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**H.S.B. DEPARTMENT OF THE INTERIOR,
WASHINGTON.**

ADDRESS ONLY
THE SECRETARY OF THE INTERIOR.

March 13, 1909.

**Mr. B. A. Fowler,
President, Salt River Valley Water Users Association,
Phoenix, Arizona.**

Sir:

The Reclamation Act contemplates that lands irrigated under its provisions shall be divided into small holdings and occupied by actual settlers who will cultivate the soil and make homes thereon.

The Department is advised that in some localities the land owners who will be benefited by the construction of irrigation works are disposed to ignore that feature of the law; that instead of subdividing their holdings, they are increasing them for speculative purposes. That as a result, values have advanced to such a figure that the home-seeker is discouraged and the success of the Reclamation Act imperiled in that the repayment of the Government's investment in not more than ten annual installments is jeopardized; indeed, some of the land owners have demanded, and the Department is advised that others are contemplating a demand for extension of time and easier terms for payment for the purpose, ostensibly, of enabling them to longer hold their lands for advanced prices.

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The Department would like you to advise it fully and in detail whether or not the conditions described exist in the Salt River Valley, and also forward for its information a general inventory of the land values under the Salt River Valley Project covering the following facts:

1. The value of the land as appraised for taxation.
2. The ratio which this bears to the true value.
3. The asking value for the land without water.
4. A statement of recent bona fide sales, showing the price per acre actually paid.
5. A statement as to whether the officers or principal members of the water users association are buying land or selling it.
6. The general conditions regarding breaking up of large holdings for the influx of new settlers, or other facts indicating subdivision of the lands, or the reverse.

Very respectfully,

R. B. Bacon
Secretary.

F. H. A.

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