

Mr. DOMINY. Those in the first and second divisions would have the first rights to purchase; yes, sir.

Senator ANDERSON. Why?

Mr. DOMINY. Well, because we think that they should have a chance to expand their units.

Senator ANDERSON. Why do you give them a preference?

Mr. DOMINY. For the same reason that we are giving the preference on the Columbia Basin, where we homesteaded the farms that are too small, and when we have another unit that comes up, we give them a chance to buy it—to give them a better economic unit. This is exactly what we want to do in Midvale.

Senator ANDERSON. I remember a little bit of the original legislation, in regard to the Columbia area. Senator Norris came over and spoke to the House about that. But this is somewhat different, is it not?

Mr. DOMINY. It is the same principle involved. We homesteaded on the Columbia Basin project, starting back in 1946, and it soon became apparent that we had homesteaded the farms too small, and the only chance we had was to give them a second chance. So that when we had additional land for sale, we gave these fellows who had units that were inadequate, the first chance to buy before someone else came in. That is all that we propose to do on this.

The only difference is a difference in the timing. The Midvale farmers have been there longer and have had to put up with inadequate units for a long time. And, therefore, I think that makes it stronger.

In the third division, 66 out of 67 owners executed purchase options. The execution of options by so overwhelming a majority of the owners was, we believe, due to several factors. First, and perhaps most important, is the requirement of section 2 of the act of March 10, 1964, which provides that water shall be furnished only upon individual application therefor and upon payment of an amount for each acre to which water is to be furnished to the applicant during the year in question equal to the estimated average cost per acre for all lands to be irrigated that year of operating and maintaining the third division. Many landowners who would have otherwise remained felt that under this provision their operation and maintenance costs would be prohibitive.

The remaining half would be at such a high cost rate that they could not stand it.

Pursuant to the requirements of Public Law 88-278, this Department, on July 11, 1966, advised the President of the Senate and the Speaker of the House of Representatives that there were sufficient lands capable of sustained production under irrigation use in the North Portal, North Pavillion—these are all parts of the third division—and Cottonwood Bench areas of the third division to form an economical, feasible unit. That report stated that there are currently 8,913 acres of such lands, and 2,918 acres which will require construction of drains or other betterment works to be capable of sustained production under irrigation.

Our letter of July 11, 1966, also contained a résumé of the financial and economical impacts of the Riverton project computed on the basis of enactment of H.R. 7398—introduced in the 89th Congress and