

Public Law 85-370

AN ACT

April 7, 1958
[S. 2129]

To authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division.

Rio Grande reclamation project.
Mercedes division.
43 USC 371 and note; 421a-421d.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior, acting pursuant to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388 and Acts amendatory thereof or supplementary thereto, including particularly the Act of July 4, 1955 (69 Stat. 244), but subject to exceptions herein contained) is authorized to undertake the rehabilitation and betterment of the works of the Hidalgo and Cameron Counties Water Control and Improvement District Numbered 9, Texas, and to operate and maintain the same. Such undertaking which shall be known as the Mercedes division of the lower Rio Grande reclamation project, shall not be commenced until a repayment contract has been entered into by said district under the Federal reclamation laws, subject to exceptions herein contained, which contract shall provide for payment, in accordance with the district's repayment ability, of the capital cost of the Mercedes division over a period of not more than forty years or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within said period under average conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay, and shall, in addition, require the payment of interest on that pro rata share of the capital cost, which is attributable to furnishing benefits in each particular year to land held in private ownership by any one owner in excess of one hundred and sixty irrigable acres, said interest to be at a rate determined by the Secretary of the Treasury by estimating the average annual yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May preceding the fiscal year in which the repayment contract is entered into, on all outstanding marketable obligations of the United States having a maturity date of fifteen or more years from the first day of such month of May, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 per centum.

SEC. 2. Title to all lands and works of the division, to the extent an interest has been vested in the United States, shall pass to the Hidalgo-Cameron Counties Water Control and Improvement District Numbered 9 or its designee or designees upon payment to the United States of all obligations arising under this Act or incurred in connection with this division of the project.

SEC. 3. The excess-land provisions of the Federal reclamation laws shall not be applicable to lands in this project which now have an irrigation water supply from sources other than a Federal reclamation project, and for which no new waters are being developed.

Appropriation.

SEC. 4. There is hereby authorized to be appropriated for the work to be undertaken pursuant to the first section of this Act the sum of \$10,100,000 (January 1957 costs), plus such amount, if any, as may be required by reason of changes in costs of work of the types involved as shown by engineering indices.

Approved April 7, 1958.