<table>
<thead>
<tr>
<th>Water Resources Policies and Authorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>CORPS OF ENGINEERS ACTIVITIES UNDER THE SMALL RECLAMATION PROJECTS ACT OF 1956, AS AMENDED</td>
</tr>
</tbody>
</table>

**Distribution Restriction Statement**
Approved for public release; distribution is unlimited.
1. Purpose. This regulation provides guidance regarding Corps of Engineers assistance to applicants for loans from the Bureau of Reclamation under the Small Reclamation Projects Act of 1956 as amended. Corps assistance may be requested when loan applicants propose projects with a strong flood control potential or other purposes which may result in part of a loan becoming a non-reimbursable grant.

2. Applicability. This regulation applies to those Divisions and Districts whose boundaries fall within the 17 contiguous Western states and Hawaii.

3. References.

4. General. Reference 3a establishes a program under which eligible non-Federal organizations in the 17 contiguous Western states and Hawaii can obtain loans for small reclamation projects and grants for those portions of the projects that are non-reimbursable as a matter of national policy. Total project cost cannot exceed the equivalent of $15 million on a January 1971 price level base. The maximum loan is 2/3 of that amount.

5. Non-reimbursable Grants. If grants are claimed for non-reimbursable project purposes (such as flood control, fish and wildlife, or recreation) the applicants must consult with the appropriate Federal agencies having primary interest in those activities. Agreement must be reached between the applicant, the other Federal agency (Corps of Engineers with respect to flood control), and the Bureau of Reclamation on the manner of, and the regulations for, the operation of the project in order to insure the claimed general benefits. Personnel who will be dealing with this program should become familiar with reference 3b and should discuss with representatives.

This regulation supersedes ER 1165-2-111, 31 May 1974.
of the Bureau of Reclamation procedures to be followed in carrying out the purposes of the law. During preliminary discussions with applicants, Bureau of Reclamation representatives will discuss the practicality of obtaining non-reimbursable grants, which should limit inquiries to and assistance by the Corps of Engineers to those projects with a strong flood control potential.

6. Procedures. The following procedures of assistance and coordination have been agreed upon by the Bureau of Reclamation and the Corps of Engineers:

   a. Local organizations considering the development of a project under this Act will be encouraged to utilize the services of consultants whenever possible in making their investigations. Such studies are subject to review by the Corps of Engineers and the Bureau of Reclamation before these agencies will indorse or give effect to the findings of the studies.

   b. When the local organizations cannot make satisfactory arrangements for consulting service, or for some other good reason, the Bureau of Reclamation and the Corps of Engineers will provide those services in their respective fields on the basis of using funds advanced by the local sponsoring organization. In order to avoid needless work on flood control studies for projects not likely to be approved, no work will be undertaken except upon an indication by the Regional Director of the Bureau of Reclamation or his representative that there appears to be a reasonable chance that the proposal will be eligible for a loan or grant. This does not remove the necessity for discussions at district level with project proponents. Details of the actual coordination and procedures to be followed can be worked out by the Division Commander of the Corps of Engineers and the Regional Director of the Bureau of Reclamation.

   c. Reimbursement of the Corps of Engineers for the actual cost of investigations and studies for such projects is to be made by the applying organization. Such reimbursement will be arranged through the Regional Director of the Bureau of Reclamation. No reimbursement will be requested for work which would normally be done by the Corps of Engineers in connection with its survey report program.

FOR THE COMMANDER:

JAMES W. RAY
Colonel, Corps of Engineers
Chief of Staff