

poses if cost-sharing arrangements are made with appropriate non-Federal agencies. In this connection, Governor Hathaway of Wyoming, on July 11, 1967, sent Secretary Udall a satisfactory letter of intent to assume a share of the separable costs of fish and wildlife and recreation enhancement associated with the Riverton project.

Inclusion of these purposes in the proposed legislation would bring the Riverton unit more nearly in line with the multiple-purpose authorization of the Missouri River Basin project and would be in accordance with the provisions of Public Law 89-72, the Federal Water Project Recreation Act.

Based upon a realistic appraisal of the production capability of the third division lands, which have been successfully leased and irrigated for several years, we are convinced that these lands are as productive as those of the present Midvale district.

It is estimated that \$2,794,624 would be the portion of the reimbursable costs beyond the water users' repayment ability and the amount that would be required for the third division from Missouri River Basin power revenues if S. 670 were enacted. Failure to enact S. 670 or similar legislation, would result in a loss of resource benefits from the existing Federal investment of approximately \$18 million in irrigation storage, conveyance, distribution, and drainage systems.

We urge the favorable consideration of S. 670 by this committee and its subsequent enactment, with the suggested amendments.

Senator ANDERSON. Senator Simpson, in the hearings in 1964, stated:

You are all acquainted with the third division because it is the project which has plagued not only the settlers, but Congress ever since the construction of it in the 1940's.

We have all conceded that it is a political accident. The lands of the third division have soured and are unproductive, and for the most part are unable to produce enough to permit a family to make a living.

Do you think that was a proper statement at that time?

Mr. DOMINY. It was a proper statement with respect to sizeable portions of the lands that were included for homesteading in the third division. It was not a proper statement with regard to these 11,000 acres that we are now discussing.

Senator ANDERSON. I am speaking of Senator Simpson's statement.

Mr. DOMINY. Yes. It was too generalized.

Senator ANDERSON. Not to me.

He stated further:

The lands were never very good. Realizing these facts, this Committee recommended to the Senate that the Secretary of the Interior be given the authority to buy those lands if the entry men desired to sell their property:

The price paid for the lands, which were represented as being suitable for sustained irrigation production, was to be determined without reference to any deterioration in their irrigability subsequent to their entry or acquisition arising from above-normal seepage and/or inadequate drainage.

And then he further stated:

The response to the offer of purchase was overwhelming and was much greater than the Bureau or Congress had anticipated. There may be several reasons for this response. It may be because the land was never any good and the farmers could not make a living, that they are now jumping at the opportunity to bail out and save as much as possible.