

That is why I want to make it clear, this was wrong in its inception. It was politically inspired; we know all about it. It has been a headache to the Congress, the settlers themselves.

Does he not point out pretty well what the problem was?

Mr. DOMINY. I agree with Senator Simpson to a degree. I disagree with respect to the 11,000 acres. I agree that when we started to develop that whole division of 50,000 acres, without a real good land classification, I agree that we started it—even after World War II the people who did it did it in good faith, they tried to get the land for the veterans, which was popular at the time, but as soon as we got into the problem we stopped and we did not settle the Cottonwood Bench area—there was a lot of pressure to go right ahead, but I will take a little credit—I am a farm man and I knew what I was doing, and I did not think that we ought to rush in any deeper than we already were.

Senator ANDERSON. Did you know what you were doing? You say that you were a farm man and knew what you were doing.

Mr. DOMINY. I recognized the problem. I said that some of the others did not recognize, who had never been on the farm.

Senator ANDERSON. Senator Simpson recognized the problem.

Mr. DOMINY. Yes; I agree.

Senator ANDERSON. You were on the other side at that time?

Mr. DOMINY. I disagree now that you are implying that the statement must apply to the acres that we think are irrigable. I do not think that necessarily follows.

Senator ANDERSON. I did not say that. I read, what Senator Simpson said. We had to rely upon that point of view and we did. I would still follow Senator Simpson.

Mr. DOMINY. I think the buy-out was a proper move at the time, because the thing had—

Senator ANDERSON. I am not talking about the buying-out. I am speaking of the preferential rights on the land.

Mr. DOMINY. We are giving preferential rights to the men who do live on the land adjoining in the same project, and get the water from the same supply, the same canals and all parts of the same operation and maintenance. This is consistent, as Mr. Langley pointed out, in what we are doing on other projects.

Senator ANDERSON. Thank you.

Senator JORDAN.

Senator JORDAN. I just want to be sure that I understand this, because I have been on this project for the last few years, too. You propose now, Mr. Commissioner, to rewrite the contract of all three divisions?

Mr. DOMINY. That is correct.

Senator JORDAN. And in this rewrite you propose to take the government's loss on nonreimbursability against the land which is no longer considered irrigable?

Mr. DOMINY. That is the proposition; yes.

Senator JORDAN. And what is the amount of that particular item—in dollars, I mean?

Mr. DOMINY. \$11,886,933.