

est on that portion of the unamortized loan obligation (including interest during construction) allocated in each year to municipal and industrial purposes at the rate provided in the Act authorizing the project, or absent such an authorized rate, at a rate determined by the Secretary of the Treasury as of the beginning of the fiscal year in which the contract, or contract amendment entered into pursuant to section 421f of this title, is executed, 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, and by adjusting such average rate to the nearest one-eighth of 1 per centum.

(July 4, 1955, ch. 271, § 5, as added Pub. L. 92-487, Oct. 3, 1972, 86 Stat. 805.)

**§ 421f. Existing loan contracts; negotiation by Secretary of amendments**

The Secretary is hereby authorized to negotiate amendments to existing water service and irrigation distribution system loan contracts to conform said contracts to the provisions of sections 421a to 421h of this title.

(July 4, 1955, ch. 271, § 6, as added Pub. L. 92-487, Oct. 13, 1972, 86 Stat. 805.)

**§ 421g. Existing rights unaffected**

Nothing in sections 421a to 421h of this title shall be construed to repeal or limit the procedural and substantive requirements of sections 372 and 383 of this title.

(July 4, 1955, ch. 271, § 7, as added Pub. L. 92-487, Oct. 13, 1972, 86 Stat. 806.)

**§ 421h. Procedural and substantive requirements applicable to works financed by loans pursuant to sections 421a to 421h of this title**

Works financed by loans made under sections 421a to 421h of this title shall be subject to all procedural and substantive requirements of the Fish and Wildlife Coordination Act [16 U.S.C. 661 et seq.], the Federal Water Pollution Control Act, as amended [33 U.S.C. 1251 et seq.], and the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.].

(July 4, 1955, ch. 271, § 8, as added Pub. L. 92-487, Oct. 13, 1972, 86 Stat. 806.)

**Editorial Notes**

REFERENCES IN TEXT

The Fish and Wildlife Coordination Act, referred to in text, is act Mar. 10, 1934, ch. 55, 48 Stat. 401, which is classified generally to sections 661 to 666c-1 of Title 16, Conservation. For complete classification of this Act to the Code, see section 661(a) of Title 16, Short Title note set out under section 661 of Title 16, and Tables.

The Federal Water Pollution Control Act, as amended, referred to in text, is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92-500, § 2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.

The National Environmental Policy Act of 1969, referred to in text, is Pub. L. 91-190, Jan. 1, 1970, 83 Stat.

852, as amended, which is classified generally to chapter 55 (§4321 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 4321 of Title 42 and Tables.

**§ 422. Construction of dams across Yellowstone River**

Where, in carrying out projects under the provisions of the national reclamation Act it shall be necessary to construct dams in or across the Yellowstone River in the State of Montana, the Secretary of the Interior is hereby authorized to construct and use and operate the same in the manner and for the purposes contemplated by said reclamation Act.

(Mar. 3, 1905, ch. 1476, 33 Stat. 1045.)

**Editorial Notes**

REFERENCES IN TEXT

The national reclamation Act, referred to in text, probably means act June 17, 1902, ch. 1093, 32 Stat. 388, as amended, 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.

SUBCHAPTER IV—CONSTRUCTION OF SMALL PROJECTS

**§ 422a. Declaration of purpose**

The purpose of this subchapter is to encourage State and local participation in the development of projects under the Federal reclamation laws, with emphasis on rehabilitation and betterment of existing projects for purposes of significant conservation of water, energy and the environment and for purpose of water quality control, and to provide for Federal assistance in the development of similar projects in the seventeen western reclamation States by non-Federal organizations.

(Aug. 6, 1956, ch. 972, § 1, 70 Stat. 1044; Pub. L. 99-546, title III, § 302, Oct. 27, 1986, 100 Stat. 3053.)

**Editorial Notes**

REFERENCES IN TEXT

The Federal reclamation laws, referred to in text, are defined in section 422b of this title.

AMENDMENTS

1986—Pub. L. 99-546 inserted “, with emphasis on rehabilitation and betterment of existing projects for purposes of significant conservation of water, energy and the environment and for purpose of water quality control,” after “laws”.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99-546, title III, § 310, Oct. 27, 1986, 100 Stat. 3055, provided that: “The provisions of Sections 303 and 308 of this title [amending sections 422c and 422h of this title] shall take effect upon enactment of this title [Oct. 27, 1986]. The provisions of sections 304(a) and 305 of this title [amending section 422d of this title] shall be applicable to all proposals for which final applications are received by the Secretary after January 1, 1986. The provisions of Sections 302, 304(b), 306, and 307 [amending this section and sections 422d and 422e of

this title] shall be applicable to all proposals for which draft applications are received by the Secretary after August [sic] 15, 1986.”

#### SEPARABILITY

Act Aug. 6, 1956, ch. 972, §12, 70 Stat. 1047, provided that: “If any provisions of this Act [enacting this subchapter] or the application of such provision to any person, organization, or circumstance shall be held invalid, the remainder of the Act and the application of such provision to persons, organizations, or circumstances other than those as to which it is held invalid shall not be affected thereby.”

#### § 422b. Definitions

As used in this subchapter—

(a) The term “construction” shall include rehabilitation and betterment.

(b) The term “Federal reclamation laws” shall mean the Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

(c) The term “organization” shall mean a State or a department, agency, or political subdivision thereof or a conservancy district, irrigation district, water users’ association, an agency created by interstate compact, or similar organization which has capacity to contract with the United States under the Federal reclamation laws.

(d) The term “project” shall mean (i) any complete irrigation project, or (ii) any multiple-purpose water resource project that is authorized or is eligible for authorization under the Federal reclamation laws, or (iii) any distinct unit of a project described in clause (i) and (ii) or (iv) any project for the drainage of irrigated lands, without regard to whether such lands are irrigated with water supplies developed pursuant to the Federal reclamation laws, or (v) any project for the rehabilitation and betterment of a project or distinct unit described in clauses (i), (ii), (iii), and (iv): *Provided*, That the estimated total cost of the project described in clause (i), (ii), (iii), (iv), or (v) does not exceed the maximum allowable estimated total project cost as determined by subsection (f) hereof: *Provided further*, That a project described in clause (i), (ii), or (iii) may consist of existing facilities as distinct from newly constructed facilities, and funds made available pursuant to this subchapter may be utilized to acquire such facilities subject to a determination by the Secretary that such facilities meet standards of design and construction which he shall promulgate and that the cost of such existing facilities represent less than fifty per centum of the cost of the project. Nothing contained in this subchapter shall preclude the making of more than one loan or grant, or combined loan and grant, to an organization so long as no two such loans or grants, or combinations thereof, are for the same project, as herein defined.

(e) The term “Secretary” shall mean the Secretary of the Interior.

(f) The maximum allowable estimated total project cost of a proposal submitted during any given calendar year shall be determined by the Secretary using the Bureau of Reclamation composite construction cost index for January of that year with \$15,000,000 as the January 1971 base.

(Aug. 6, 1956, ch. 972, §2, 70 Stat. 1044; Pub. L. 89-553, §1(1), Sept. 2, 1966, 80 Stat. 376; Pub. L. 92-167, §1(1), Nov. 24, 1971, 85 Stat. 488; Pub. L. 94-181, §1(a), (b), Dec. 27, 1975, 89 Stat. 1049.)

#### Editorial Notes

##### REFERENCES IN TEXT

Act of June 17, 1902, referred to in par. (b), 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

1975—Subsec. (d). Pub. L. 94-181, §1(a), substituted provisions limiting the estimated cost of the project described in cls. (i), (ii), (iii), (iv), and (v) to the maximum allowable estimated total project cost as determined by subsection (f) of this section, for provisions limiting the estimated cost of such projects to \$15,000,000, and inserted proviso relating to a project described in cl. (i), (ii), or (iii).

Subsec. (f). Pub. L. 94-181, §1(b), added subsec. (f).

1971—Subsec. (d). Pub. L. 92-167 redefined the size and character of projects which are eligible for approval under the program, increasing money limitation from \$1,000,000 to \$15,000,000 and making projects eligible, without being only for irrigation, for single purpose irrigation, single purpose drainage, multiple purpose, a distinct unit of the foregoing, or rehabilitation of any of the foregoing.

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.

#### Statutory Notes and Related Subsidiaries

##### 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.)

#### Editorial Notes

##### 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;