AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

105TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
105–810

OREGON PUBLIC LANDS TRANSFER AND PROTECTION ACT OF 1998

OCTOBER 12, 1998.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. YOUNG of Alaska, from the Committee on Resources, submitted the following

REPORT

[To accompany H.R. 4326]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 4326) to transfer administrative jurisdiction over certain Federal lands located within or adjacent to the Rogue River National Forest and to clarify the authority of the Bureau of Land Management to sell and exchange other Federal lands in Oregon, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purposes of H.R. 4326 is to transfer administrative jurisdiction over certain federal lands located within or adjacent to the Rogue River National Forest and to clarify the authority of the Bureau of Land Management to sell and exchange other federal lands in Oregon.

BACKGROUND AND NEED FOR LEGISLATION

Title I of H.R. 4326 provides for the transfer of administrative jurisdiction over certain public lands in the State of Oregon located within or adjacent to the Rogue River National Forest. It is not a land exchange as normally thought of, but rather a transfer of jurisdiction of federal lands between two agencies. It transfers specified lands within the Rogue River National Forest System in Oregon from public domain status as administered by the Bureau of Land Management (BLM) to the National Forest, and it transfers other lands from the National Forest to public domain status. The

69–006

intent of the bill is to provide management consolidation for both the Forest Service and BLM. Title I was originally introduced as H.R. 3186.

Title II of H.R. 4326 was originally introduced as H.R. 3542. This title provides for the protection of Oregon and California railroad land grants (O&C lands) by clarifying BLM's authority to make sales and exchanges of these federal lands in the State of Oregon. The bill modifies the sales and exchange authority of the Secretary of the Interior by placing limitations on the acreage sold and exchanged, and on which lands are to be sold and exchanged. No O&C lands located within a Congressional designated wilderness area; a National Wild and Scenic River System; or an area of critical environmental concern designated by the Secretary under the Federal Land Policy Management Act can be sold or exchanged. The bill also sets the price and procedures necessary to complete a land sale, and sets the priority of lands for acquisition such as lands adjacent to streams, riparian areas and wildlife corridors. In addition, title II ensures that the total values of the lands exchanged or sold is equalized by requiring equalization payments. This title also redesignates public domain lands for treatment as revested lands and establishes the manner in which timber and surface resource revenue from these lands are to be distributed.

COMMITTEE ACTION

H.R. 4326 was introduced on July 24, 1998, by Congressman Robert Smith (R–OR). The bill was referred to the Committee on Resources. On July 29, 1998, the Full Resources Committee met to consider H.R. 4326. No amendments were offered and the bill was then ordered favorably reported to the House of Representatives by voice vote.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to the requirements of clause 2(l)(3) of rule XI of the Rules of the House of Representatives, and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee on Resources' oversight findings and recommendations are reflected in the body of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 and Article IV, section 3 of the Constitution of the United States grant Congress the authority to enact H.R. 4326.

COST OF THE LEGISLATION

Clause 7(a) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out H.R. 4326. However, clause 7(d) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974.

COMPLIANCE WITH HOUSE RULE XI

1. With respect to the requirement of clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, H.R. 4326 does not contain any new budget authority, credit authority, or an increase or decrease in revenues or tax expenditures. The Congressional Budget Office estimates that enactment of this bill would increase direct spending, based on different receipt-sharing programs with the State of Oregon and certain counties in the State. However, the increase would be insignificant over the 1999–2003 time period.

2. With respect to the requirement of clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has received no report of oversight findings and recommendations from the Committee on Government Reform and Oversight on the subject of H.R. 4326.

3. With respect to the requirement of clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 4326 from the Director of the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 22, 1998.

Hon. DON YOUNG,
Chairman, Committee on Resources, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4326, the Oregon Public Lands Transfer and Protection Act of 1998.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Victoria V. Heid (for federal costs), and Marjorie Miller (for the state and local impact).

Sincerely,

JUNE E. O'NEILL, *Director.*

Enclosure.

H.R. 4326—Oregon Public Lands Transfer and Protection Act of 1998

Summary: H.R. 4326 would transfer administrative jurisdiction over certain Federal lands in the State of Oregon between the Bureau of Land Management (BLM) and the U.S. Forest Service. The bill also would direct the Secretary of the Interior to redesignate the legal status of certain Federal land in the State. The redesignation in land status would in some cases affect Federal payments to the State of Oregon and counties in the State. H.R. 4326 also would limit the Secretary of the Interior's authority to sell, purchase, or exchange certain Federal land managed by BLM in Oregon.

CBO estimates that enacting H.R. 4326 would increase direct spending by about $14 million over the next 10 years. We estimate that the bill would have a small impact on direct spending over the

1999–2003 period but would increase direct spending by almost $3 million a year beginning in fiscal year 2004. Because the bill would affect direct spending, pay-as-you-go procedures would apply.

H.R. 4326 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on State, local, or tribal governments.

Background: Under current law, offsetting receipts generated from Federal land result in payments to states and counties based on formulas specific to the Federal land category. H.R. 4326 would affect three categories of Federal land in Oregon: National Forest System (NFS) lands, which are managed by the U.S. Forest Service (within the Department of Agriculture); public domain (PD) lands, which are managed by BLM (within the Department of the Interior); and revested Oregon and California (O&C) Railroad grant lands, which are managed by BLM or the Forest Service.

Under current law, amounts equivalent to 25 percent of offsetting receipts from NFS land are distributed to states for the benefit of counties; amounts equivalent to 5 percent of net receipts generated on PD land are distributed to the states; and amounts equivalent to 50 percent of receipts from Oregon and California grant lands are distributed to counties. However, a different payment process is temporarily in effect for counties in which federal land is affected by decisions related to the northern spotted owl. Under the Omnibus Budget Reconciliation Act of 1993 (OBRA–93), those counties receive a special guaranteed payment through fiscal year 2003 based on the historic levels of receipt-sharing payments. Beginning in fiscal year 2004, those guaranteed special payments will end and the underlying receipt-sharing formulas will take effect again.

Description of the bill's major provisions: Title I would change the administration of about 8,950 acres of Federal lands within the Rogue River National Forest in Oregon by transferring jurisdiction between BLM and the Forest Service. Title I also specifies the legal category of the transferred lands, each of which has an associated receipt-sharing formula. Implementing these changes in land status would alter the receipt-sharing formula for 3,690 acres: 2,058 acres currently categorized as PD land would be redesignated as NFS land, and 1,632 acres currently categorized as NFS land would be redesignated as PD land. Of the 3,690 acres affected by these changes, 235 acres are temporarily subject to the OBRA–93 special payments for lands affected by Federal decisions regarding the northern spotted owl. After 2003, the bill would result in a net increase of 426 acres subject to the more generous NFS formula instead of the PD formula.

Title II would affect how certain Federal land is categorized and managed within six BLM districts: Medford, Roseburg, Eugene, Salem, Coos Bay, and the Klamath Resource Area within the Lakeview district. The bill would require that the Secretary, no later than September 30, 1999, designate all PD land that is timberland within those areas (about 240,000 acres) as O&C land. The bill specifies that any payments based on receipts from the redesignated Oregon and California grant lands that are generated before the end of fiscal year 2003 would continue to be calculated as if they had been generated from PD land. Payments based on receipts generated after fiscal year 2003 from the redesignated Oregon and California grant lands would be disbursed to the Association of Oregon and California Land Grant Counties for redistribution to the counties, net of administrative costs.

Estimated cost to the Federal Government: CBO estimates that enacting H.R. 4326 would increase direct spending by about $14 million over the next 10 years as a result of additional payments to Oregon and certain counties in the state. The increase in direct spending would be insignificant over the 1999–2003 period. Beginning in fiscal year 2004, direct spending would increase by almost $3 million each year.

CBO estimates that title I would increase payments to Oregon and counties within the state, but that the increase would be less than $500,000 a year. Once the special guaranteed payments to counties affected by northern spotted owl decisions expire at the end of 2003, title I would make more federal acreage subject to the 25-percent receipt-sharing formula. For purposes of this estimate, CBO assumes there will be no significant change in the current restrictions on timber harvests affected by the northern spotted owl decisions. Because little timber is being harvested on those lands now, we estimate that a more generous receipt-sharing formula on those acres would not result in a significant increase in payments to Oregon in fiscal year 2004 or over the 1999–2008 period.

Title II would recategorize about 240,000 acres of federal land in Oregon from PD to O&C status. The bill provides that this redesignation not affect payments based on offsetting receipts until after fiscal year 2003. Because O&C land is subject to a more generous receipt-sharing formula than PD land, federal payments to Oregon would increase after 2003. Based on information from BLM, we estimate that payments to Oregon and counties in the state would increase by almost $3 million a year beginning in fiscal year 2004 and by a total of about $14 million over the 2004–2008 period.

Provisions in title II affecting the Secretary's authority to sell, purchase, or exchange certain lands could affect direct spending (including offsetting receipts) if they resulted in changes to timber harvests on federal land and the associated payments to states and counties. However, we estimate that any such effects would likely be insignificant over the next five years.

The costs of this legislation fall within budget function 300 (natural resources and the environment) and 800 (general government).

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays and governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

	By fiscal years, in millions of dollars—										
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Changes in outlays	0	0	0	0	0	0	3	3	3	3	3
Changes in receipts	Not applicable										

Estimated impact on State, local, and tribal governments: H.R. 4326 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. CBO estimates that enactment of this bill would increase certain payments to the state of Oregon and counties in that state by almost $3 million each year beginning in fiscal year 2004.

Estimated impact on the private sector: This bill would impose no new private-sector mandates as defined in UMRA.

Estimate prepared by: Federal Costs: Victoria V. Heid. Impact on State, Local, and Tribal Governments: Marjorie Miller.

Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104–4

H.R. 4326 contains no unfunded mandates.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.

○