

1966—Subsec. (d). Pub. L. 89-553 raised from \$5,000,000 to \$6,500,000 the maximum amount for a loan or grant for a particular project.

RETROACTIVE EFFECT OF 1966 AMENDMENT

Pub. L. 89-553, §2, Sept. 2, 1966, 80 Stat. 377, provided that: "Nothing contained in this Act [amending this section and sections 422d, 422e, 422h, and 422j of this title] shall be applicable to or affect in any way the terms on which any loan or grant has been made prior to the effective date of this Act [Sept. 2, 1966]."

**§ 422c. Proposals; submission; payment for cost of examination**

Any organization desiring to avail itself of the benefits provided in this subchapter shall submit a proposal therefor to the Secretary in such form and manner as he shall prescribe. Each such proposal shall be accompanied by a payment of \$5,000 to defray, in part, the cost of examining the proposal.

(Aug. 6, 1956, ch. 972, §3, 70 Stat. 1044; Pub. L. 99-546, title III, §303, Oct. 27, 1986, 100 Stat. 3053.)

AMENDMENTS

1986—Pub. L. 99-546 substituted "\$5,000" for "\$1,000".

**§ 422d. Contents of proposals**

**(a) Plans and estimates; review by States; allocation of capital costs**

Any proposal with respect to the construction of a project which has not theretofore been authorized for construction under the Federal reclamation laws shall set forth, among other things, a plan and estimated cost in detail comparable to those included in preauthorization reports required for a Federal reclamation project; shall have been submitted for review by the States of the drainage basin in which the project is located in like manner as provided in section 701-1(c) of title 33, except that the review may be limited to the State or States in which the project is located if the proposal is one solely for rehabilitation and betterment of an existing project; and shall include a proposed allocation of capital costs to functions such that costs for facilities used for a single purpose shall be allocated to that purpose and costs for facilities used for more than one purpose shall be so allocated among the purposes served that each purpose will share equitably in the costs of such joint facilities. The costs of means and measures to prevent loss of and damage to fish and wildlife resources shall be considered as project costs and allocated as may be appropriate among project functions.

**(b) Lands and water rights; ownership; financing**

(1) Every such proposal shall include a showing that the organization already holds or can acquire all lands and interests in land (except public and other lands and interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) and rights, pursuant to applicable State law, to the use of water necessary for the successful construction, operation, and maintenance of the project and that it is ready, able, and willing to finance otherwise than by loan and grant of Federal funds such portion of the cost of the project

(which portion shall include all costs of acquiring lands, interests in land, and rights to the use of water), except as provided in section 422e(b)(2) of this title as the Secretary shall have advised is proper in the circumstances.

(2) The Secretary shall require each organization to contribute toward the cost of the project (other than by loan and/or grant of Federal funds) an amount equal to 25 percent or more of the allowable estimated cost of the project: *Provided*, That the Secretary, at his discretion, may reduce the amount of such contribution to the extent that he determines that the organization is unable to secure financing from other sources under reasonable terms and conditions, and shall include letters from lenders or other written evidence in support of any funding of an applicant's inability to secure such financing in any project proposal transmitted to the Congress: *Provided further*, That under no circumstances shall the Secretary reduce the amount of such contribution to less than 10 percent of the allowable estimated total project costs. In determining the amount of the contribution as required by this paragraph, the Secretary shall credit toward that amount the cost of investigations, surveys, engineering, and other services necessary to the preparation of proposals and plans for the project as required by the Secretary, and the costs of lands and rights-of-way required for the project, and the \$5,000 fee described in section 422c of this title. In determining the allowable estimated cost of the project, the Secretary shall not include the amount of grants accorded to the organization under section 422e(b) of this title.

**(c) Transmittal of findings and approval to Congress; certification of soil survey; reservation of land**

At such time as a project is found by the Secretary and the Governor of the State in which it is located (or an appropriate State agency designated by him) to be financially feasible, is determined by the Secretary to constitute a reasonable risk under the provisions of this subchapter, and is approved by the Secretary, such findings and approval shall be transmitted to the Congress. Each project proposal transmitted by the Secretary to the Congress shall include a certification by the Secretary that an adequate soil survey and land classification has been made, or that the successful irrigability of those lands and their susceptibility to sustained production of agricultural crops by means of irrigation has been demonstrated in practice. Such proposal shall also include an investigation of soil characteristics which might result in toxic or hazardous irrigation return flows. The Secretary, at the time of submitting the project proposal to Congress or at the time of his determination that the requested project constitutes a reasonable risk under the provisions of this subchapter, may reserve from use or disposition inimical to the project any lands and interests in land owned by the United States which are within his administrative jurisdiction and subject to disposition by him and which are required for use by the project. Any such reservation shall expire at the end of two years unless the contract provided for in section 422e of this title shall have been executed.