

ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted “Title 10, Armed Forces” which in sections 3010 to 3013 continued Department of the Army under administrative supervision of Secretary of the Army.

EXTENSION OF VARIABLE PAYMENT PLAN

Authority of Secretary to extend benefits of variable payment plan to organizations with which he contracts or has contracted for the repayment of construction costs allocated to irrigation on any project undertaken by the United States, including contracts for the storage of water or for the use of stored water under this section, see section 2 of Pub. L. 85–611, Aug. 8, 1958, 72 Stat. 542, set out as a note under section 485h of this title.

SECTION AS UNAFFECTED BY SUBMERGED LANDS ACT

Provisions of this section as not amended, modified or repealed by the Submerged Lands Act, see section 1303 of this title.

Executive Documents

TRANSFER OF FUNCTIONS

For transfer of certain real property and functions relating to real property, insofar as they pertain to Air Force, from Secretary of the Army and Department of the Army to Secretary of the Air Force and Department of the Air Force, see Secretary of Defense Transfer Order Nos. 14, eff. July 1, 1948, and 40 [App. B(133)], July 22, 1949.

§ 390a. Repealed. Pub. L. 105–362, title IX, § 901(e)(2), Nov. 10, 1998, 112 Stat. 3289

Section, acts July 31, 1953, ch. 298, title I, 67 Stat. 266; Pub. L. 99–294, § 10, May 12, 1986, 100 Stat. 426, related to conditions precedent for construction of dams, reservoir, or water supply.

Provisions similar to those in this section were contained in act July 9, 1952, ch. 597, title I, 66 Stat. 451, prior to repeal by Pub. L. 105–362, title IX, § 901(e)(1), Nov. 10, 1998, 112 Stat. 3289.

§ 390b. Development of water supplies for domestic, municipal, industrial, and other purposes

(a) Declaration of policy

It is declared to be the policy of the Congress to recognize the primary responsibilities of the States and local interests in developing water supplies for domestic, municipal, industrial, and other purposes and that the Federal Government should participate and cooperate with States and local interests in developing such water supplies in connection with the construction, maintenance, and operation of Federal navigation, flood control, irrigation, or multiple purpose projects.

(b) Storage in reservoir projects; agreements for payment of cost of construction or modification of projects

In carrying out the policy set forth in this section, it is provided that storage may be included in any reservoir project surveyed, planned, constructed or to be planned, surveyed and/or constructed by the Corps of Engineers or the Bureau of Reclamation to impound water for present or anticipated future demand or need for municipal or industrial water, and the reasonable value thereof may be taken into account in estimating the economic value of the entire project: *Provided*, That the cost of any construction or modification authorized under the provisions of this section shall be determined on the

basis that all authorized purposes served by the project shall share equitably in the benefits of multiple purpose construction, as determined by the Secretary of the Army or the Secretary of the Interior, as the case may be: *Provided further*, That before construction or modification of any project including water supply provisions for present demand is initiated, State or local interests shall agree to pay for the cost of such provisions in accordance with the provisions of this section: *And provided further*, That (1) for Corps of Engineers projects, not to exceed 30 percent of the total estimated cost of any project may be allocated to anticipated future demands, and, (2) for Bureau of Reclamation projects, not to exceed 30 per centum of the total estimated cost of any project may be allocated to anticipated future demands where State or local interests give reasonable assurances, and there is reasonable evidence, that such demands for the use of such storage will be made within a period of time which will permit paying out the costs allocated to water supply within the life of the project: *And provided further*, That for Corps of Engineers projects, the Secretary of the Army may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of completion, with repayment contracts providing for recalculation of the interest rate at, five-year intervals, and for Bureau of Reclamation projects, the entire amount of the construction costs, including interest during construction, allocated to water supply shall be repaid within the life of the project but in no event to exceed fifty years after the project is first used for the storage of water for water supply purposes, except that (1) no payment need be made with respect to storage for future water supply until such supply is first used, and (2) no interest shall be charged on such cost until such supply is first used, but in no case shall the interest-free period exceed ten years. For Corps of Engineers projects, all annual operation and maintenance costs for municipal and industrial water supply storage under this section shall be reimbursed from State or local interests on an annual basis, and all repair, rehabilitation, and replacement costs for municipal and industrial water supply storage under this section shall be reimbursed from State or local interests (1) without interest, during construction of the repair, rehabilitation, or replacement, (2) with interest, in lump sum on the completion of the repair, rehabilitation, or replacement, or (3) at the request of the State or local interest, with interest, over a period of not more than 25 years beginning on the date of completion of the repair, rehabilitation, or replacement, with repayment contracts providing for recalculation of the interest rate at 5-year intervals. At the request of the State or local interest, the Secretary of the Army shall amend a repayment contract entered into under this section on or before December 23, 2022, for the purpose of incorporating the terms and conditions described in paragraph (3) of the preceding sentence. For Corps of Engineers projects, any repayment by a State or local interest shall be made with interest at a rate to be determined by