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REPORT
110–398

DOUGLAS COUNTY, WASHINGTON, PUD CONVEYANCE ACT

OCTOBER 22, 2007.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. RAHALL, from the Committee on Natural Resources, submitted the following

R E P O R T

[To accompany H.R. 523]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 523) to require the Secretary of the Interior to convey certain public land located wholly or partially within the boundaries of the Wells Hydroelectric Project of Public Utility District No. 1 of Douglas County, Washington, to the utility district, 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. SHORT TITLE.

This Act may be cited as the "Douglas County, Washington, PUD Conveyance Act".

SEC. 2. DEFINITIONS.

In this Act:

(1) PUBLIC LAND.—The term "public land" means the approximately 622 acres of Federal land managed by the Bureau of Land Management and identified for conveyance on the map prepared by the Bureau of Land Management entitled "Douglas County Public Utility District Proposal" and dated March 2, 2006.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(3) PUD.—The term "PUD" means the Public Utility District No. 1 of Douglas County, Washington.

(4) WELLS HYDROELECTRIC PROJECT.—The term "Wells Hydroelectric Project" means Federal Energy Regulatory Commission Project No. 2149.

SEC. 3. CONVEYANCE OF PUBLIC LAND, WELLS HYDROELECTRIC PROJECT, PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY, WASHINGTON.

(a) CONVEYANCE REQUIRED.—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), and notwithstanding section 24 of the Federal Power

Act (16 U.S.C. 818) and Federal Power Order for Project 2149, and subject to valid existing rights, if not later than 45 days after the date of completion of the appraisal required under subsection (b), the Public Utility District No. 1 of Douglas County, Washington, submits to the Secretary of the Interior an offer to acquire the public land for the appraised value, the Secretary shall convey, not later than 30 days after the date of the offer, to the PUD all right, title, and interest of the United States in and to the public land.

(b) APPRAISAL.—Not later than 60 days after the date of enactment of this Act, the Secretary shall complete an appraisal of the public land. The appraisal shall be conducted in accordance with the "Uniform Appraisal Standards for Federal Land Acquisitions" and the "Uniform Standards of Professional Appraisal Practice".

(c) PAYMENT.—Not later than 30 days after the date on which the public land is conveyed under this section, the PUD shall pay to the Secretary an amount equal to the appraised value of the public land as determined under subsection (b).

(d) MAP AND LEGAL DESCRIPTIONS.—As soon as practicable after the date of enactment of this Act, the Secretary shall finalize legal descriptions of the public land to be conveyed under this section. The Secretary may correct any minor errors in the map referred to in section 2 or in the legal descriptions. The map and legal descriptions shall be on file and available for public inspection in appropriate offices of the Bureau of Land Management.

(e) COSTS OF CONVEYANCE.—As a condition of conveyance, any costs related to the conveyance under this section shall be paid by the PUD.

(f) DISPOSITION OF PROCEEDS.—The Secretary shall deposit the proceeds from the sale in the Federal Land Disposal Account established by section 206 of the Federal Land Transaction Facilitation Act (43 U.S.C. 2305) to be expended to improve access to public lands administered by the Bureau of Land Management in the State of Washington.

SEC. 4. SEGREGATION OF LANDS.

(a) WITHDRAWAL.—Except as provided in section 3(a), effective immediately upon enactment of this Act, and subject to valid existing rights, the public land is withdrawn from—

(1) all forms of entry, appropriation, or disposal under the public land laws, and all amendments thereto;

(2) location, entry, and patenting under the mining laws, and all amendments thereto; and

(3) operation of the mineral leasing, mineral materials, and geothermal leasing laws, and all amendments thereto.

(b) DURATION.—This section expires two years after the date of enactment of this Act or on the date of the completion of the conveyance under section 3, whichever is earlier.

SEC. 5. RETAINED AUTHORITY.

The Secretary shall retain the authority to place conditions on the license to insure adequate protection and utilization of the public land granted to the Secretary in section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) until the Federal Energy Regulatory Commission has issued a new license for the Wells Hydroelectric Project, to replace the original license expiring May 31, 2012, consistent with section 15 of the Federal Power Act (16 U.S.C. 808).

PURPOSE OF THE BILL

The purpose of H.R. 523 is to require the Secretary of the Interior to convey certain public land located wholly or in part within the boundaries of the Wells Hydroelectric Project of Public Utility District No. 1 of Douglas County, Washington, to the utility district.

BACKGROUND AND NEED FOR LEGISLATION

The Wells Hydroelectric Project, operated by Public Utility District (PUD) #1 of Douglas County, Washington, provides electricity to approximately 17,000 customers in Washington State. The central feature of the project is a dam on the Columbia River.

The PUD is in the early stages of the Federal Energy Regulatory Commission (FERC) hydroelectric dam relicensing process. The project was first licensed for 50 years in 1962. That license expires

May 31, 2012 and an application for relicensing must be submitted by 2010.

According to the PUD, consolidation of ownership of several federal parcels located within the project's boundaries would assist in the relicensing, though no specific management issues regarding these parcels have ever been raised.

As introduced, H.R. 523 directs the Secretary of the Interior to convey all right, title and interest of the United States in and to eight parcels of public land located partially or entirely within the boundary of the project to the PUD. The parcels are currently managed by the Bureau of Land Management and total approximately 622 acres. The legislation requires an appraisal of the land and the PUD would be required to pay the appraised value of the land in order to receive the parcels.

COMMITTEE ACTION

H.R. 523 was introduced on January 17, 2007 by Representative Doc Hastings (R–WA). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on National Parks, Forests and Public Lands. On May 10, 2007, the Subcommittee held a hearing on the bill. On October 10, the Subcommittee was discharged from further consideration of H.R. 523 and the full Natural Resources Committee met to consider the bill. Representative Raul Grijalva (D–AZ) offered an amendment in the nature of a substitute requiring that, although the federal government under the terms of the legislation would no longer own land within the project boundary, the Secretary of the Interior would retain authority granted him under the Federal Power Act to place conditions on the new license being issued to the PUD. Further, the substitute specifies that proceeds from the sale are to be deposited in a specific public land account and used to provide improved access to public lands in Washington State. The Grijalva substitute was adopted by unanimous consent. The bill, as amended, was then ordered favorably reported to the House of Representatives by unanimous consent.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title

Section 1 entitles the legislation the "Douglas County, Washington PUD Conveyance Act."

Section 2. Definitions

This section defines several key terms used in the legislation.

Section 3. Conveyance of public land, Wells Hydroelectric Project, Public Utility District No. 1 of Douglas County, Washington

Section 3(a) requires the Secretary of the Interior to convey all right, title, and interest of the United States in the land identified in the bill to the PUD, notwithstanding certain provisions of law which would prohibit such a sale administratively. This section gives the PUD 45 days after completion of an appraisal to make an offer to purchase the acreage. The Secretary is then required to make the conveyance within 30 days of receiving the offer to buy the land at the appraised value.

Section 3(b) requires the Secretary to complete an appraisal of the land within 60 days after the date of enactment of H.R. 523. The appraisal is to be conducted according to the "Uniform Appraisal Standards for Federal Land Acquisition" and the "Uniform Standards of Professional Appraisal Practice."

Section 3(c) requires the PUD to pay the Secretary the appraised value of the land within 30 days after the date on which the land is conveyed to the PUD.

Section 3(d) requires the Secretary to finalize a map and legal descriptions of the public land to be conveyed under the bill and Section 3(e) specifies that the PUD will pay all costs associated with this transaction.

Section 3(f) directs the Secretary to deposit the proceeds from the conveyance into the Federal Land Deposit Account established by section 206 of the Federal Land Transaction Facilities Act (Public Law 106–248) to be expended "to improve access to public lands administered by the Bureau of Land Management in Washington State."

Section 4. Segregation of lands

This section prohibits filing of any mining or other development claims during pendency of the conveyance authorized by this legislation.

Section 5. Retained authority

This section requires that, although the federal government will no longer own land within the project boundary after the conveyance, the Interior Secretary retains authority granted him under the Federal Power Act to place conditions on the new license being issued to the PUD. Such conditions will insure adequate protection of resources located on the land.

During the hearing on this measure, the Committee received testimony from several witnesses pointing out that allowing a non-federal entity to avoid the authority granted federal land managers under the Federal Power Act by simply privatizing federal lands within project boundaries would set a negative precedent and could incentivize such sales. Further, the Bureau of Land Management urged the Committee to "provide safeguards to protect the known resource values on these lands." Section 5 addresses these concerns.

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.

CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact this bill.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a compari-

son by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(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.

2. 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.

3. General performance goals and objectives. This bill does not authorize funding and therefore, clause 3(c)(4) of rule XIII of the Rules of the House of Representatives does not apply.

4. Congressional Budget Office cost estimate. 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. 523—Douglas County, Washington, PUD Conveyance Act

H.R. 523 would authorize the Secretary of the Interior to convey, at fair market value, 622 acres of federal land to the Douglas County Public Utility District No. 1 (PUD). Any federal administrative costs of the conveyance would be borne by the PUD. CBO estimates that any net budgetary impact from enacting this legislation would be negligible.

Four percent of the proceeds of the conveyance, classified as offsetting receipts, would be transferred to the state of Washington for education expenses or to build public infrastructure. The remaining receipts would be deposited into the Federal Land Deposit Account, which was created by the Federal Land Transaction Facilities Act. Those receipts would be available without further appropriation, to the Secretary of the Interior and the Secretary of Agriculture to purchase land inholdings (parcels of land that are entirely surrounded by federally owned land).

The sale of federal land could result in forgone offsetting receipts if, under current law, those lands would generate income from activities such as mineral leasing and mining. According to the Bureau of Land Management (BLM), that land currently generates no significant receipts and BLM does not anticipate any receipts from it over the next 10 years.

H.R. 523 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Enacting this bill would benefit the PUD, and any costs that it might incur in association with the conveyance of land would be incurred voluntarily.

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

COMPLIANCE WITH PUBLIC LAW 104–4

This bill contains no unfunded mandates.

EARMARK STATEMENT

H.R. 523 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e) or 9(f) of rule XXI.

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.

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