

pality, or organization. In order to encourage the assumption by irrigation districts, municipalities, and water users' organizations of the operation and maintenance of works constructed to furnish or distribute a water supply, the Secretary is authorized to use appropriated funds available for the project involved to acquire movable property for transfer under the terms and conditions hereinbefore provided, at the time operation and maintenance is assumed. (July 29, 1954, ch. 616, 68 Stat. 580; Aug. 2, 1956, ch. 884, 70 Stat. 940; Pub. L. 89-48, §1, June 24, 1965, 79 Stat. 172.)

#### Editorial Notes

##### REFERENCES IN TEXT

Act of June 17, 1902, referred to in text, is popularly known as the Reclamation Act, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 371 of this title and Tables.

##### AMENDMENTS

1965—Pub. L. 89-48, which directed that section 1 of the Act of July 29, 1954, be amended generally, was executed by amending generally this section which comprised all of the Act of July 29, 1954, as the probable intent of Congress, notwithstanding that such Act did not have any section designations. Prior to amendment, this section read as follows: "Whenever an irrigation district or water users' organization assumes operation and maintenance of irrigation works pursuant to a contract entered into with the United States in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), the Secretary of the Interior may transfer to said district or organization title to movable property which has been purchased with funds advanced by the district or organization or which, in the case of property purchased with appropriated funds, is necessary to the operation and maintenance of such works and the value of which is to be repaid under a contract with the district or organization. In order to encourage the assumption by irrigation districts and water users' organizations of the operation and maintenance of irrigation works, the Secretary is authorized to use appropriated funds available for the project involved to acquire movable property for transfer at the time operation and maintenance is assumed under the terms and conditions hereinbefore provided."

1956—Act Aug. 2, 1956, authorized Secretary to use appropriated funds for a project to acquire movable property for transfer to irrigation districts and other water users' organizations to encourage them to take over operation and maintenance of reclamation projects as soon as they are completed.

##### SHORT TITLE

This section is popularly known as the "Title to Movable Property Act".

#### § 499b. Transfer to municipal corporations or other organizations of care, operation, and maintenance of works supplying water for municipal, domestic, or industrial use

Whenever a municipal corporation or other organization to which water for municipal, domestic, or industrial use is furnished or distributed under a contract entered into with the United States pursuant to the Federal reclamation laws so requests, the Secretary of the Interior is authorized to transfer to it or its nominee the care, operation, and maintenance of the works

by which such water supply is made available or such part of those works as, in his judgment, is appropriate in the circumstances, subject to such terms and conditions as he may prescribe.

(Pub. L. 89-48, §2, June 24, 1965, 79 Stat. 172.)

#### Editorial Notes

##### REFERENCES IN TEXT

The Federal reclamation laws, referred to in text, probably means the Act of June 17, 1902, ch. 1093, 32 Stat. 388, popularly known as the Reclamation Act, and Acts amendatory thereof or supplementary thereto. The Act of June 17, 1902, is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 371 of this title and Tables.

#### § 500. Duty of association or district to take over management

Whenever two-thirds of the irrigable area of any project, or division of a project, shall be covered by water-right contracts between the water users and the United States, said project shall be required, as a condition precedent to receiving the benefits of sections 371, 376, 377, 412, 417, 433, 438,<sup>1</sup> 462, 463,<sup>1</sup> 466, 467,<sup>1</sup> 473,<sup>1</sup> 474,<sup>1</sup> 478, 493, 494, 500, 501, and 526 of this title to take over, through a legally organized water-users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary may prescribe, and thereafter the United States, in its relation to said project, shall deal with a water users' association or irrigation district, and when the water users assume control of a project, the operation and maintenance charges for the year then current shall be covered into the construction account to be repaid as part of the construction repayments.

(Dec. 5, 1924, ch. 4, §4, subsec. G, 43 Stat. 702.)

#### Editorial Notes

##### REFERENCES IN TEXT

Section 438 of this title, referred to in text, was repealed by act Aug. 13, 1953, ch. 428, §10, 67 Stat. 568.

Sections 463, 467, 473, and 474 of this title, referred to in text, were repealed by act May 25, 1926, ch. 383, §47, 44 Stat. 650.

#### Statutory Notes and Related Subsidiaries

##### DEFINITIONS

The definitions in section 371 of this title apply to this section.

#### § 501. Disposition of profits of project taken over by water users

Whenever the water users take over the care, operation, and maintenance of a project, or a division of a project, the total accumulated net profits, as determined by the Secretary, derived from the operation of project power plants, leasing of project grazing and farm lands, and the sale or use of town sites shall be credited to the construction charge of the project, or a division thereof, and thereafter the net profits from such

<sup>1</sup> See References in Text note below.