

The Secretary may effect the deferments hereunder subject to such conditions and provisions relating to the operation and maintenance of the project involved as he deems to be in the interest of the United States. If, however, any deferments would affect installments to accrue more than twelve months after the action of deferment, they shall be effected only by a formal supplemental contract. Such a contract shall provide by its terms that, it being only an interim solution of the repayment problems dealt with therein, its terms are not, in themselves, to be construed as a criterion of the terms of any amendatory contract that may be negotiated and that any such amendatory contract must be approved by the Congress unless it does not lengthen the repayment period for the project in question beyond that permitted by the laws applicable to that project, involves no reduction in the total amount payable by the water users, and is not in other respects less advantageous to the Government than the existing contract arrangements. The Secretary shall report to the Congress all deferments granted under this subsection.

(Aug. 4, 1939, ch. 418, §17, 53 Stat. 1198; Apr. 24, 1945, ch. 94, §3, 59 Stat. 76; Pub. L. 85-611, §3, Aug. 8, 1958, 72 Stat. 543; Pub. L. 86-308, §1, Sept. 21, 1959, 73 Stat. 584.)

#### AMENDMENTS

1959—Subsec. (b). Pub. L. 86-308 made permanent the Secretary's authority to grant deferments in payment of installments of construction charges under repayment contracts.

1958—Subsec. (a). Pub. L. 85-611 substituted "section 485b" for "sections 485b and 485c".

1945—Subsec. (a). Act Apr. 24, 1945, extended authority for modification of existing repayment contracts or other forms of obligations to pay construction charges through Dec. 31, 1950, or Dec. 31 of the fifth full calendar year after the cessation of hostilities of World War II, as determined by proclamation of the President or concurrent resolution of Congress, whichever period was the longer.

Subsec. (b). Act Apr. 24, 1945, authorized Secretary, subject to provisions of this subsection, to defer the time for the payment of such part of any installments of construction charges under any repayment contract or other form of obligation that are due and unpaid as of Apr. 24, 1945, or which would become due prior to the expiration of authority under subsec. (a).

#### APPLICABILITY TO OTHER IRRIGATION PROJECTS

Section 3 of Pub. L. 86-308 provided that: "The provisions of section 17, subsection (b), of the Reclamation Project Act of 1939 [subsec. (b) of this section], as amended by section 1 of this Act, shall apply to any project within the administrative jurisdiction of the Bureau of Reclamation to which, if it had been constructed as a project under the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 383) and Acts amendatory thereof or supplementary thereto [see Short Title note set out under section 371 of this title], these provisions would be applicable."

#### **§ 485c. Repealed. Pub. L. 85-611, § 3, Aug. 8, 1958, 72 Stat. 543**

Section, acts Aug. 4, 1939, ch. 418, §4, 53 Stat. 1189; Apr. 24, 1945, ch. 94, §1, 59 Stat. 75, related to repayment contracts with the United States. See section 485h(d)(3) of this title.

#### **§ 485d. Time of payments to the United States**

The Secretary in this discretion may require, in connection with any contract entered into

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 485c<sup>1</sup> 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-

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—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.

<sup>1</sup> See References in Text note below.