

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 whom<sup>1</sup> is an ex-service man, as defined by section 438<sup>2</sup> 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Section 438 of this title, referred to in text, was repealed by act Aug. 13, 1953, ch. 428, § 10, 67 Stat. 568.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 in-

dividual 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 maintenance 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 pro-

<sup>1</sup> So in original. Probably should be "one of whom".

<sup>2</sup> See References in Text note below.

viding 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 with irrigation districts hereinbefore referred to shall further provide that all irrigable land held in private ownership by any one owner in excess of one hundred and sixty irrigable acres shall be appraised in a manner to be prescribed by the Secretary of the Interior and the sale prices thereof fixed by the Secretary on the basis of its actual bona fide value at the date of appraisal without reference to the proposed construction of the irrigation works; and that no such excess lands so held shall receive water from any project or division if the owners thereof shall refuse to execute valid recordable contracts for the sale of such lands under terms and conditions satisfactory to the Secretary of the Interior and at prices not to exceed those fixed by the Secretary of the Interior; and that until one-half the construction charges against said lands shall have been fully paid no sale of any such lands shall carry the right to receive water unless and until the purchase price involved in such sale is approved by the Secretary of the Interior and that upon proof of fraudulent representation as to the true consideration involved in such sales the Secretary of the Interior is authorized to cancel the water right attaching to the land involved in such fraudulent sales: *Provided, however,* That if excess land is acquired by foreclosure or other process of law, by conveyance in satisfaction of mortgages, by inheritance, or by devise, water therefor may be furnished temporarily for a period not exceeding five years from the effective date of such acquisition, delivery of water thereafter ceasing until the transfer thereof to a landowner duly qualified to secure water therefor: *Provided further,* That the operation and maintenance charges on account of lands in said projects and divisions shall be paid annually in advance not later than March 1. It shall be the duty of the Secretary of the Interior to give public notice when water is actually available, and the operation and maintenance charges payable to the United States for the first year after such public notice shall be transferred to and paid as a part of the construction payment.

(May 25, 1926, ch. 383, §46, 44 Stat. 649; July 11, 1956, ch. 563, §1, 70 Stat. 524.)

## AMENDMENTS

1956—Act July 11, 1956, authorized delivery of water for not more than five years to excess lands acquired by foreclosure or other process of law, by conveyance in satisfaction of mortgages, by inheritance, or by devise.

IMPERIAL IRRIGATION DISTRICT OF CALIFORNIA;  
NONAPPLICABILITY OF FEDERAL RECLAMATION LAWS

Pub. L. 96-570, §4, Dec. 22, 1980, 94 Stat. 3340, provided that: "The following provisions of the Federal reclamation laws shall not apply to lands within the Imperial Irrigation District of California after the date of enactment of this Act [Dec. 22, 1980]:

"(a) section 5 of the Act entitled 'An Act appropriating the receipts from the sale and disposal of public lands in certain States and Territories to the construction of irrigation works for the reclamation of arid lands', approved June 17, 1902 (43 U.S.C. 431);

"(b) section 46 of the Act entitled 'An Act to adjust water-right charges, to grant certain other relief on the Federal irrigation projects, and for other purposes', approved May 25, 1926 (42 U.S.C. 423e) [this section]; and

"(c) any other provision of law amendatory or supplementary to either of such sections."

## AMENDMENT OF EXISTING CONTRACTS

Act July 11, 1956, ch. 563, §3, 70 Stat. 524, provided that: "The Secretary of the Interior is authorized, upon request of any holder of an existing contract under the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), to amend the contract to conform to the provisions of sections 1 and 2 of this Act [amending sections 423e and 544 of this title]."

**§ 423f. Purpose of sections 423 to 423g and 610**

The purpose of sections 423 to 423g and 610 of this title is the rehabilitation of the several reclamation projects and the insuring of their future success by placing them upon a sound operative and business basis, and the Secretary of the Interior is directed to administer said sections to those ends.

(May 25, 1926, ch. 383, §48, 44 Stat. 650.)

## 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 has been omitted from the Code. For complete classification of this Act to the Code, see Tables.

**§ 423g. Adjustment of water right charges as final adjudication on projects and divisions named**

The adjustments under sections 1 to 40, inclusive, of the Act of Congress of May 25, 1926, 44 Statutes 636, are declared to be an incident of the operation of the "reclamation law," a final adjudication on the projects and divisions named in such sections under the authority contained in section 466 of this title, and shall not after May 25, 1926, be construed to be the basis of reimbursement to the "reclamation fund" from the general fund of the Treasury or by the diversion to the "reclamation fund" of revenue of the United States not on May 25, 1926, required by law to be credited to such "reclamation fund."

(May 25, 1926, ch. 383, §50, 44 Stat. 650.)