

The investigations have indicated that although the Midvale district, which has had similar problems, has kept current with its financial obligations for repayment along with the costs incurred for a rehabilitation program, a continued program will be necessary to complete such rehabilitation works which is beyond the financial capacity of the water users to pay. Financial assistance will then be necessary from other sources which was not provided initially to the Riverton project as compared to present reclamation policy of present day projects which receive assistance from such sources as the reclamation fund and power revenues.

Herein lies the basis on which the survey team report makes its recommendations, to not only include corrective measures needed on the third division; but, more so, on the Midvale district (first and second division).

The natural resource board places considerable emphasis on the economic development of this land and water resources. The Riverton project consists of approximately one-third of the irrigated croplands in the Wind River Basin. An important segment of the economy in the Riverton area is directly related to agriculture. The importance of irrigation for agriculture is well known in our western semiarid States.

The Riverton project has demonstrated its suitability for the growing of some cash crops. The dominant agricultural uses of irrigated lands is primarily related to the production of livestock feed, hay, and grains. Recent trends have indicated, that with proper management, such diversification practices can be adopted for better land utilization in our higher altitude and short growing season.

With the proper corrective measures that can be made, lands that have proven their productivity and lands that can be retained from becoming unproductive, this vital resource can continue to serve as an important economic factor in the future growth of the Riverton area.

The natural resources board considers a project abandonment policy as ill-founded and beyond any doubt of consideration. This past season has demonstrated without any doubt, the success of this project's productivity with an outstanding harvest of agriculture crops.

The inclusion of the Riverton project as a unit in the Missouri River Basin project can provide the needed financial assistance on a reasonable and equitable basis. The natural resource board concurs that such reauthorization as provided in H.R. 8171 incorporates principles reflected by the Congress in the authorization of recent projects, and in keeping with the basic principles of reclamation development.

The provisions included, authorizing the Secretary to supersede the several existing contracts of the Midvale District with a single 50-year contract, are highly desirable and more realistic than the present contract period of 108 years.

In consideration of the water users of the third division who wish to continue their farm operations, the provisions for temporary delivery of water are reasonable, and such continuation of farm operations should be permitted.

As the readjustments of farm size units are made in the third division and economical sizes are determined, it is reasonable to expect that water rates should include a construction charge component in the case that no irrigation district exists for contracting agreements.

The provisions in the proposed legislation for modifying the excess land limitation to permit water delivery to 160 acres of class 1 lands or the equivalent are essential. Such provisions would take into account the conditions affected by higher altitudes, limited adaptability and the shorter growing season experienced in the Riverton project area.

In order to permit the proper land adjustments necessary for economic units as well as arrangements to dispose of lands that have become unproductive, the provisions of the proposed legislation related to accommodate these measures are not only desirable, but necessary for an orderly development program.

Certain deficiencies in the Farm Unit Exchange Act of 1953 have been set forth by the survey team. These obviously should be rectified and such changes incorporated in the present bill appear to be necessary.

In order to further implement means to readjust project lands into productive and economical farm size units, provisions in H.R. 8171 grant such authority to the Secretary to permit the payment of damages for injury to lands caused by permanent or recurrent seepages from project facilities. In addition, when said injury to the lands has resulted in a farm unit being too small for supporting