any State or Territory, and to or for the benefit of political subdivisions of States and Territories which have or propose to purchase or otherwise acquire projects or portions thereof devoted chiefly to the improvement of lands for agricultural purposes. Such loans shall be made for the purpose of enabling any such district, political subdivision, company, or association (hereafter referred to as the "borrower") to reduce and refinance its outstanding indebtedness incurred in connection with any such project; or, whether or not it has any such indebtedness, to purchase, acquire, construct, or complete such a project or any part thereof, or to purchase or acquire additional drainage, levee, or irrigation works, or property, rights, or appurtenances in connection therewith, and to repair, extend, or improve any such project or make such additions thereto as are consonant with or necessary or desirable for the proper functioning thereof or for the further assurance of the ability of the borrower to repay its loan: Provided, That the terms of this Act shall not permit additional or new land to be brought into production outside of the present boundaries of any established or reorganized irrigation district."

Sec. 2. Such section is further amended by striking out the sentence therein which reads as follows: "When any loan is authorized pursuant to the provisions of this section and it shall then or thereafter appear that repairs and necessary extensions or improvements to the project of such district, political subdivision, company, or association are necessary or desirable for the proper functioning of its project or for the further assurance of its ability to repay such loan, and if it shall also appear that such repairs and necessary extensions or improvements are not designed to bring new lands into production, the Corporation, within the limitation as to total amount provided in this section, may make an additional loan or loans to such district, political subdivision, company, or association for such purpose or purposes."

Approved, June 22, 1936.

[CHAPTER 703.]

Authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, California, to the State of California for State highway purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby granted to the State of California, under such terms and conditions as the Secretary of the Navy may prescribe, an easement of right-of-way for highway purposes only and for no other purposes, over a strip of land one hundred and fifty feet in width and lying and being seventy-five feet on either side of the center line of a certain privately operated toll road known as the Sears Point Toll Road, as said road is now laid out, used, and operated, and running from the Napa River in the county of Solano, State of California, to Sonoma Creek in said county and State.

Said grant is for the purpose of permitting the State of California to locate and maintain at its expense along the route hereinbefore mentioned a free public highway, which shall be a portion of the State highway system of the State of California: Provided, however, That upon abandonment of said highway by the State of California for the purposes aforesaid the easement granted to the said State of California under this Act shall cease and terminate.
Sec. 2. Whenever in the judgment of the Secretary of the Navy or his duly authorized representative any emergencies exist which justifies it, he may assume exclusive control and management of said road and may then in his discretion prohibit, limit, or regulate traffic thereon.

The easement referred to in section 1 hereof is granted to the State of California and accepted by it with the distinct reservation that the Secretary of the Navy may, in behalf of the United States, at any time he deems its interests so warrant, reacquire the said easement by eminent domain or otherwise, the amount of just compensation in such case to be paid therefor not to exceed the cost to the State of California of any improvements placed upon the property referred to in section 1 subsequently to the date of approval of this Act.

Sec. 3. The Secretary of the Navy is hereby authorized and directed to execute and deliver to the State of California such conveyance as is necessary to effectuate the terms of this Act.

Approved, June 22, 1936.