

Public Law 89-596

AN ACT

September 20, 1966
[S. 254]

To authorize the Secretary of the Interior to construct, operate, and maintain the Tualatin Federal reclamation project, Oregon, and for other purposes.

Tualatin Federal reclamation project, Oreg.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to supply irrigation water to approximately seventeen thousand acres of land in the Tualatin River Valley, Oregon, to develop municipal and industrial water supplies, to provide facilities for river regulation and control of floods, to enhance recreation opportunities, to provide for the conservation and development of fish and wildlife resources, and for other purposes, the Secretary of the Interior is authorized to construct, operate, and maintain the Tualatin Federal reclamation project in accordance with the Federal reclamation laws (Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof and supplementary thereto). The principal features of the said project shall be a dam and reservoir on Scoggin Creek, canals, pumping plants and water distribution facilities.

43 USC 391 note.

Repayment period.

SEC. 2. Irrigation repayment contracts shall provide, with respect to any contract unit, for repayment of the irrigation construction costs assigned for repayment to the irrigators over a period of not more than fifty years exclusive of any development period authorized by law. Construction costs allocated to irrigation beyond the ability of the irrigators to repay during the repayment period shall be returned to the reclamation fund within said repayment period from revenues derived by the Secretary from the disposition of power marketed through the Bonneville Power Administration. Power and energy required for irrigation water pumping for the Tualatin project shall be made available by the Secretary from the Federal Columbia River power system at charges determined by him.

16 USC 460L-12 note.

SEC. 3. The conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the Tualatin project shall be in accordance with the provisions of the Federal Water Project Recreation Act (79 Stat. 213).

43 USC 485a.

SEC. 4. (a) Costs of the project allocated to municipal water supply shall be repayable, with interest, by the municipal water users over a period of not more than fifty years from the date that water is first delivered for that purpose, pursuant to contracts with municipal corporations, or other organizations, as defined in section 2(g) of the Reclamation Project Act of 1939 (53 Stat. 1187). Contracts may be entered into with water users' organizations pursuant to the provisions of this Act without regard to the last sentence of subsection 9(c) of the Reclamation Project Act of 1939, *supra*.

43 USC 485h.

Interest rate, determination by Secretary.

(b) The interest rate used for computing interest during construction and interest on the unpaid balance of the costs of the project allocated to municipal water supply shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is commenced, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue, and by adjusting such interest rate to the nearest multiple of one-eighth of 1 per centum if the computed average interest rate is not a multiple of one-eighth of 1 per centum.

33 USC 701r-1.

(c) Costs of the project allocated to highway transportation shall be nonreimbursable in accordance with section 208 of the Flood Control Act of 1962 (76 Stat. 1196).

SEC. 5. For a period of ten years from the date of enactment of this Act, no water shall be delivered to any water user on the Tualatin

project for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 6. There is hereby authorized to be appropriated for the construction of the Tualatin project the sum of \$20,900,000 (January 1965 prices) plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved therein, and, in addition thereto, such sums as may be required to operate and maintain said project.

Approved September 20, 1966.

63 Stat. 1051.
7 USC 1471
note.

62 Stat. 1251.
7 USC 1301.

Appropriation.

Public Law 89-597

AN ACT

To provide for the more flexible regulation of maximum rates of interest or dividends payable by banks and certain other financial institutions on deposits or share accounts, to authorize higher reserve requirements on time deposits at member banks, to authorize open market operations in agency issues by the Federal Reserve banks, and for other purposes.

September 21, 1966
[H. R. 14026]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board, in implementation of their respective powers under existing law and this Act, shall take action to bring about the reduction of interest rates to the maximum extent feasible in the light of prevailing money market and general economic conditions.

Banks.
Interest rates,
controls.

RESERVES AND RATE CEILINGS—MEMBER BANKS

SEC. 2. (a) Section 19 of the Federal Reserve Act is amended by striking the first six paragraphs (12 U.S.C. 461, 462, and 462b) and inserting:

40 Stat. 239.

“(a) The Board is authorized for the purposes of this section to define the terms used in this section, to determine what shall be deemed a payment of interest, and to prescribe such regulations as it may deem necessary to effectuate the purposes of this section and to prevent evasions thereof.

“(b) Every member bank shall maintain reserves against its deposits in such ratios as shall be determined by the affirmative vote of not less than four members of the Board within the following limitations:

“(1) In the case of any member bank in a reserve city, the minimum reserve ratio for any demand deposit shall be not less than 10 per centum and not more than 22 per centum, except that the Board, either in individual cases or by regulation, on such basis as it may deem reasonable and appropriate in view of the character of business transacted by such bank, may make applicable the reserve ratios prescribed for banks not in reserve cities.

“(2) In the case of any member bank not in a reserve city, the