

TO DIRECT THE SECRETARY OF THE INTERIOR, ACTING THROUGH THE BUREAU OF LAND MANAGEMENT AND THE BUREAU OF RECLAMATION, TO CONVEY, BY QUITCLAIM DEED, TO THE CITY OF FERNLEY, NEVADA, ALL RIGHT, TITLE, AND INTEREST OF THE UNITED STATES, TO ANY FEDERAL LAND WITHIN THAT CITY THAT IS UNDER THE JURISDICTION OF EITHER OF THOSE AGENCIES

DECEMBER 16, 2013.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HASTINGS of Washington, from the Committee on Natural Resources, submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 1170]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 1170) to direct the Secretary of the Interior, acting through the Bureau of Land Management and the Bureau of Reclamation, to convey, by quitclaim deed, to the City of Fernley, Nevada, all right, title, and interest of the United States, to any Federal land within that city that is under the jurisdiction of either of those agencies, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. DEFINITIONS.

In this Act:

(1) CITY.—The term “City” means the City of Fernley, Nevada.

(2) FEDERAL LAND.—The term “Federal land” means the approximately 9,407 acres of land located in the City of Fernley, Nevada, that is identified by the Secretary and the City for conveyance under this Act.

(3) MAP.—The term “map” means the map entitled “Proposed Fernley, Nevada, Land Sales” and dated January 25, 2013.

SEC. 2. CONVEYANCE OF CERTAIN FEDERAL LAND TO CITY OF FERNLEY, NEVADA.

(a) **CONVEYANCE AUTHORIZED.**—Subject to valid existing rights and not later than 180 days after the date on which the Secretary of the Interior receives an offer from the City to purchase the Federal land depicted on the map, the Secretary, acting through the Bureau of Land Management and the Bureau of Reclamation, shall convey, notwithstanding the land use planning requirements of sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713), to the City in exchange for consideration in an amount equal to the fair market value of the Federal land, all right, title, and interest of the United States in and to such Federal land.

(b) **APPRAISAL TO DETERMINE FAIR MARKET VALUE.**—The Secretary shall determine the fair market value of the Federal land to be conveyed—

(1) in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); and

(2) based on an appraisal that is conducted in accordance with nationally recognized appraisal standards, including—

(A) the Uniform Appraisal Standards for Federal Land Acquisition; and
(B) the Uniform Standards of Professional Appraisal Practice.

(c) **AVAILABILITY OF MAP.**—The map shall be on file and available for public inspection in the appropriate offices of the Bureau of Land Management.

(d) **RESERVATION OF EASEMENTS AND RIGHTS-OF-WAY.**—The City and the Bureau of Reclamation may retain easements or rights-of-way on the Federal land to be conveyed, including easements or rights-of-way the Bureau of Reclamation determines are necessary to carry out—

(1) the operation and maintenance of the Truckee Canal; or

(2) the Newlands Project.

(e) **COSTS.**—The City shall, at closing for the conveyance authorized under subsection (a), pay or reimburse the Secretary, as appropriate, for the reasonable transaction and administrative personnel costs associated with the conveyance authorized under such subsection, including the costs of appraisal, title searches, maps, and boundary and cadastral surveys.

(f) **CONVEYANCE NOT A MAJOR FEDERAL ACTION.**—A conveyance or a combination of conveyances made under this section shall not be considered a major Federal action for purposes of section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

SEC. 3. RELEASE OF UNITED STATES.

Upon making the conveyance under section 2, notwithstanding any other provision of law, the United States is released from any and all liabilities or claims of any kind or nature arising from the presence, release, or threat of release of any hazardous substance, pollutant, contaminant, petroleum product (or derivative of a petroleum product of any kind), solid waste, mine materials or mining related features (including tailings, overburden, waste rock, mill remnants, pits, or other hazards resulting from the presence of mining related features) on the Federal land in existence on or before the date of the conveyance.

SEC. 4. WITHDRAWAL.

Subject to valid existing rights, the Federal land to be conveyed under section 2 of this Act shall be withdrawn from all forms of—

(1) entry, appropriation, or disposal under the public land laws;

(2) location, entry, and patent under the mining laws; and

(3) disposition under the mineral leasing, mineral materials, and geothermal leasing laws.

PURPOSE OF THE BILL

The purpose of H.R. 1170 is to direct the Secretary of the Interior, acting through the Bureau of Land Management and the Bureau of Reclamation, to convey, by quitclaim deed, to the City of Fernley, Nevada, all right, title, and interest of the United States, to any Federal land within that city that is under the jurisdiction of either of those agencies.

BACKGROUND AND NEED FOR LEGISLATION

Since its incorporation in 2001, the City of Fernley, Nevada, has been working with private businesses and state and federal agencies on a long-term, sustainable economic development plan. This

plan requires the conveyance of Bureau of Land Management (BLM) and Bureau of Reclamation (BOR) lands within the City for commercial and industrial development, agriculture activities, recreation opportunities, and community and cultural events.

H.R. 1170 will provide the City of Fernley with the opportunity to purchase up to 9,407 acres of BLM (8,603 acres) and BOR (804 acres) lands at fair market value for future economic development, public use, and as open space. The City of Fernley would also benefit from the transportation, power and water infrastructure that will be put in place with the concurrent development of commercial and industrial operations.

COMMITTEE ACTION

H.R. 1170 was introduced on March 14, 2013, by Congressman Mark Amodei (R–NV). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Public Lands and Environmental Regulation. On July 19, 2013, the Subcommittee held a hearing on the bill. On July 31, 2013, the Natural Resources Committee met to consider the bill. The Subcommittee on Public Lands and Environmental Regulation was discharged by unanimous consent. Congressman Rob Bishop offered an amendment designated #1 to the bill; the amendment was adopted by voice vote. No further amendments were offered, and the bill, as amended, was then adopted and ordered favorably reported to the House of Representatives by voice vote.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(1) 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 this bill. However, clause 3(d)(2)(B) 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 402 of the Congressional Budget Act of 1974. Under clause 3(c)(3) of rule XIII 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 this bill from the Director of the Congressional Budget Office:

H.R. 1170—A bill to direct the Secretary of the Interior, acting through the Bureau of Land Management and the Bureau of Reclamation, to convey, by quitclaim deed, to the city of Fernley, Nevada, all right, title, and interest of the United States, to any federal land within that city that is under the jurisdiction of either of those agencies

H.R. 1170 would direct the Secretary of the Interior to sell up to 9,400 acres of federal land to the city of Fernley, Nevada. Based

on information provided by the city, CBO estimates that enacting the bill would increase offsetting receipts, which are treated as reductions in direct spending, by \$5 million over the 2014–2023 period. Because enacting the bill would affect direct spending, pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

Under the bill, if the city offered to purchase any of the affected lands, the Secretary would be required to sell the lands for fair market value. CBO expects that the city would only offer to purchase the lands if a private developer provided the amounts necessary to complete those purchases. Based on information provided by the city, CBO expects that up to 25 percent of the affected lands would be purchased over the 2014–2023 period, and we estimate that the average value of those lands would be about \$3,500 per acre, based on the value of similar lands in the area. Because the timing of land purchases by the city of Fernley are uncertain, CBO assumes that the expected total receipt of \$5 million would be spread evenly over the 2014–2023 period.

H.R. 1170 would require the city of Fernley to pay for any administrative costs associated with the sales of the affected land; therefore, CBO estimates that implementing the bill would not affect discretionary spending.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net budgetary changes that are subject to pay-as-you-go procedures are shown in the following table. (The estimated effects for each year are receipts of less than \$500,000.)

CBO ESTIMATE OF THE PAY-AS-YOU-GO EFFECTS FOR H.R. 1170, A BILL TO DIRECT THE SECRETARY OF THE INTERIOR, ACTING THROUGH THE BUREAU OF LAND MANAGEMENT AND THE BUREAU OF RECLAMATION, TO CONVEY, BY QUITCLAIM DEED, TO THE CITY OF FERNLEY, NEVADA, ALL RIGHT, TITLE, AND INTEREST OF THE UNITED STATES, TO ANY FEDERAL LAND WITHIN THAT CITY THAT IS UNDER THE JURISDICTION OF EITHER OF THOSE AGENCIES, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON NATURAL RESOURCES ON JULY 31, 2013

	By fiscal year, in millions of dollars—											2014– 2018	2014– 2023
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			
	NET INCREASE OR DECREASE (–) IN THE DEFICIT												
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	0	0	0	0	–2	–5

The CBO staff contact for this estimate is Jeff LaFave. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

2. Section 308(a) of Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. Based on information provided by the city, CBO estimates that enacting the bill would increase offsetting receipts,

which are treated as reductions in direct spending, by \$5 million over the 2014–2023 period.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is to direct the Secretary of the Interior, acting through the Bureau of Land Management and the Bureau of Reclamation, to convey, by quitclaim deed, to the City of Fernley, Nevada, all right, title, and interest of the United States, to any Federal land within that city that is under the jurisdiction of either of those agencies.

EARMARK STATEMENT

This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

COMPLIANCE WITH PUBLIC LAW 104–4

This bill contains no unfunded mandates.

COMPLIANCE WITH H. RES. 5

Directed Rule Making. The Chairman does not believe that this bill directs any executive branch official to conduct any specific rule-making proceedings.

Duplication of Existing Programs. This bill does not establish or reauthorize a program of the federal government known to be duplicative of another program. Such program was not included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139 or identified in the most recent Catalog of Federal Domestic Assistance published pursuant to the Federal Program Information Act (Public Law 95–220, as amended by Public Law 98–169) as relating to other programs.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW

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

DISSENTING VIEWS

H.R. 1170 requires the Secretary of the Interior to convey over 9,000 acres of Bureau of Land Management and Bureau of Reclamation lands to the City of Fernley, Nevada. In return, the City of Fernley would pay fair market value for those lands. The legislation provides that both the Bureau of Reclamation and the City can retain easements or rights-of-way to access the Truckee Irrigation Canal and the Newlands Project.

In theory, the conveyance could be supported, but H.R. 1170 waives a number of environmental laws, including the National Environmental Policy Act, the Endangered Species Act, the Comprehensive Environmental Response, Compensation, and Liability Act, the National Historic Preservation Act, and the Native American Graves Protection and Repatriation Act.

Waiving these bedrock laws sidesteps the established review process and eliminates nearly all potential for public review and involvement. The Federal Land Policy and Management Act (FLPMA) determined that “the public lands be retained in Federal ownership, unless as a result of the land use planning procedure provided for in this Act, it is determined that disposal of a particular parcel will serve the national interest.”

Since passage of FLPMA, BLM has a strong track record of disposing of Federal land where it is deemed appropriate. Decisions to dispose of Federal land require careful consideration and ignoring Congressional mandates to manage resources for all Americans is counterproductive.

PETER A. DEFazio.
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