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MEMORANDUM

To: All Districts Subject to the Acreage Limitation Provisions of Federal Reclamation Law

From: Insert the name and title of the person signing this memorandum

Subject: Estates and the Farm Operator Regulations

A new set of acreage limitation regulations addressing information requirements for certain farm operators and the eligibility of certain formerly excess land, 43 CFR part 428, were effective on October 1, 2000, for those districts whose water year starts before January 1, 2001, and will be effective on January 1, 2001, for all other districts. These new regulations are applicable to farm operators (as defined in section 428.3) who provide more than one farm-related service to more than 960 acres held (directly or indirectly owned or leased) by one trust or legal entity or any combination of trusts or legal entities.

Considering the fact that estates generally are treated in the same manner as trusts for acreage limitation purposes, the question becomes, must land held in estates be considered in determining whether:

- (a) Farm operators must submit RRA forms; or
- (b) The full-cost rate is applicable to Bureau of Reclamation irrigation water delivered to land held by an estate **solely** because that land was formerly owned as excess by the farm operator providing services (or its part owners, if applicable) and sold at an approved price.

These are the two issues addressed in 43 CFR part 428. Our Commissioner's Office has reviewed this question and recently issued a decision for westwide application. The simple answer is for purposes of administering and enforcing 43 CFR part 428, land held in estates will **not** be considered.

This decision is reflected on the "Declaration of Farm Operator Information" (Form 7-21FARMOP) and associated instructions that will be used starting with the 2001 water year and will be distributed within the next few months. If you have any questions on the matters discussed in this memorandum, please contact your local Bureau of Reclamation office.