[67 STAT.

CHAPTER 428

## Public Law 258

## AN ACT

August 13, 1953 [S. 887]

To permit the exchange and amendment of farm units on Federal irrigation projects, and for other purposes.

Federal irrig ation projects. Exchange of farm units.

Eligibility for benefits.

Irrigation construction charges.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any entryman on an unpatented farm unit on a Federal irrigation project which shall be found by the Secretary of the Interior, pursuant to a land classification, to be insufficient to support a family shall be entitled, upon timely application to the Secretary to exchange his farm unit for another farm unit of unentered public land within the same or any other such project, or, upon terms and conditions satisfactory to the Secretary, for any other available farm unit on the same or any other such project. He shall be given credit under the homestead laws for residence, improvement, and cultivation made or performed upon the original entry, and if satisfactory final proof of residence, improvement, and cultivation has been made on the original entry it shall not be necessary to submit such proof upon the lieu entry Rights under this Act shall not be assignable.

SEC. 2. The benefits of section 1 of this Act shall, and those of the following sections may, be extended by the Secretary to (a) any lawful assignee of an unpatented farm unit on a Federal irrigation project who took the assignment in good faith not knowing and not having reason to believe the farm unit to be insufficient to support a family; and (b) any resident owner of private lands on any such project whose lands shall be found to be insufficient to support a family and (i) who, apart from his ownership of the lands to be conveyed pursuant to clause (iii) hereof and apart from his having previously exhausted his homestead right, if such be the case, is eligible to enter unappropriated public lands under Revised Statutes, section 2289, as amended (43 U. S. C. 161), (ii) who lawfully acquired his lands as an entire farm unit under the Federal reclamation laws from the United States or, in the case of a widow, widower, heir, or devisee, from a spouse or ancestor, as the case may be, who so acquired them, and (iii) who conveys, free from all encumbrances, to the United States all of his lands served by the project or such portion thereof as the Secretary may designate.

SEC. 3. (a) If an entryman making an exchange under the provisions of this Act becomes the direct obligor for payment to the United States of irrigation construction charges for his lieu farm unit or undertakes a contract under which the equivalent, in whole or in part, of such charges is returned to the United States, the Secretary, to the extent to which such charges upon the original farm unit or the equivalent thereof have actually been paid to the United States or to an irrigation district or other form of organization under contract with the United States, may give him credit for such charges upon the lieu unit.

(b) If an irrigation district or other form of organization within the boundaries of which is located the lieu farm unit of an entryman making an exchange under the provisions of this Act is or becomes the direct obligor for payment to the United States of irrigation construction charges or undertakes or has undertaken a contract under which the equivalent, in whole or in part, of such charges is returned to the United States, the Secretary may, to the extent to which it gives credit to the entryman for such charges or the equivalent thereof actually paid upon the original farm unit, give the district or other form of organization credit for payment of such charges. Upon the making of an exchange pursuant to the provisions of this Act, the 67 STAT.]

Secretary may reduce (i) the reimbursable construction costs of the project or division thereof upon which the original farm unit was located by the amount of such costs which were properly assignable to the original farm unit and which were not then due and payable, and (ii) the reimbursable construction costs of the project or division thereof upon which the lieu farm unit is located by the amount of credit which might be given under the provisions of this section.

(c) In any case in which the benefits of this Act are extended to an assignee of an unpatented farm unit or to a resident owner of private lands, as provided in subsection (b) of section 2 of this Act, an appropriate extension of benefits may also be made to an irrigation district or other form of organization under subsection (b) of this section.

SEC. 4. (a) After his approval of any application for an exchange Cancellation of as provided in this Act, the Secretary may cancel and release, in whole or in part, any and all charges or liens against the entryman or against the relinquished farm unit which are within his administrative jurisdiction. In administering the provisions of this subsection the Secretary shall take into consideration other charges and liens and the rights and interests of other lien holders as to him may seem just and equitable.

(b) An entryman making an exchange under the provisions of this Act may be given credit by the Secretary upon any land development charges made by the United States in connection with the lieu farm unit for any such charges paid to the United States in connection with the original unit. A resident owner making an exchange under the provisions of this Act may, to the extent to which he or, in the case of a widow, widower, heir, or devisee, his spouse or ancestor, as the case may be, has paid to the United States the purchase price of the original farm unit, be given credit by the Secretary upon the purchase price of his lieu farm unit; such credit may also be applied in the manner and circumstances provided in section 3 of this Act upon irrigation construction charges for or properly assignable to his lieu farm unit.

SEC. 5. Within ninety days after receipt of notice of the approval Disposal of im-by the Secretary of the application for exchange of entry and subject provements, etc. to the rights and interests of other parties, the entryman may dispose of, and he or his transferee or vendee may remove, any and all improvements placed on the relinquished unit. Upon the making of an exchange under this Act, any water right appurtenant to the original lands under the Federal reclamation laws shall cease and the water supply theretofore used or required to satisfy such right shall be available for disposition under those laws. Any land relinquished or relinquished land. conveyed to the United States under this Act shall revert to or become a part of the public domain and be subject to disposition by the Secretary under any of the provisions of the Federal reclamation laws.

SEC. 6. Upon timely application by an entryman on an unpatented farm unit on a Federal irrigation project, which shall be found by the Secretary, pursuant to a land classification, to be insufficient to support a family, the Secretary may, upon terms and conditions satisfactory to him, amend the farm unit of said entryman, combine all or a part of the lands of said farm unit with other contiguous or noncontiguous lands on the same project which are declared by the Secretary to be open to entry or purchase, and thereby form and designate an amended farm unit for said entryman, which in no event shall exceed three hundred and twenty acres of land containing not more than one hundred and sixty irrigable acres designated by the Secretary. The acceptance of the amended farm unit by the applicant shall be deemed an exchange within the meaning of this Act. In extending the benefits

Credits.

Amendment of farm unit.

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Mortgage contracts.

Veterans' preference.

Establishment of farm units.

Repeal.

43 USC 423-423g, 610.

43 USC 371.

Appropriations.

of this section to a resident owner of private lands as provided in section 2 of this Act, the Secretary may waive, in whole or in part, the provisions of clause (iii) of subsection (b) of that section.

SEC. 7. Any exchange pursuant to this Act of land that is subject to a mortgage contract with the Secretary of Agriculture under the Act of October 19, 1949 (63 Stat. 883; 7 U. S. C., 1946 edition, secs. 1006a and 1006b), and any disposition pursuant to this Act of property that is subject to such a mortgage contract, shall be effected only in such form and manner and upon such terms and conditions as are consistent with the authority of the Secretary of Agriculture over such mortgage contract and such property under the Bankhead-Jones Farm Tenant Act (50 Stat. 522; 7 U. S. C., sec. 1000 et seq.), as amended, as supplemented by said Act of October 19, 1949.

SEC. 8. Where there are two or more timely applicants for a farm unit on a particular project or division thereof under the provisions of this Act, one or more of whom is an ex-serviceman who would be entitled under the applicable statutes to a preference in making entry of farm units on such project or division, the ex-serviceman, or one of them, shall have a preference in making such exchange. Any timely applicant for an exchange under the provisions of this Act shall be entitled to preference over any other applicant for a farm unit on the same project or division thereof.

SEC. 9. In administering section 3 of the Act of June 17, 1902 (32 Stat. 388; 43 U. S. C. 434), sections 1 and 5 of the Act of June 27, 1906 (34 Stat. 519; 43 U. S. C. 434, 448), as amended, and section 3 of the Act of August 9, 1912 (37 Stat. 265, 266; 43 U. S. C. 544), the Secretary may, to the extent found necessary as shown by a land classification to provide farm units sufficient in size to support a family, establish such units of not more than three hundred and twenty acres containing not more than one hundred and sixty irrigable acres designated by him and may permit entry and assignment under the homestead laws, and retention and assignment under the desert land laws, of such units. The lands included in farm units established pursuant to the authority of this section and entered under the homestead laws may be contiguous or noncontiguous.

Stead laws may be contiguous or noncontiguous.
SEC. 10. Subsection M of section 4 of the Act of December 5, 1924 (43 Stat. 672; 43 U. S. C., sec. 438), is hereby repealed. Nothing contained in this Act shall be held to repeal, supersede, or supplement the provisions for exchange and matters related thereto contained in the Act of May 25, 1926 (44 Stat. 636), as amended and supplemented.

SEC. 11. As used in this Act, the term "Federal irrigation project" means any irrigation project subject to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), to which laws this Act itself shall be deemed a supplement.

SEC. 12. The Secretary may perform any and all acts and make all rules and regulations necessary and proper for carrying out the purposes of this Act.

SEC. 13. Appropriations heretofore or hereafter made for carrying on the functions of the Bureau of Reclamation shall be available for credits, expenses, charges, and costs provided by or incurred under this Act. Expenses incurred in carrying out the provisions of sections 1 to 7, inclusive, of this Act, shall be nonreimbursable and nonreturnable under the Federal reclamation laws.

Approved August 13, 1953.