

for the Riverton extension unit—third division—Missouri River Basin project, to include the entire Federal reclamation project.

The consolidated project would be placed under one contracting organization, the Midvale Irrigation District, which would assume operation and maintenance responsibility for the project works. Subsections 2(a) and 2(b), respectively, would authorize the Secretary to replace all existing repayment contracts by a single amendatory repayment contract with the Midvale District, and would authorize a 50-year repayment period for the amendatory contract.

Subsection 2(c) authorizes retention of the rates of charge to existing land classes and the acreage assessable in each land class during construction and testing of the water conservation works. Thereafter, the rates of charge and assessable acreage would be determined in accordance with the amortization capacity and classification of unit lands as determined by the Secretary.

Under subsection 2(d) the district would be credited for amounts paid on the repayment obligation under previous contracts, with a commensurate reduction in the repayment period of individual tracts to reflect credit for amounts formerly paid by the district and attributable to such tracts.

Pursuant to subsection 2(e), for the first 10 years of the repayment period, the annual obligation of the district would be reduced by the amounts it has credited to water users who have, at their own expense, provided drainage tile. This reduction would be limited to a total of not to exceed \$50,000.

To alleviate water-logging and salinization problems, the district has repaired or replaced deteriorated project works, lined canals and laterals, and installed an effective drainage system under a rehabilitation and betterment program. This has resulted in a district obligation as of June 1966 of \$4,464,925.

In addition, local farmers themselves have spent almost \$50,000 for drain tile. In future drainage programs, the landowners will not be required to furnish tile at their own expense. It, therefore, is equitable to give credit to those who have already contributed for such purposes.

Subsection 3(a) provides for the nonreimbursability of construction and rehabilitation and betterment costs of the unit assignable to lands classified as permanently unproductive. However, if at any time in the future these lands should be reclassified as productive, the repayment obligation of the district would be correspondingly increased.

Senator ANDERSON. Did you say that under subsection (b) it provides for the nonreimbursability of construction and rehabilitation costs, et cetera? Do you understand that whatever you do under this program now, you make no charge to them at all?

Mr. DOMINY. This is consistent with the Fact-Finders Act where the land was nonirrigable—that the portion of the project construction cost of it is nonreimbursable. We have done that.

Senator ANDERSON. Have we not had testimony that the 8,000 acres are unirrigated?

Mr. DOMINY. This is going to be about 45,000 acres of the first and second divisions and about 11,000—