

ANCHORAGE LAND CONVEYANCE ACT OF 2013

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. 585]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 585) to provide for the unencumbering of title to non-Federal land owned by the city of Anchorage, Alaska, for purposes of economic development by conveyance of the Federal reversion interest to the City, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 585 is to provide for the unencumbering of title to non-Federal land owned by the city of Anchorage, Alaska, for purposes of economic development by conveyance of the Federal reversion interest to the City.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 585 would remove the reversionary interest and clear title to three small parcels of land owned by the Municipality of Anchorage, Alaska, comprising 2.65 acres in total.

Decades ago, these parcels were conveyed to either the former “City of Anchorage” or more recently the “Municipality of Anchorage.” They were transferred by the federal government to the local government for a wide variety of specified purposes, but all were

transferred for the overarching purpose of helping the then nascent municipality of Anchorage, which is surrounded by federal lands.

The tracts are no longer necessary for municipal purposes or use by the federal government but the reversionary clauses on the three parcels are preventing their conversion to productive use and a future source of revenue for the City of Anchorage.

Parcel 1. In 1922 the City of Anchorage received a number of properties around Anchorage for municipal/school purposes. One of the properties was the 1.93-acre site in Block 42 downtown that, since the early 1980s, has been the site of the William A. Egan Convention Center. With the completion in 2010 of the larger Dena'ina Civic and Convention Center, the tract is surplus to municipal needs, and could best be utilized for sale to an entity that could afford the cost of conversion of the property for future use, adding to the federal income tax base and local property tax base.

Parcel 2. This lot of .48 acres, at Seventh and I Streets downtown, is currently being used as a municipal parking lot. The land, obtained by the city as part of a 1982 land exchange that cleared the site for a major office building across the street, is too small for municipal or federal office space use, or for park construction, but might be properly sized for a commercial enterprise. It is zoned for business, but because of the inability of the Municipality to sell the property due to the federal reversionary clause, it cannot be used for business and contribute to the local property tax base or federal income tax base.

Parcel 3. The .24-acre site at the corner of H Street and Christiansen Drive was obtained by the City in 1963. It currently sits vacant and idle. It is too small for municipal or federal office space, unneeded for park space, but might be of use for a retail establishment given its location near a municipal parking facility. Likewise, it is zoned for business/commercial, but cannot be used and potentially contribute to the local and federal tax bases due to the federal reversion clause.

COMMITTEE ACTION

H.R. 585 was introduced on February 6, 2013, by Congressman Don Young (R-AK). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Public Lands and Environmental Regulation. On June 6, 2013, the Subcommittee held a hearing on the bill. On October 30, 2013, the Natural Resources Committee met to consider the bill. The Subcommittee on Public Lands and Environmental Regulation was discharged by unanimous consent. No amendments were offered and the bill 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. 585—Anchorage Land Conveyance Act of 2013

H.R. 585 would require the Secretary of the Interior to convey the reversionary interest of the United States in three acres of land to the city of Anchorage, Alaska. Under current law, the city holds title to those lands and will retain title as long as the lands are used for public purposes. If the city stops using the lands for such purposes, title would revert back to the federal government.

Based on information provided by the city of Anchorage, CBO expects that, under current law, the city would continue to use the affected lands for public purposes and hold title to those lands over the next 10 years. Furthermore, under the bill, any administrative costs associated with conveying the reversionary interest in those lands would be paid by the city; therefore, CBO estimates that implementing the bill would have no effect on the federal budget. Because enacting H.R. 585 would not affect direct spending or revenues, pay-as-you-go procedures do not apply.

H.R. 585 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

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. CBO estimates that implementing the bill would have no effect on the federal budget.

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 provide for the unencumbering of title to non-Federal land owned by the city of Anchorage, Alaska, for purposes of economic development by conveyance of the Federal reversion interest to the City.

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. 585 will convey to the City, free of charge, the federal government's reversionary interest in 2.7 acres of land in downtown Anchorage, Alaska. The 2.7 acres in question were federally owned and transferred to the City of Anchorage using various authorities. In each case, the land was conveyed free of charge with the requirement that it revert to federal ownership if it ceased being used for public purposes. H.R. 585 will extinguish that reversionary interest.

The problem with H.R. 585 is not that the City will continue to own the land; the problem is the removal of the longstanding reversionary clause which protects the public interest. Without it, the federal government is giving the City land for free, allowing for the sale of the property and a windfall profit for Anchorage. The land is a prime location for commercial development and is valued above \$1 million.

The Bureau of Land Management (BLM) has responded to requests to release similar reversionary interests in the past and has consistently required the payment of fair market value for the interest. That is what should occur here.

PETER A. DEFazio.

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