pursuant to the authority of this subchapter, that the contract provide (1) that the payments for each year to be made to the United States shall become due and payable on such date or dates, not exceeding two, in each year as the Secretary determines will be substantially contemporaneous with the time or times in each year when water users receive crop returns and (2) if the contract be with an organization, that assessments or levies for the purpose of obtaining moneys sufficient to meet the organization's payments under said contract shall be made and shall become due and payable within a certain period or periods of time prior to the date or dates on which the organization's payments to the United States are due and payable, said period or periods of time to be agreed upon in each said contract.

The Secretary may provide such deferments of construction charges as in his judgment are necessary to prevent said requirements from resulting in inequitable pyramiding of payments of said charges.

(Aug. 4, 1939, ch. 418, §5, 53 Stat. 1191.)

EXTENSION OF SECRETARY'S AUTHORITY TO ENTER INTO AMENDATORY CONTRACTS

Secretary's authority extended through Dec. 31, 1960, see section 485b-1 of this title.

§ 485e. Maintenance and operation of project works; delinquency penalties

In connection with any contract, relating to construction charges, entered into pursuant to the authority of this subchapter, the Secretary is authorized to require such provisions as he deems proper to secure the adoption of proper accounting, to protect the condition of project works and to provide for the proper use thereof, and to protect project lands against deterioration due to improper use of water. Any such contract shall require advance payment of adequate operation and maintenance charges. The Secretary is further authorized, in his discretion, to require such provisions as he deems proper to penalize delinquencies in payments of construction charges or operation and maintenance charges: Provided, That in any event there shall be penalties imposed on account of delinquencies of not less than one-half of 1 per centum per month of the delinquent charge from and after the date when such charge becomes due and payable: Provided further, That any such contract shall require that no water shall be delivered to lands or parties which are in arrears in the advance payment of operation and maintenance or toll charges, or to lands or parties which are in arrears for more than twelve months in the payment of construction charges due from such lands or parties to the United States or to the organization in which the lands or parties are included, or to any lands or parties included in an organization which is in arrears in the advance payment of operation and maintenance or toll charges or in arrears more than twelve months in the payment of construction charges due from such organization to the United States.

(Aug. 4, 1939, ch. 418, §6, 53 Stat. 1191.)

§ 485f. Negotiation of equitable contracts by Secretary

(a) Existing project contract unit

The Secretary is authorized and directed to investigate the repayment problems of any existing project contract unit in connection with which, in his judgment, a contract under section 485b or 485c¹ of this title would not be practicable nor provide an economically sound adjustment, and to negotiate a contract which, in his judgment, both would provide fair and equitable treatment of the repayment problems involved and would be in keeping with the general purpose of this subchapter.

(b) New projects or projects under construction; public lands; development periods

For any project, division of a project, development unit of a project, or supplemental works on a project, under construction on August 4, 1939, or for which appropriations had been made, and in connection with which a repayment contract had not been executed, allocations of costs may be made in accordance with the provisions of section 485h of this title and a repayment contract may be negotiated, in the discretion of the Secretary, (1) pursuant to the authority of subsection (a) of this section or (2) in accordance, as near as may be, with the provisions in section 485h(d) or 485h(e) of this title. In connection with any such project, division, or development unit, on which the majority of the lands involved are public lands of the United States, the Secretary, prior to entering into a repayment contract, may fix a development period for each irrigation block, if any, of not to exceed ten years from and including the first year in which water is delivered for the lands in said block: Provided, That in the event a development period is fixed prior to execution of a repayment contract, execution thereof shall be a condition precedent to delivery of water after the close of the development period. During any such development period water shall be delivered to the lands in the irrigation block involved only on a toll-charge basis, at a charge per annum per acre-foot to be fixed by the Secretary each year and to be collected in advance of delivery of water. Pending negotiation and execution of a repayment contract for any other such project, division, or development unit, water may be delivered for a period of not more than five years from August 4, 1939, on the same toll-charge basis. Any such toll charges collected and which the Secretary determines to be in excess of the cost of operation and maintenance during the toll-charge period shall be credited to the construction cost of the project in the manner determined by the Secretary.

(c) Report of proposed contracts to Congress; approval; amendment after approval

The Secretary from time to time shall report to the Congress on any proposed contracts negotiated pursuant to the authority of subsection (a) or (b)(1) of this section, and he may execute any such contract on behalf of the United States only after approval thereof has been given by Act of Congress. Contracts, so approved, how-

¹ See References in Text note below.

ever, may be amended from time to time by mutual agreement and without further approval by Congress if such amendments are within the scope of authority granted prior to or after April 24, 1945, to the Secretary under any Act, except that amendments providing for repayment of construction charges in a period of years longer than authorized by this subchapter, as it may be amended, shall be effective only when approved by Congress.

(Aug. 4, 1939, ch. 418, §7, 53 Stat. 1192; Apr. 24, 1945, ch. 94, §2, 59 Stat. 76.)

REFERENCES IN TEXT

Section 485c of this title, referred to in subsec. (a), was repealed by Pub. L. 85-611, §3, Aug. 8, 1958, 72 Stat. 543

AMENDMENTS

 $1945\mathrm{--Subsec.}$ (c). Act Apr. 24, 1945, added second sentence.

EXTENSION OF SECRETARY'S AUTHORITY TO ENTER INTO AMENDATORY CONTRACTS

Secretary's authority extended through Dec. 31, 1960, see section 485b-1 of this title.

§ 485g. Classification of lands

(a) Generally

The Secretary is authorized and directed in the manner hereinafter provided to classify or to reclassify, from time to time but not more often than at five-year intervals, as to irrigability and productivity those lands which have been, are, or may be included within any project.

(b) Necessity for request

No classification or reclassification pursuant to the authority of this subchapter shall be undertaken unless a request therefor, by an organization or duly authorized representatives of the water users, in the form required by subsection (c) of this section has been made of the Secretary. The Secretary shall plan the classification work, undertaken pursuant to the authority of this section, in such manner as in his judgment will result in the most expeditious completion of the work.

(c) Furnishing data

In any request made to the Secretary for a land classification or reclassification under this section, the organization or representatives of the water users shall furnish a list of those lands which are considered to be of comparatively low productivity or to be nonproductive, and of those lands which are considered to be of greater or lesser productivity than indicated by existing classifications, if any, made pursuant to the Federal reclamation laws, and shall furnish also such data relating thereto as the Secretary by regulation may require.

(d) Primary determination

Upon receipt of any such request the Secretary shall make a preliminary determination whether the requested land classification or reclassification probably is justified by reason of the conditions of the lands involved and other pertinent conditions of the project, including its contractual relations with the United States.

(e) Probable justification

If the Secretary finds probable justification and if the advance to the United States herein-after required is made, he shall undertake as soon as practicable the classification or reclassification of the lands listed in the request, and of any other lands which have been, are, or may be included within the project involved and which in his judgment should be classified or reclassified

(f) Expenses

One-half of the expense involved in any classification work undertaken pursuant to this section shall be charged to operation and maintenance administration nonreimbursable; and onehalf shall be paid in advance by the organization involved. On determining probable justification for the requested classification or reclassification as provided in this section, the Secretary shall estimate the cost of the work involved and shall submit a statement of the estimated cost to said organization. Said organization, before commencement of the work, shall advance to the United States one-half of the amount set forth in said statement and also shall advance one-half of the amount of supplementary estimates of costs which the Secretary may find it necessary to make from time to time during the progress of the work; and said amounts shall be and remain available for expenditure by the Secretary for the purposes for which they are advanced, until the work is completed or abandoned. After completion or abandonment of the work, the Secretary, shall determine the actual costs thereof; and said organization shall pay any additional amount required to make its total payments hereunder equal to one-half of the actual cost or shall be credited with any amount by which advances made by it exceed one-half of said actual cost, as the case may be.

(g) Classification as prerequisite to contract

If in the judgment of the Secretary a classification or reclassification pursuant to the provisions of this section is a necessary preliminary to entering into a contract under section 485b or 485c¹ of this title, he may require the same as a condition precedent to entering into such a contract.

(h) Modification of existing obligations

No modification of any existing obligation to pay construction charges on any project shall be made by reason of any classification or reclassification undertaken pursuant to this section without express authority therefor granted by Congress upon recommendations of the Secretary made in a report under subsection (f) of this section.

(Aug. 4, 1939, ch. 418, §8, 53 Stat. 1192; Pub. L. 93-608, §1(18), Jan. 2, 1975, 88 Stat. 1970.)

REFERENCES IN TEXT

The Federal reclamation laws, referred to in subsec. (c), are defined in section 485a of this title.

Section 485c of this title, referred to in subsec. (g), was repealed by Pub. L. 85-611, §3, Aug. 8, 1958, 72 Stat.

¹ See References in Text note below.