

Appendix 211

THE COLORADO RIVER COMPACT:

**REPORT OF JAMES G. SCRUGHAM,
COMMISSIONER FOR NEVADA**

(Extract from Inaugural Message of Gov. James G. Scrugham to the
Legislature of 1923 (31st sess.))

IRRIGATION AND POWER DEVELOPMENT

The great handicap to agricultural and power development in Nevada has been the fact that no satisfactory regulation, distribution, or storage of water could be made on any stream until the relative rights of the parties of interest had been determined.

The necessity for a definite determination of water rights was realized long ago by our administrative and legislative officials, and adequate legislation has been provided. Through the medium of frequent meetings and discussions the issues have been clarified and a better understanding of the vexing problems involved has been secured by practically all of the water users of the State. The Engineer's findings on the water rights of the major stream systems of Nevada are now practically completed and ready for final action by the courts.

Plans for two great impounding reservoirs to be located wholly or partly in Nevada have been made through cooperation of state and federal interests. One of these reservoirs, for impounding the floodwaters of the Truckee River, will be located in the Spanish Springs Valley near Reno, and the other, for the impounding of the waters of the Colorado River, will be located at either Boulder or Black Canyon, near Las Vegas. Another reservoir is being planned by private interests for utilization of floodwaters of the Carson River. Opportunities exist for profitable storage of floodwaters on the Virgin and Humbolt Rivers.

It is probable that there is a considerable acreage of land in Nevada which can be successfully irrigated from ground waters. However, under present conditions, the speculative element encountered in underground water explorations is too great to warrant its being undertaken by persons of limited financial resources. The large majority of such experiments have been failures, chiefly because of a

lack of understanding of the economic and technical factors necessary for success.

Some of the greatest undeveloped water-power sites in the entire world lie on the Colorado River in southern Nevada. Many hundreds of thousands of horsepower can be cheaply developed by waiting capital, when a definite authority is established through state and federal cooperation which will adequately protect the necessary investments. Electrochemical and metallurgical industries will congregate where the lowest-cost power and raw materials can be obtained.

The Legislature of 1921 initiated an investigation of Nevada's equity in the Colorado River through creation of the Colorado River Commission. This Commission has thoroughly performed the duties assigned. Surveys were made to determine the areas of land for which this State claims water rights. In conjunction with representatives of other interested States, the Nevada Commission conducted a series of conferences looking to a satisfactory adjustment of the complex problems of river development. As the Constitution of the United States contains a clause forbidding the States of the Union to enter into an agreement without federal consent, it was necessary for the Government to give its approval to the proposed negotiations. This was done in August 1921 by legislation authorizing the negotiations, providing for the appointment of a representative who should participate to protect the interests of the United States, and specifying that the negotiations between the States should be terminated by January 1, 1923.

The President in December 1921 appointed Secretary Hoover of the Department of Commerce as Federal Representative. The first meetings of the Commission were held in Washington in late January 1922. At these meetings, at which Secretary Hoover was elected permanent chairman of the Commission, and after serious discussion of various proposals for a compact, it was decided that before reaching a definite determination it would be best to hold a series of hearings in the seven interested States, where different viewpoints could be heard at first hand by the Commissioners. Meetings were then held in all of the interested States.

At the final meeting a form of compact was evolved which had the full approval of the representatives of all the interested States and the Federal Government. This compact will be immediately submitted for your consideration. It has my unqualified approval, and I deem its endorsement by your body is imperative in the interest of an early development of the Colorado River projects.

In order that the interests of the State of Nevada in such projects may be fully promoted, I recommend the retention of the Colorado River Commission with its present duties and powers.