Subsection 3(c), that net revenues of the Missouri River Basin project would be applied to reimbursable costs not assigned to be repaid by irrigators or returned from net revenues of the unit.

Section 4 modifies the excess land provisions of the Federal reclamation laws to permit delivery of water to owners of 160 acres of class 1 land or their equivalent in other land classes.

Public Law 88–278 permitted modification of the excess-land provisions of lands in the third division alone. This bill would extend that modification to the entire unit and is justified by the same conditions—all these lands are located at high altitudes with a relatively short growing season and are limited in the crops that can be grown.

This land-equivalent formula is set out in the map attached to the tentative firm unit layout for third division has been introduced by Mr. Ed Bogacz, commissioner for Midvale Irrigation District. The application of this formula can best be seen by the map of the proposed farm units for third division. In order to effectuate the full intent of this legislation, this 160-acre land-equivalent formula will be necessary to put present Midvale farmers in position to purchase the third division lands if and when they are sold by the Government.

Subsection 5(a) authorizes the Secretary to sell lands on the unit at public or private sale in tracts of any size at not less than their appraised, then fair market value, so long as no one owner holds more than 160 acres of class 1 lands or their equivalent as classified under section 4 of the bill.

This section, authorizing the sale of lands on the unit, is extremely important to the economic future of the project, city of Riverton, Fremont County, and the entire State of Wyoming.

The purchase of the third division lands by the Government in 1964 resulted in serious consequences to many businesses and political subdivisions of the State of Wyoming. The Riverton Valley Electric Association, a rural electric cooperative serving Fremont County, has 33 miles of electrical distribution lines with an investment of approximately $80,000 in the third division area. Before the buy-out it had 94 services and now has 29 active meters.

The loss of annual revenue from 65 idle meters is estimated to be $9,400 and creates a burden on the members of the co-op to repay the REA debt service which includes costs of facilities that are now unproductive.

The third division buy-out affected the Pavillion School District No. 32 and the Shoshoni School District No. 24. These districts suffered a loss of valuation and bonding capacity of $329,554.

The net loss of dollar income to these school districts as a result of the decrease in assessed real and personal property valuation was over $15,000. This income reduction came at a time when both districts were in desperate need of construction of new facilities.

The loss in assessed real and personal property valuation resulted in a substantial tax revenue loss to Fremont County. The board of commissioners were compelled to continue services such as road maintenance and weed control in the third division area without the benefit of compensating revenues.