

106TH CONGRESS
1ST SESSION

H. R. 172

To amend the base closure laws to reform the process by which property at military installations being closed or realigned is made available for economic redevelopment and to improve the ability of the Secretary of Defense to contract for protective services at installations being closed.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1999

Mr. McCOLLUM (for himself, Mr. SAXTON, Mr. MICA, and Mr. MCHUGH) introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To amend the base closure laws to reform the process by which property at military installations being closed or realigned is made available for economic redevelopment and to improve the ability of the Secretary of Defense to contract for protective services at installations being closed.

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 “Base Closure Reuse
5 Reform Act of 1999”.

1 **SEC. 2. REFORM OF PROPERTY DISPOSAL REQUIREMENTS**
2 **UNDER BASE CLOSURE LAWS TO PROMOTE**
3 **ECONOMIC DEVELOPMENT AND PROTECT**
4 **CLOSING INSTALLATIONS.**

5 (a) **APPLICABILITY OF EXCESS PROFITS CLAUSE.**—

6 (1) **1990 LAW.**—Section 2905(b)(2)(A)(i) of
7 the Defense Base Closure and Realignment Act of
8 1990 (part A of title XXIX of Public Law 101–510;
9 10 U.S.C. 2687 note) is amended by inserting before
10 the semicolon the following: “, except that provisions
11 of such Act (and regulations under such Act) in-
12 tended to prevent excess profits arising from the re-
13 ceipt of surplus property shall not apply”.

14 (2) **1988 LAW.**—Section 204(b)(2)(A)(i) of the
15 Defense Authorization Amendments and Base Clo-
16 sure and Realignment Act (Public Law 100–526; 10
17 U.S.C. 2687 note) is amended by inserting before
18 the semicolon the following: “, except that provisions
19 of such Act (and regulations under such Act) in-
20 tended to prevent excess profits arising from the re-
21 ceipt of surplus property shall not apply”.

22 (b) **INTERIM LEASE AUTHORITY.**—Section 2667(f) of
23 title 10, United States Code, is amended—

24 (1) in paragraph (1), by adding at the end the
25 following new sentences: “Subject to paragraph
26 (5)(A), the Secretary concerned shall permit the les-

1 see to make capital improvements to the leased
2 property to facilitate economic development of the
3 property and may not condition such permission by
4 requiring the removal of the improvements upon the
5 expiration of the lease. However, the United States
6 shall not be responsible for the cost of the improve-
7 ments if the property reverts to United States con-
8 trol upon the expiration of the lease. The Secretary
9 concerned shall also permit the lessee to sublease the
10 property for profit during the term of the interim
11 lease.”; and

12 (2) in paragraph (5)—

13 (A) in subparagraph (B), by striking out
14 the first sentence and inserting in lieu thereof
15 the following: “Notwithstanding subsection
16 (b)(2), an interim lease entered into under this
17 subsection shall give the lessee the first right to
18 acquire the property at the time of final dis-
19 posal of the property. If there has been more
20 than one interim lessee with respect to the
21 property, the Secretary shall develop a mecha-
22 nism to select between competing lessees.”; and

23 (B) in subparagraph (C), by striking out
24 “Subparagraphs (A) and (B)” and inserting in
25 lieu thereof “Subparagraph (A)”.

1 (c) LEASE BACK AUTHORITY.—Section
2 2905(b)(4)(C) of the Defense Base Closure and Realign-
3 ment Act of 1990 (part A of title XXIX of Public Law
4 101–510; 10 U.S.C. 2687 note) is amended—

5 (1) in clause (i)—

6 (A) by striking out the last sentence; and

7 (B) by adding at the end the following new
8 sentence: “A component of the military depart-
9 ment having jurisdiction over the installation
10 before closure or realignment is not prohibited
11 from entering into a lease under this clause
12 with respect to property at that installation.”;

13 (2) in clause (ii), by adding at the end the fol-
14 lowing new sentence: “For purposes of the transfer
15 of the real property to the redevelopment authority
16 and the subsequent lease back, the valuation of the
17 real property shall be deemed to be zero.”; and

18 (3) by adding at the end the following new
19 clause:

20 “(v) Subject to clause (iv), upon the termination or
21 expiration of a lease under clause (i), the Secretary shall
22 give the redevelopment authority for the installation in-
23 volved the first right to acquire the property that was sub-
24 ject to the lease. If, before the lease is actually entered
25 into, the department or agency concerned determines that

1 it does not require or desire the property and no other
2 department or agency of the Federal Government seeks
3 to become the lessee, the redevelopment authority shall
4 have the first right to acquire the property. Subparagraph
5 (B) shall apply to a transfer to the redevelopment author-
6 ity under this clause.”.

7 (d) AUTHORITY TO CONTRACT FOR CERTAIN SERV-
8 ICES.—

9 (1) 1990 LAW.—Section 2905(b)(8) of the De-
10 fense Base Closure and Realignment Act of 1990
11 (part A of title XXIX of Public Law 101–510; 10
12 U.S.C. 2687 note) is amended—

13 (A) in subparagraph (A)—

14 (i) by striking out “local govern-
15 ments” and inserting in lieu thereof “local
16 governments and redevelopment authori-
17 ties”; and

18 (ii) by striking out “by such govern-
19 ments”;

20 (B) by striking out subparagraph (C) and
21 inserting in lieu thereof the following new sub-
22 paragraph:

23 “(C) The Secretary may exercise the authority under
24 subparagraph (A) with respect to an installation at any

1 time after the date on which the installation is approved
2 for closure under this part.”; and

3 (C) in subparagraph (D)—

4 (i) by striking out “for services en-
5 tered into with a local government”; and

6 (ii) by striking out “under the juris-
7 diction of such government” and inserting
8 in lieu thereof “of the installation”.

9 (2) 1988 LAW.—Section 204(b)(8) of the De-
10 fense Authorization Amendments and Base Closure
11 and Realignment Act (Public Law 100–526; 10
12 U.S.C. 2687 note) is amended—

13 (A) in subparagraph (A)—

14 (i) by striking out “local govern-
15 ments” and inserting in lieu thereof “local
16 governments and redevelopment authori-
17 ties”; and

18 (ii) by striking out “by such govern-
19 ments”;

20 (B) by striking out subparagraph (C) and
21 inserting in lieu thereof the following new sub-
22 paragraph:

23 “(C) The Secretary may exercise the authority under
24 subparagraph (A) with respect to an installation at any

1 time after the date on which the installation is approved
2 for closure under this title.”; and

3 (C) in subparagraph (D)—

4 (i) by striking out “for services en-
5 tered into with a local government”; and

6 (ii) by striking out “under the juris-
7 diction of such government” and inserting
8 in lieu thereof “of the installation”.

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