

104TH CONGRESS
1ST SESSION

H. R. 2609

To provide for the Secretary of the Interior to sell the indebtedness representing the remaining repayment balance of Bureau of Reclamation projects in Texas and to execute agreements with State and local interests.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 1995

Mr. ORTIZ (for himself, Mr. LAUGHLIN, Mr. THORNBERRY, and Mr. COMBEST) introduced the following bill; which was referred to the Committee on Resources

A BILL

To provide for the Secretary of the Interior to sell the indebtedness representing the remaining repayment balance of Bureau of Reclamation projects in Texas and to execute agreements with State and local interests.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Texas Reclamation
5 Projects Indebtedness Purchase Act”.

6 **SEC. 2. DEFINITIONS.**

7 As used in this Act—

1 (1) the term “public agency” means a State
2 agency or political subdivision of the State of Texas
3 created under the laws of the State of Texas or
4 home rule city created under the laws of the State
5 of Texas;

6 (2) the term “Secretary” means the Secretary
7 of the Interior;

8 (3) the term “present value” means the calcula-
9 tion of the present value of the unpaid indebtedness
10 of the project, as defined by the project repayment
11 schedule, discounted at the United States Treasury
12 rates on the date of purchase contract execution;

13 (4) the term “project” or “projects” means the
14 projects identified in section 4 of this Act and in-
15 cludes all features, functions, and property, real and
16 personal, as authorized by Congress for any project
17 in Texas constructed by the Bureau of Reclamation
18 pursuant to Federal Reclamation laws (the Act of
19 June 17, 1902 (32 Stat. 388), and Acts amendatory
20 thereof or supplementary thereto);

21 (5) the term “non-Federal mitigation costs”
22 means costs or expenses incurred by the State of
23 Texas or public agency, whether paid directly or in-
24 curred as a reduction of anticipated project benefits,
25 not otherwise included as costs to be repaid to the

1 Federal Government, to mitigate environmental im-
2 pacts of the project pursuant to law; and

3 (6) the term “current contracting party” means
4 the public agency which has contracted with the
5 United States for repayment of the indebtedness of
6 the project.

7 **SEC. 3. AGREEMENT FOR THE SALE OF INDEBTEDNESS OF**
8 **BUREAU OF RECLAMATION PROJECTS IN**
9 **TEXAS.**

10 The Secretary shall enter into an agreement with the
11 current contracting party, or in the alternative, a public
12 agency of the State of Texas, within six months after the
13 enactment of this Act, for the purchase of the projects,
14 whether individual or more than one, according to the fol-
15 lowing conditions:

16 (1) The purchase price shall be the payment to
17 the United States of monies equal to the present
18 value of the individual projects which the State of
19 Texas desires to purchase.

20 (2) For projects with identified liabilities, and
21 projects where actual benefits are less than those
22 projected at the time of project authorization, the
23 purchase price shall be discounted to the extent of
24 the identified liability or unrealized benefits, as de-
25 termined by the State of Texas.

1 (3) For projects that the Bureau of Reclama-
2 tion is obligated to pay a portion of maintenance
3 and operating expenses or payments in lieu of taxes,
4 the purchase price shall be discounted at an amount
5 equal to the Bureau of Reclamations' anticipated
6 payment for the next 50 years.

7 (4) For projects in which the State of Texas or
8 the public agency of the State of Texas assume the
9 responsibility for implementation of Federal
10 nonreimbursable aspects of the project or projects
11 with non-Federal mitigation costs, the purchase
12 price shall be reduced to reflect the additional obli-
13 gations undertaken or costs incurred.

14 (5) When the purchase price is paid, the Sec-
15 retary shall convey to the State of Texas, or the
16 public agency of the State of Texas, all right, title,
17 and interest of the United States to all land and all
18 improvements to the project or projects. Interests
19 may be retained by the United States to the limited
20 extent those interests must be maintained to imple-
21 ment remaining Federal programs described in para-
22 graph (9).

23 (6) The State of Texas, or the public agency of
24 the State of Texas, shall assume all liability for op-

1 eration and maintenance of the purchased project or
2 projects.

3 (7) The United States shall provide for the per-
4 formance of work reasonably necessary to provide
5 for the delivery of such project or projects, including
6 all facilities and property, in a reasonably safe and
7 functional condition and in accordance with good
8 maintenance standards.

9 (8) Upon completion of full payment of the pur-
10 chase price described in this section and the transfer
11 of a project, the State of Texas, or the public agency
12 of the State of Texas, shall be relieved from compli-
13 ance with the acreage limitations and other require-
14 ments of Reclamation law, and the project bene-
15 ficiaries shall not thereafter be eligible to receive rec-
16 lamation benefits available pursuant to the Act of
17 June 17, 1902 (32 Stat. 388), and Acts amendatory
18 thereof or supplementary thereto, unless otherwise
19 authorized by Congress.

20 (9) Upon completion of purchase, the State of
21 Texas, or the public agency of the State of Texas,
22 will assume sole responsibility and liability for the
23 project or projects purchased (or portion thereof) as
24 of the date of conveyance of title and the State of
25 Texas, or the public agency of the State of Texas,

1 will hold the United States harmless and indemnify
2 the United States against any and all claims of dam-
3 age, except to the extent any title or aspect of
4 project operations has been retained by the United
5 States, and the State of Texas, or the public agency
6 of the State of Texas, will be relieved from any obli-
7 gation to comply with reclamation rules or regula-
8 tion applicable to reclamation projects.

9 (10) The State of Texas, or the public agency
10 of the State of Texas, must assume responsibility for
11 continued implementation of all nonreimbursable as-
12 pects of the project originally authorized by Con-
13 gress. Existing programs of the National Park Serv-
14 ice and Corps of Engineers associated with specific
15 projects shall not be affected by the transfer.

16 **SEC. 4. PROJECTS AND PURCHASE PRICE.**

17 The projects for which the Secretary shall execute
18 agreements, and the price which public agencies or the
19 State of Texas shall pay for such projects, based upon the
20 provisions of section 3, are:

21 (1) Canadian River Project authorized by the
22 Act of Congress approved December 29, 1950 (Pub-
23 lic Law 81-898), in the amount of \$21,187,881.
24 Title to portions of the project owned by the Na-
25 tional Park Service, and portions required for flood

1 control operation by the United States Army Corp of
2 Engineers, shall not be transferred.

3 (2) Palmetto Bend Project, Texas, authorized
4 by Act of Congress approved October 12, 1968
5 (Public Law 90-562), in the amount of
6 \$33,923,245.

7 (3) Nueces River Reclamation Project, author-
8 ized by the Act of Congress approved October 27,
9 1974 (Public Law 93-493), in the amount of
10 \$30,715,367.

11 **SEC. 5. COMPLIANCE WITH CURRENT LAW.**

12 (a) The assumption of Federal nonreimbursable re-
13 sponsibility by the current contracting authority or the
14 State of Texas, or public agency of the State of Texas,
15 is in compliance with the National Environmental Policy
16 Act of 1969 and project purchase review shall not be re-
17 quired pursuant thereto.

18 (b) Section 213(c) of the Reclamation Reform Act of
19 1982 (43 U.S.C. 3(c)) shall not apply to the projects cov-
20 ered by this Act.

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