

no payment need be made with respect to storage for future water supply until such supply is first used, and (2) no interest shall be charged on such cost until such supply is first used, but in no case shall the interest-free period exceed ten years. For Corps of Engineers projects, all annual operation, maintenance, and replacement costs for municipal and industrial water supply storage under the provisions of this section shall be reimbursed from State or local interests on an annual basis. For Corps of Engineers projects, any repayment by a State or local interest shall be made with interest at a rate to be determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which costs for the construction of the project are first incurred (or, when a recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs. For Bureau of Reclamation projects, the interest rate used for purposes of computing interest during construction and interest on the unpaid balance shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from date of issue. The provisions of this subsection insofar as they relate to the Bureau of Reclamation and the Secretary of the Interior shall be alternative to and not a substitute for the provisions of the Reclamation Projects Act of 1939 (53 Stat. 1187) [43 U.S.C. 485 et seq.] relating to the same subject.

(c) Application to other laws

The provisions of this section shall not be construed to modify the provisions of section 701-1 of title 33 and section 390 of this title, as amended and extended, or the provisions of sections 372 and 383 of this title.

(d) Approval of Congress of modifications of reservoir projects

Modifications of a reservoir project heretofore authorized, surveyed, planned, or constructed to include storage as provided in subsection (b) of this section which would seriously affect the purposes for which the project was authorized, surveyed, planned, or constructed, or which would involve major structural or operational changes shall be made only upon the approval of Congress as now provided by law.

(Pub. L. 85-500, title III, §301, July 3, 1958, 72 Stat. 319; Pub. L. 87-88, §10, July 20, 1961, 75 Stat. 210; Pub. L. 99-662, title IX, §932(a), Nov. 17, 1986, 100 Stat. 4196.)

REFERENCES IN TEXT

The Reclamation Projects Act of 1939, referred to in subsec. (b), is act Aug. 4, 1939, ch. 418, 53 Stat. 1187, as amended, which is classified principally to subchapter X (§485 et seq.) of this chapter. For complete classification of this Act to the Code, see section 485k of this title and Tables.

AMENDMENTS

1986—Subsec. (b). Pub. L. 99-662 inserted in third proviso “(1) for Corps of Engineers projects, not to exceed 30 percent of the total estimated cost of any project may be allocated to anticipated future demands, and, (2) for Bureau of Reclamation projects,” inserted in fourth proviso “for Corps of Engineers projects, the Secretary of the Army may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of completion, with repayment contracts providing for recalculation of the interest rate at, five-year intervals, and for Bureau of Reclamation projects,” inserted after first sentence “For Corps of Engineers projects, all annual operation, maintenance, and replacement costs for municipal and industrial water supply storage under the provisions of this section shall be reimbursed from State or local interests on an annual basis. For Corps of Engineers projects, any repayment by a State or local interest shall be made with interest at a rate to be determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which costs for the construction of the project are first incurred (or, when a recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs.”, and substituted “For Bureau of Reclamation projects, the interest rate used” for “The interest rate used”.

1961—Subsec. (b). Pub. L. 87-88 substituted provisions permitting not more than 30 per centum of the total estimated cost of any project to be allocated to anticipated future demands where State or local interests give reasonable assurances, and there is reasonable evidence, that such demands for the use of such storage will be made within a period of time which will permit paying out the costs allocated to water supply within the life of the project for provisions which permitted not more than 30 per centum of the total estimated cost of any project to be allocated to anticipated future demands where States or local interests give reasonable assurance that they will contract for the use of storage for anticipated future demands within a period of time which will permit paying out the costs allocated to water supply within the life of the project.

SHORT TITLE OF 1961 AMENDMENT

Pub. L. 87-88, §11, July 20, 1961, 75 Stat. 210, provided that: “This Act [amending this section, and sections 1151, 1153 to 1155, 1157 to 1160, 1171 to 1173 of Title 33, Navigation and Navigable Waters, and enacting provisions set out as notes under sections 1151, 1157, and 1159 of Title 33] may be cited as the ‘Federal Water Pollution Control Act Amendments of 1961.’”

SHORT TITLE

Pub. L. 85-500, title III, §302, July 3, 1958, 72 Stat. 320, provided that: “Title III of this Act [enacting this section] may be cited as the ‘Water Supply Act of 1958.’”

AMENDMENT OF CONTRACTS EXISTING PRIOR TO
NOVEMBER 17, 1986

Pub. L. 99-662, title IX, §932(b), Nov. 17, 1986, 100 Stat. 4197, provided that: “Nothing in this section [amending this section] shall be deemed to amend or require amendment of any valid contract entered into pursuant to the Water Supply Act of 1958 [this section], or Federal reclamation law and approved by the Secretary of the Army or the Secretary of the Interior prior to the date of enactment of this Act [Nov. 17, 1986].”

§390c. Water reservoirs; interests of States and local agencies in storage space

Cognizant that many States and local interests have in the past contributed to the Govern-

ment, or have contracted to pay to the Government over a specified period of years, money equivalent to the cost of providing for them water storage space at Government-owned dams and reservoirs, constructed by the Corps of Engineers of the United States Army, and that such practices will continue, and, that no law defines the duration of their interest in such storage space, and realizing that such States and local interests assume the obligation of paying substantially their portion of the cost of providing such facilities, their right to use may be continued during the existence of the facility as hereinafter provided.

(Pub. L. 88-140, §1, Oct. 16, 1963, 77 Stat. 249.)

§ 390d. Dams and reservoirs wherein costs thereof, or rights thereto, have been acquired by local interests

Sections 390c to 390f of this title are applicable to all dams and reservoirs heretofore or hereafter constructed by the United States Government (acting through the Corps of Engineers of the United States Army) wherein either a part of the construction cost thereof shall have been contributed or may be contributed by States or local interests (hereinafter called "local interests") or local interests have acquired or may acquire rights to utilize certain storage space thereof by making payments during the period of such use as specified in the agreement with the Government and wherein the amount of money paid, exclusive of interest, is equivalent to the cost of providing that part of such dam and reservoir which is allocated to such use, whether such share of cost shall have been determined by the "incremental cost" method or by the "separable costs-remaining benefits" method or by any other method. Included among the dams and reservoirs affected by sections 390c to 390f of this title are those constructed by the Corps of Engineers of the Department of the Army, but nothing in sections 390c to 390f of this title shall be construed to affect or modify section 390 of this title.

(Pub. L. 88-140, §2, Oct. 16, 1963, 77 Stat. 249.)

§ 390e. Rights, acquisition and availability of; obligation for operation and maintenance; costs for reconstruction, rehabilitation, or replacement; use during Government operation or by contract

The right thus acquired by any such local interest is declared to be available to the local interest so long as the space designated for that purpose may be physically available, taking into account such equitable reallocation of reservoir storage capacities among the purposes served by the project as may be necessary due to sedimentation, and not limited to the term of years which may be prescribed in any lease agreement or other agreement with the Government, but the enjoyment of such right will remain subject to performance of its obligations prescribed in such lease agreement or agreement executed in reference thereto. Such obligations will include continued payment of annual operation and maintenance costs allocated to water supply. In addition, local interests shall bear the costs al-

located to the water supply of any necessary reconstruction, rehabilitation, or replacement of project features which may be required to continue satisfactory operation of the project. Any affected local interest may utilize such facility so long as it is operated by the Government. In the event that the Government concludes that it can no longer usefully and economically maintain and operate such facility, the responsible department or agency of the Government is authorized to negotiate a contract with the affected local interest under which the local interest may continue to operate such part of the facility as is necessary for utilization of the storage space allocated to it, under terms which will protect the public interest and provided that the Government is effectively absolved from all liability in connection with such operation.

(Pub. L. 88-140, §3, Oct. 16, 1963, 77 Stat. 249.)

§ 390f. Revision of leases or agreements to evidence conversion of rights to use of storage rights

Upon application of any affected local interest its existing lease or agreement with the Government will be revised to evidence the conversion of its rights to the use of the storage as prescribed in sections 390c to 390f of this title.

(Pub. L. 88-140, §4, Oct. 16, 1963, 77 Stat. 250.)

§ 390g. Groundwater recharge of aquifers; demonstration program

The Secretary of the Interior (hereinafter referred to as the "Secretary"), acting through the Bureau of Reclamation (hereinafter referred to as the "Bureau"), shall, in two phases, conduct an investigation of and establish demonstration projects for groundwater recharge of aquifers in the States of Colorado, Kansas, Nebraska, New Mexico, Oklahoma, South Dakota, Texas, and Wyoming (such States to be hereinafter referred to as the "High Plains States") and in the other States referred to in section 391 of this title (hereinafter referred to as "other Reclamation Act States"), as provided by sections 390g to 390g-8 of this title: *Provided*, That funds made available pursuant to sections 390g to 390g-8 of this title shall not be used for the study or construction of groundwater recharge demonstration projects in the High Plains States and other Reclamation Act States which would utilize water originating in the drainage basin of the Great Lakes. The Bureau shall consult with the United States Geological Survey and other appropriate agencies and departments of the United States and of the High Plains States and other Reclamation Act States in order to carry out sections 390g to 390g-8 of this title.

(Pub. L. 98-434, §2, Sept. 28, 1984, 98 Stat. 1675.)

SHORT TITLE

Pub. L. 98-434, §1, Sept. 28, 1984, 98 Stat. 1675, provided: "That this Act [enacting sections 390g to 390g-8 of this title] may be cited as the 'High Plains States Groundwater Demonstration Program Act of 1983'."