

(1) a landholding in excess of nine hundred and sixty acres of class I lands or the equivalent thereof for a qualified recipient,¹

(2) a landholding in excess of three hundred and twenty acres of class I land or the equivalent thereof for a limited recipient receiving irrigation water on or before October 1, 1981; and

(3) the entire landholding of a limited recipient not receiving irrigation water on or before October 1, 1981: *Provided*, That the interest rate used in computing full cost under this paragraph shall be determined by the Secretary of the Treasury on the basis of the arithmetic average of—

(A) 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 the date of issuance; and

(B) the weighted average of market yields on all interest-bearing, marketable issues sold by the Treasury

during the fiscal year preceding the fiscal year in which the expenditures are made, or October 12, 1982, for expenditures made before October 12, 1982.

(b) Delivery of irrigation water at prior terms and conditions

Any contract with a district entered into by the Secretary as specified in section 390cc of this title, shall provide for the delivery of irrigation water to lands not in excess of the landholdings described in subsection (a) upon terms and conditions related to pricing established by the Secretary pursuant to Federal reclamation law in effect immediately prior to October 12, 1982, or, in the case of an amended contract, upon the terms and conditions established by such contract prior to the date of its amendment. However, the portion of any price established under this subsection which relates to operation and maintenance charges shall be established pursuant to section 390hh of this title.

(c) Delivery of irrigation water to lands under recordable contracts

Notwithstanding any extension of time of any recordable contract as provided in section 390ii(e) of this title, lands under recordable contract shall be eligible to receive irrigation water at less than full cost for a period not to exceed ten years from the date such recordable contract was executed by the Secretary in the case of contracts existing prior to October 12, 1982, or five years from the date such recordable contract was executed by the Secretary in the case of contracts entered into subsequent to October 12, 1982, or the time specified in section 390rr of this title for lands described in that section: *Provided*, That in no case shall the right to receive water at less than full cost under this subsection terminate sooner than eighteen months after the date on which the Secretary again commences the processing or the approval of the disposition of such lands.

(Pub. L. 97-293, title II, §205, Oct. 12, 1982, 96 Stat. 1265.)

¹ So in original. The comma probably should be a semicolon.

Editorial Notes

REFERENCES IN TEXT

Federal reclamation law, referred to in subsec. (b), is defined in section 390aa of this title.

§ 390ff. Certification of compliance

As a condition to the receipt of irrigation water for lands in a district which has a contract as specified in section 390cc of this title, each landowner and lessee within such district shall furnish the district, in a form prescribed by the Secretary, a certificate that they are in compliance with the provisions of this subchapter including a statement of the number of acres leased, the term of any lease, and a certification that the rent paid reflects the reasonable value of the irrigation water to the productivity of the land. The Secretary may require any lessee to submit to him, for his examination, a complete copy of any such lease executed by each of the parties thereto.

(Pub. L. 97-293, title II, §206, Oct. 12, 1982, 96 Stat. 1266.)

§ 390gg. Equivalency

Upon the request of any district, the ownership and pricing limitations imposed by this subchapter shall apply to the irrigable lands classified within such district by the Secretary as having class I productive potential or the equivalent thereof in larger acreage of less productive potential, as determined by the Secretary, taking into account all factors which significantly affect productivity, including but not limited to topography, soil characteristics, length of growing season, elevation, adequacy of water supply, and crop adaptability.

(Pub. L. 97-293, title II, §207, Oct. 12, 1982, 96 Stat. 1266.)

§ 390hh. Operation and maintenance charges

(a) Price adequate to recover charges

The price of irrigation water delivered by the Secretary pursuant to a contract or an amendment to a contract with a district, as specified in section 390cc of this title, shall be at least sufficient to recover all operation and maintenance charges which the district is obligated to pay to the United States.

(b) Modification of price

Whenever a district enters into a contract or requests that its contract be amended as specified in section 390cc of this title, and each year thereafter, the Secretary shall calculate such operation and maintenance charges and shall modify the price of irrigation water delivered under the contract as necessary to reflect any changes in such costs by amending the district's contract accordingly.

(c) Districts not operating from Federal funds

This section shall not apply to districts which operate and maintain project facilities and finance the operation and maintenance thereof from non-Federal funds.

(Pub. L. 97-293, title II, §208, Oct. 12, 1982, 96 Stat. 1267.)

§ 390ii. Disposition of excess lands**(a) Disposal of lands in excess of ownership limitations within reasonable time**

Irrigation water made available in the operation of reclamation project facilities may not be delivered for use in the irrigation of lands held in excess of the ownership limitations imposed by Federal reclamation law, including this subchapter, unless and until the owners thereof shall have executed a recordable contract with the Secretary, in accordance with the terms and conditions required by Federal reclamation law, requiring the disposal of their interest in such excess lands within a reasonable time to be established by the Secretary. In the case of recordable contracts entered into prior to October 12, 1982, such reasonable time shall not exceed ten years after the recordable contract is executed by the Secretary. In the case of recordable contracts entered into after October 12, 1982, except as provided in section 390rr of this title, such reasonable time shall not exceed five years after the recordable contract is executed by the Secretary.

(b) Continued delivery of irrigation water to lands held in excess of ownership limitations

Lands held in excess of the ownership limitations imposed by Federal reclamation law, including this subchapter, which, on October 12, 1982, are, or are capable of, receiving delivery of irrigation water made available by the operation of existing reclamation project facilities may receive such deliveries only—

- (1) if the disposal of the owner's interest in such lands is required by an existing recordable contract with the Secretary, or
- (2) if the owners of such lands have requested that a recordable contract be executed by the Secretary.

(c) Amendment of existing recordable contracts

Recordable contracts existing on October 12, 1982, shall be amended at the request of the landowner to conform with the ownership limitations contained in this subchapter: *Provided*, That the time period for disposal of excess lands specified in the existing recordable contract shall not be extended except as provided in subsection (e).

(d) Power of attorney requirement in contracts; exercise of power by Secretary

Any recordable contract covering excess lands sales shall provide that a power of attorney shall vest in the Secretary to sell any excess lands not disposed of by the owners thereof within the period of time specified in the recordable contract. In the exercise of that power, the Secretary shall sell such lands through an impartial selection process only to qualified purchasers according to such reasonable rules and regulations as the Secretary may establish: *Provided*, That the Secretary shall recover for the owner the fair market value of the land unrelated to irrigation water deliveries plus the fair market value of improvements thereon.

(e) Extension of time for disposal of excess lands

In the event that the owner of any lands in excess of the ownership limitations of Federal rec-

lamation law has heretofore entered into a recordable contract with the Secretary for the disposition of such excess lands and has been prevented from disposing of them because the Secretary may have withheld the processing or approval of the disposition of the lands (whether he may have been compelled to do so by court order or for other reasons), the period of time for the disposal of such lands by the owner thereof pursuant to the contract shall be extended from the date on which the Secretary again commences the processing or the approval of the disposition of such lands for a period which shall be equal to the remaining period of time under the recordable contract for the disposal thereof by the owner at the time the decision of the Secretary to withhold the processing or approval of such disposition first became effective.

(f) Eligibility of excess lands for irrigation water after disposition

Excess lands which have been or may be disposed of in compliance with Federal reclamation law, including this subchapter, shall not be considered eligible to receive irrigation water unless—

- (1) they are held by nonexcess owners; and
- (2) in the case of disposals made after October 12, 1982, their title is burdened by a covenant prohibiting their sale, for a period of ten years after their original disposal to comply with Federal reclamation law, including this subchapter, for values exceeding the sum of the value of newly added improvements and the value of the land as increased by market appreciation unrelated to the delivery of irrigation water. Upon expiration of the terms of such covenant, the title to such lands shall be freed of the burden of any limitations on subsequent sale values which might otherwise be imposed by the operation of section 423e of this title.

(Pub. L. 97-293, title II, § 209, Oct. 12, 1982, 96 Stat. 1267.)

Editorial Notes

REFERENCES IN TEXT

Federal reclamation law, referred to in subsecs. (a), (b), (e), and (f), is defined in section 390aa of this title.

§ 390jj. Water conservation**(a) Implementation of program by non-Federal recipients**

The Secretary shall, pursuant to his authorities under otherwise existing Federal reclamation law, encourage the full consideration and incorporation of prudent and responsible water conservation measures in the operations of non-Federal recipients of irrigation water from Federal reclamation projects, where such measures are shown to be economically feasible for such non-Federal recipients.

(b) Development of plan

Each district that has entered into a repayment contract or water service contract pursuant to Federal reclamation law or the Water Supply Act of 1958, as amended (43 U.S.C. 390b), shall develop a water conservation plan which