation works pursuant to a contract entered into with the United States in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), the Secretary of the Interior may transfer to said district or organization title to movable property which has been purchased with funds advanced by the district or organization or which, in the case of property purchased with appropriated funds, is necessary to the operation and maintenance of such works and the value of which is to be repaid under a contract with the district or organization. In order to encourage the assumption by irrigation districts and water users' organizations of the operation and maintenance of irrigation works, the Secretary is authorized to use appropriated funds available for the project involved to acquire movable property for transfer at the time operation and maintenance is assumed under the terms and conditions hereinbefore provided."

1956—Act Aug. 2, 1956, authorized Secretary to use appropriated funds for a project to acquire movable property for transfer to irrigation districts and other water users' organizations to encourage them to take over operation and maintenance of reclamation projects as soon as they are completed.

#### SHORT TITLE

This section is popularly known as the "Title to Movable Property Act".

### § 499b. Transfer to municipal corporations or other organizations of care, operation, and maintenance of works supplying water for municipal, domestic, or industrial use

Whenever a municipal corporation or other organization to which water for municipal, domestic, or industrial use is furnished or distributed under a contract entered into with the United States pursuant to the Federal reclamation laws so requests, the Secretary of the Interior is authorized to transfer to it or its nominee the care, operation, and maintenance of the works by which such water supply is made available or such part of those works as, in his judgment, is appropriate in the circumstances, subject to such terms and conditions as he may prescribe.

(Pub. L. 89-48, §2, June 24, 1965, 79 Stat. 172.)

#### REFERENCES IN TEXT

The Federal reclamation laws, referred to in text, probably means the Act of June 17, 1902, ch. 1093, 32 Stat. 388, popularly known as the Reclamation Act, and Acts amendatory thereof or supplementary thereto. The Act of June 17, 1902, is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 371 of this title and Tables.

### § 500. Duty of association or district to take over management

Whenever two-thirds of the irrigable area of any project, or division of a project, shall be covered by water-right contracts between the water users and the United States, said project shall be required, as a condition precedent to receiving the benefits of sections 371, 376, 377, 412, 417, 433, 438,<sup>1</sup> 462, 463,<sup>1</sup> 466, 467,<sup>1</sup> 473,<sup>1</sup> 474,<sup>1</sup> 478, 493, 494, 500, 501, and 526 of this title to take over, through a legally organized water-users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary may prescribe, and thereafter the United States, in its relation to said project, shall deal with a water users' association or irrigation district, and when the water users assume control of a project, the operation and maintenance charges for the year then current shall be covered into the construction account to be repaid as part of the construction repayments.

(Dec. 5, 1924, ch. 4, §4, subsec. G, 43 Stat. 702.)

#### 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.

Sections 463, 467, 473, and 474 of this title, referred to in text, were repealed by act May 25, 1926, ch. 383, §47, 44 Stat. 650.

#### DEFINITIONS

The definitions in section 371 of this title apply to this section.

### § 501. Disposition of profits of project taken over by water users

Whenever the water users take over the care, operation, and maintenance of a project, or a di-

<sup>1</sup> See References in Text note below.

vision of a project, the total accumulated net profits, as determined by the Secretary, derived from the operation of project power plants, leasing of project grazing and farm lands, and the sale or use of town sites shall be credited to the construction charge of the project, or a division thereof, and thereafter the net profits from such sources may be used by the water users to be credited annually, first, on account of project construction charge, second, on account of project operation and maintenance charge, and third, as the water users may direct. No distribution to individual water users shall be made out of any such profits before all obligations to the Government shall have been fully paid.

(Dec. 5, 1924, ch. 4, § 4, subsec. I, 43 Stat. 703.)

#### DEFINITIONS

The definitions in section 371 of this title apply to this section.

### § 502. Emergency fund to assure continuous operation of projects and project facilities governed by Federal reclamation law

In order to assure continuous operation of all projects and project facilities governed by the Federal reclamation law (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), including any project and facilities constructed with funds provided by the Small Reclamation Projects Act (Act of August 6, 1956, 70 Stat. 1044, and Acts amendatory thereof or supplementary thereto) [43 U.S.C. 422a et seq.] or with funds provided by the Distribution System Loans Act (Act of May 14, 1956, 69 Stat. 244, and Acts amendatory thereof or supplementary thereto), there is hereby authorized to be appropriated from the reclamation fund an emergency fund which shall be available for defraying expenses which the Commissioner of Reclamation determines are required to be incurred because of unusual or emergency conditions.

(June 26, 1948, ch. 676, § 1, 62 Stat. 1052; Pub. L. 97-275, Oct. 1, 1982, 96 Stat. 1185.)

#### REFERENCES IN TEXT

Act of June 17, 1902, referred to in text, is popularly known as the Reclamation Act, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 371 of this title and Tables.

The Small Reclamation Projects Act, referred to in text, probably means the Small Reclamation Projects Act of 1956, act Aug. 6, 1956, ch. 972, 70 Stat. 1044, as amended, which is classified generally to subchapter IV (§ 422a et seq.) of this chapter. For complete classification of this Act to the Code, see section 422k of this title and Tables.

The Distribution System Loans Act (Act of May 14, 1956, 69 Stat. 244, and Acts amendatory thereof or supplementary thereto), referred to in text, probably means act July 4, 1955, ch. 271, 69 Stat. 244, as amended, which is classified generally to sections 421a to 421h of this title. Act May 14, 1956, ch. 268, 70 Stat. 155, amended section 421c of this title. For complete classification of this Act to the Code, see Tables.

#### AMENDMENTS

1982—Pub. L. 97-275 substituted “all projects and project facilities governed by the Federal reclamation

law (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), including any project and facilities constructed with funds provided by the Small Reclamation Projects Act (Act of August 6, 1956, 70 Stat. 1044, and Acts amendatory thereof or supplementary thereto) or with funds provided by the Distribution System Loans Act (Act of May 14, 1956, 69 Stat. 244, and Acts amendatory thereof or supplementary thereto)” for “irrigation or power systems operated and maintained by the Bureau of Reclamation, Department of the Interior”.

#### TRANSFER OF FUNCTIONS

For transfer of functions of other officers, employees, and agencies of Department of the Interior, with certain exceptions, to Secretary of the Interior, with power to delegate, see Reorg. Plan No. 3 of 1950, §§ 1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1262, set out under section 1451 of this title.

#### EMERGENCY DROUGHT AUTHORITY

Pub. L. 100-387, title IV, subtitle B, Aug. 11, 1988, 102 Stat. 957, provided that:

“PART 1—RECLAMATION STATES DROUGHT ASSISTANCE

“SEC. 411. SHORT TITLE.

“This part may be cited as the ‘Reclamation States Drought Assistance Act of 1988’.

“SEC. 412. ASSISTANCE DURING DROUGHT.

“The Secretary of the Interior, acting under the authorities of the Federal reclamation laws (the Act of June 17, 1902 (32 Stat. 388) [see Short Title note under section 371 of this title], and Acts supplementary thereto and amendatory thereof) and other appropriate authorities of the Secretary shall—

“(1)(A) perform studies to identify opportunities to augment, make use of, or conserve water supplies available to Federal reclamation projects and Indian water resource developments, which studies shall be completed no later than March 1, 1990; and

“(B) consistent with existing contractual arrangements and State law, and without further authorization, undertake construction, management, and conservation activities that will mitigate or can be expected to have an effect in mitigating losses and damages resulting from drought conditions in 1987, 1988, or 1989, which construction shall be completed by December 31, 1989; and

“(2) assist willing buyers in their purchase of available water supplies from willing sellers and redistribute such water based upon priorities to be determined by the Secretary consistent with State law, with the objective of minimizing losses and damages resulting from drought conditions in 1987, 1988, and 1989.

“SEC. 413. AVAILABILITY OF WATER ON A TEMPORARY BASIS.

“(a) GENERAL AUTHORITY.—The Secretary of the Interior may make available, by contract, consistent with existing contracts or agreements and State law, water or canal capacity at existing Federal reclamation projects to water users and others, on a temporary basis to mitigate losses and damages resulting from drought conditions in 1987, 1988, and 1989.

“(b) CONTRACTS.—Any contract signed under this section shall provide that—

“(1) the price for the use of such water shall be at least sufficient to recover all Federal operation and maintenance costs, and an appropriate share of capital costs, except that, for water delivered to a landholding in excess of 960 acres of class I lands or the equivalent thereof for a qualified recipient and 320 acres of class I lands or the equivalent thereof for a limited recipient, the cost of such water shall be full cost (as defined in section 202(3)(A) of Public Law 97-293, 43 U.S.C. 390bb) for those acres in excess of 960 acres or 320 acres, as appropriate;

“(2) the lands not now subject to reclamation law that receive temporary irrigation water supplies