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MISCELLANEOUS PUBLIC LANDS BILLS

HEARING

BEFORE THE

SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS

OF THE

COMMITTEE ON
ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE

ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

ON

S. 454	**S. 1711**
S. 1139	**S. 1907**
S. 1325	**H.R. 1576**
S. 1497	**H.R. 2385**

MAY 9, 2002

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MISCELLANEOUS PUBLIC LANDS BILLS

THURSDAY, MAY 9, 2002

U.S. SENATE,
SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:34 p.m., in room SD–366, Dirksen Senate Office Building, Hon. Ron Wyden presiding.

OPENING STATEMENT OF HON. RON WYDEN, U.S. SENATOR FROM OREGON

Senator WYDEN. The subcommittee will come to order.

The purpose of this afternoon's hearing is to receive testimony on several public lands and national bills.

We will examine S. 454. That is Senator Bingaman's bill to guarantee full funding every year for the Payment in Lieu of Taxes program, which compensates local governments for the loss of property taxes due to the presence of Federal land in their boundaries. The administration has proposed funding this program at only about half the authorized the level for fiscal year 2003. In contrast, S. 454 would permanently fund the program and the Refuge Revenue Sharing program at their full authorized levels without the need for further appropriation.

S. 1139 directs the Federal Government to convey approximately 19 acres containing cemeteries to two Nevada municipalities. This legislation would allow the communities to continue using these cemeteries through public ownership of the land rather than through the permitting process of the Federal agencies.

S. 1325 would ratify an agreement between the Aleut Corporation and the Federal Government to exchange lands received under the Alaska Native Claims Settlement Act for other land interests on Adak Island. This legislation would allow the Aleut Corporation to make use of buildings and other facilities on the island the Navy has vacated following the closure of a naval base.

S. 1497 and H.R. 2385 would authorize a grant to the city of St. George, Utah to buy up to 10 acres of land to protect dinosaur footprints, tail draggings, and other rare paleontological resources on the property.

S. 1711 and H.R. 1576 would designate the James Peak Wilderness and the James Peak Protection Area straddling the Continental Divide in the State of Colorado.

S. 1907, which Senator Gordon Smith and I sponsor, would direct the Secretary of the Interior to convey approximately 40 acres of

land to the city of Haines, Oregon. This land is immediately adjacent to the city's landfill and would provide topsoil which the city needs to comply with State regulatory requirements for the continued operation of the facility.

Before I recognize our witnesses, I want to recognize my colleague first. The ranking minority member and I have been working together on these kinds of issues now for more than 20 years in both the House and the Senate, and we have always pursued them in a bipartisan way. We are going to do that and move ahead with today's business quickly, and I want to recognize him for any statement he chooses to make.

STATEMENT OF HON. LARRY E. CRAIG, U.S. SENATOR FROM IDAHO

Senator CRAIG. Well, Mr. Chairman, thank you very much. Are we back?

Senator WYDEN. We are back.

Senator CRAIG. The lights are on?

Senator WYDEN. I guess so.

Senator CRAIG. We are functioning. We have been in a hiatus since way back last October, folks. So, we are extremely pleased to think that we might be legislating again.

[Laughter.]

Senator CRAIG. That is not a reflection on this chairman, and I will stop there so that we can keep this in a compatible, smiling, bipartisan tone today.

Senator Hatch, it is great to have you before us. I look forward to your testimony on S. 1497. Footprints and skin impressions of dinosaurs?

Senator HATCH. Yes. Tail draggings. You would be surprised. It is really something.

Senator CRAIG. That is intriguing. So, we will look forward to that testimony.

We will also, as the chairman mentioned, deal with S. 1711 and H.R. 2385. Congressman, I look forward to your testimony on those issues.

If I could for just a few moments, though, Mr. Chairman, let me spend some time on an issue that is important to Idaho, Oregon, Colorado, public land Western States. I am talking about PILT and why we continue to need to find ways to fully fund this program.

As you know, Congress revised the PILT formula in 1993, and at that time, Congress ramped the PILT authorization up over a 5-year period. Congress has not yet found the funding needed to meet the commitment made in 1993.

All of us here today completely understand why these payments are so important to our public land counties. When 50 to 90 percent of your county is federally managed, you have a very small private property tax base from which to meet your citizens' needs, and unlike the funds generated by the Forest Service receipts that certainly you and I have worked on so closely over the years and we have been successful on—we have got to expand the opportunity for schools and roads, bridges—PILT funding can be utilized for a lot of reasons and a lot of very valuable and important needs within these counties.

I believe all of us here today also understand what happens to our rural counties when the Federal Government walks away from its commitment to utilize our national forests to supply the water, and the wood that are needed for our Nation. We understand that the economic activities generated through the Federal timber sale program makes the combined PILT and revenue sharing payments look like chump change in reality. But we have lost a lot of that program over the years. We are trying to regain forms of active management to restore forest health and in doing so, we hope we can be successful in a variety of ways. But the reality is there has been a tremendous loss of revenue over the last decade as a result of Federal policy changes and programs, and it even increases the need for PILT.

I think we also had better keep in mind how much money these Federal lands might produce in property tax if counties and local governments were allowed to tax them in the same way they tax other undeveloped lands within the counties. In a 1997 U.S. Forest Service published study, called "An Analysis of PILT-Related Payments and Likely Property Tax Liability of Federal Resource Management Lands," the study showed that if we fully funded PILT and added to it the Federal revenue sharing payments, the 25 percent and the O&C monies that Oregon receives, if we looked at that on the 1996 level, that on the average local property taxes would still generate about 94 cents more per acre than the Federal sources of revenue coming in. In other words, still our county commissioners and therefore our local communities are tremendously disadvantaged with these beautiful, marvelous assets if you look at them in a revenue context.

So today, Mr. Chairman, we will again be asked to fulfill the commitments that we have made to our rural communities that are saddled with hundreds of thousands of acres of Federal land which now generate little to no economic activity. At the same time, we know that they do generate a lot of other kinds of activities.

Over the last 6 years, in which I have been a member of the Appropriations Committee, we have made very real progress in meeting our PILT commitments. In 1997, funding of PILT, compared to where we are today, we have seen a 50 percent increase, and that is substantial. This past year we provided $210 million in PILT funding, up from $124 million in '98. And the story goes on and on.

My point is simply this. I know that the chairman of the full committee is striving to make this an entitlement, if you will. I am not sure that we can gain that kind of support, but we clearly have to continue to work toward the full funding of PILT.

As the rest of the world comes to see the beautiful lands of the West, counties and county governments still have great obligations. The flying of a life flight helicopter into the back country and into the beautiful areas along the River of No Return and the Salmon River can oftentimes wipe out almost an entire emergency budget of a local county. Now, does the Forest Service step in and pay, even though that person who might have been injured paid a fee and is on Forest Service land? No, they do not. That is an obligation of the local county. And that is one example, Mr. Chairman.

There is clear need for the full funding of PILT. We must continue to work in that direction.

Thank you. I have taken more time than I should, but as we deal with Senator Bingaman's bill, clearly this is an issue that deserves our time and our attention. Thank you.

Senator WYDEN. I thank my colleague for a very fine statement, and we are glad to have Senator Campbell here.

STATEMENT OF HON. BEN NIGHTHORSE CAMPBELL, U.S. SENATOR FROM COLORADO

Senator CAMPBELL. Thank you, Mr. Chairman. I will try to make my statement brief.

But I do want to associate my remarks with Senator Craig's dealing with PILT. It does not seem like either administration from either side of the aisle really understands the need of the PILT in the West because almost every year we fight that battle here in the Appropriations Committee trying to increase the money over whatever the President's budget has, regardless if it is a Republican President or a President of the Democratic Party.

As Senator Craig said, that is a major source of keeping afloat our fire departments, our police departments, literally all forms of government. In Nevada there are some counties that are 90 percent Federal ground. Every time we put more land in the Federal coffers, that is going to reduce the amount that that could generate in the private sector. Very often even what we put in PILT does not offset the amount that it would have raised in the private sector.

Nevertheless, I am very well aware that most Americans want more land in the public sector, and we hope that the offset will be increased tourism if it is park land or something along that line.

So, today we have a number of bills before us. You were talking very fast when you read the brief introduction to all those bills, but some of them sound very interesting. I am really interested in hearing Senator Hatch's bill dealing with the footprints of dinosaurs and the tail draggers of those historic times.

The bill that I am introducing really is S. 1711 that was carried on the House side by my friend, Mark Udall, whose dad was kind of my mentor and guru for years and years, as he was for many of us who are now serving in the Senate, Mo Udall. But this language is a product of a lot of years of detailed negotiations regarding an area of great majesty in our home State of Colorado. The bill stands as a testament of what can be achieved when interested parties get together for a moment and stop screaming at each other and start listening to each other. Certainly Mark has been involved in this right from the very beginning, and I was very proud to be the Senate sponsor for him.

The James Peak Wilderness and Protection Act, as it is called, respects the diverse uses of Colorado lands and recognizes that about 14,000 acres in Boulder, Clear Creek, and Gilpin Counties ought to be in wilderness. It enlarges the existing Indian Peaks Wilderness by about 3,195 acres. Further, this carefully balanced approach designates 16,000 acres of national forest land as the James Peak Protection Area. The protection area in Grand County would disallow development of the land but would permit recreational use for the public's continued enjoyment.

I am very pleased with the careful compromises that Congressman Udall worked out, and I am just very proud to also support it. I would hope my colleagues would also support this bill. Thank you.

Senator WYDEN. We are pleased to have the distinguished chairman of the full committee, Senator Bingaman, here who, of course, has an extremely important bill with respect to ensuring that there be additional funds for the Payment in Lieu of Taxes program. Before you came, there was significant support from all of your colleagues on both sides of the aisle. Clearly, I think there is great bipartisan interest in working under your leadership, Mr. Chairman, to deal with a tremendous funding crunch all over the West.

As natural resources policies change, a lot of our communities simply do not have the funds for essential services. Your proposal, in effect, offers a lifeline to much of the rural West. If we cannot get it in exactly the form it is drafted now, perhaps we can figure out another way to achieve the same sort of objectives with respect to funding.

I am very pleased that you are leading this effort, and please proceed with any statement you choose.

STATEMENT OF HON. JEFF BINGAMAN, U.S. SENATOR FROM NEW MEXICO

The CHAIRMAN. Well, thank you very much. I appreciate very much your having this hearing, and I do appreciate the support of a lot of people here in the Senate for the effort we are making to try to get full and automatic funding for the Payment in Lieu of Taxes. For those of us who represent public land States, an absolutely essential part of providing local government services is to be able to get some compensation for the fact that we have lost the tax base because the Federal Government owns so much land in some of these counties.

Jan Porter is here to testify on behalf of Catron County and the Association of Counties around the country to explain this position.

I have noticed since I have been here that we sort of have a game that the administration plays each year on this. They always cut back on funding, and this has been true, I will say, whether it is a Republican administration or a Democratic administration. They always cut back on the funding. It is always left to those of us in Congress to add back the money. Even after we add back the money, the counties wind up with, at best, maybe two-thirds of what we have authorized and recognized is the appropriate level.

So, I would like to see us end that game and go ahead and fund it at the full funding level and provide for automatic funding of it. And that is the purpose of the legislation. I hope very much we can enact it this year. I think it would be a great benefit to the counties in my State and I think throughout the West and all the States that have a lot of public land in them. So, I hope that is the result.

I am in the middle of a markup on the Armed Services bill, so I may not be able to stay for the full testimony. But I very much appreciate your having the hearing.

Senator WYDEN. Thank you, Mr. Chairman. This idea of breaking the cycle where both political parties go through this sort of quasi-charade of pretending that they are for this program and

then systematically shortchanging it every step of the way is a cycle we ought to break. Your bill gives us that chance, and we will be working closely with you on it. I appreciate your coming.

We are going to begin today with Senator Hatch. Senator Hatch and I have worked together on so many issues, health care issues, natural resources issues, law enforcement issues. We are just always glad to have you, Senator Hatch. You just proceed in any way that you choose.

STATEMENT OF HON. ORRIN G. HATCH, U.S. SENATOR FROM UTAH

Senator HATCH. Well, thank you, Senator Wyden. I appreciate appearing before you and really appreciate the friendship you show here in the Senate to me.

I apologize for my voice. I had laryngitis 2 weeks ago, and for some reason it has come back.

Mr. Chairman and members of the committee, first of all, let me compliment you for your attitudes about PILT. We really do need to do more there. Our small counties are really hurting.

But I first want to thank you for holding this hearing today, for agreeing to receive testimony on behalf of S. 1497. This is a bill to convey certain property to the city of St. George, Utah in order to provide for the protection and preservation of some rare paleontological resources on that property.

Now, I applaud the leadership of Representative James Hansen who chairs the House Resources Committee and who was the original sponsor of this legislation. Jim does a great job over there.

Mr. Chairman, this legislation will provide vital protections to one of our Nation's most recent and most intact pre-Jurassic paleontological discoveries.

In February 2000, Sheldon Johnson of St. George, Utah began development preparations on his land when he uncovered one of the world's most significant collections of dinosaur tracks, tail draggings, and skin imprints in the surrounding rock. I was fortunate enough to arrive down there right about the time they found these things. It was absolutely stunning to me.

The site has attracted thousands of visitors and the interest of some of the world's top paleontologists. But because they could not be here for this hearing, I would like to read a letter written by Mr. and Mrs. Johnson who have now become the guardian angels over this important site.

Dear Chairman Bingaman, Senator Hatch, and members of the Energy Committee:

Today scientists are still discovering previously unknown animals and plants at this dinosaur site. University Graduate students are doing masters theses here. Text books are being written about new information that goes back 200 million years, thanks to discoveries being made in this unlikely spot just one mile off Interstate 15.

S. 1497 will provide the seed money so desperately needed to save this valuable resource.

The wonder of this site captures imagination. Without any advertising or road signs, last month we had over 7,000 visitors, and have had well over 350,000 visitors in the past two years. People come from every State, over 80 nations. Our sign-in books tell us that over 70 percent of visitors come from outside the State of Utah.

A mother with her family from Beijing, China said: "This gives me the same feeling as when I visit the Great Wall of China. We are standing in history. It makes the hair stand up on my arms."

A visiting doctor from Paris, France said: "Who will help you with this? You know this treasure does not just belong to America. It belongs to all the world."

With your help we will save it for America and all the world.

Please salute the volunteers at this site. The congressional record should bear witness to their dedication, earned knowledge, good humor, and endurance as they greet busloads of students and friends from around the world. The extremes of heat and cold make their job difficult, but they have mastered the art of giving service.

We are grateful to Senator Bingaman and the members of the Senate Energy committee for considering this bill. We hope it will pass unanimously as it has from previous thoughtful hearings.

Sincerely, LaVerna B. Johnson and Dr. Sheldon B. Johnson, DinosaurAtorium, a Center for Science and Imagination.

Now, Mr. Chairman, I ask permission that this letter and other letters from scientists around the world be included in this record.

Senator WYDEN. Without objection, so ordered.

Senator HATCH. Thank you very much.

Now that these prints have been uncovered, the fragile sandstone in which the impressions have been made is in jeopardy, due to the heat and wind typical of the southern Utah climate. We must act quickly if these footprints from our past are to be preserved.

This bill would authorize the Secretary of the Interior to purchase the land where the footprints and tail draggings are found and convey the property to the city of St. George which will work with the property owners and the county to preserve and protect the area and resources in question. So, I urge the committee to support this effort to protect our national treasure.

Mr. Chairman, I was there. I have to admit when I went out there, I was a little jaundiced, but when I got there and I saw what they had uncovered and how the slabs of rock would split apart and show these tremendously big tracks—and they were as clear as a bell—I have to admit it was a sense of wonder that filled me. And I am not just saying that. It really was a wonderful thing to see.

So, I hope that you can help with this bill. It would be a wonderful thing. I would hate to see this soft limestone eroded to where we would not be able to have people see these marvelous things and have the research done that really is essential to help us understand these large creatures that existed so many years ago.

But thank you. I am sorry I have taken so much time.

Senator WYDEN. Well, Senator Hatch, let me just say I strongly support your efforts, and we are going to everything we can to move this as quickly as possible. I think you have made the case that dawdling here and allowing weather and time to literally chip away at these treasures would just be a tragedy. So, you have made the case in my view, and I am really glad that you are here trying to preserve this little bit of history that is going to be so special.

Senator HATCH. Thank you so much.

Senator WYDEN. Let me see if my colleagues want to make a comment or ask any questions. Then we will excuse you. Senator Craig.

Senator CRAIG. Well, thank you, Mr. Chairman.

Orrin, it is a fascination that is a unique part of the world down there in the southern part of your State. How many acres are we talking about?

Senator HATCH. I am not sure how many acres, but it looked to me fairly substantial. It is about 10 acres, I am informed by staff. It is right near the city. As you come out of St. George, it is right on the right side of the road headed toward Salt Lake, if I recall it correctly. It has been a while since I have been there. But it is truly amazing.

Senator CRAIG. Well, thank you.

Senator HATCH. You bet.

Senator WYDEN. Senator Campbell.

Senator CAMPBELL. I have been to St. George, Orrin. You said it is right near the city limits somewhere?

Senator HATCH. It is not very from.

Senator CAMPBELL. And it is in private ownership now. How do the people who have it now prevent vandalism or anything that often takes place with something like this?

Senator HATCH. That is one of the worries with 350,000 people coming. They have a bunch of volunteers.

Senator CAMPBELL. So, it is open to the public now. It is private land, but it is open for people to go in there.

Senator HATCH. Well, they know where it is and anybody could come and just walk anywhere they want to and play with the tracks and everything else. I would like to see these really protected.

Senator CAMPBELL. So, Interior would purchase it and give it to the city of St. George or the county?

Senator HATCH. That is my understanding. That is correct. Yes, it would be a pass-through.

I think it is a fairly decent bargain too because this place is worth a fortune.

Senator CAMPBELL. Is that what land sells for around there, about that much?

Senator HATCH. I have no idea about that, but land in St. George is pretty high. It is a very attractive place to live.

Senator CAMPBELL. Like you, Mr. Chairman, I support it too. It will be interesting visiting sometime when I drive through St. George. Thank you.

Senator HATCH. We would love to have you.

Senator WYDEN. I think at this point the only thing I want is a guided tour from Orrin Hatch.

[Laughter.]

Senator HATCH. I think you would want somebody a little more professional to show you around, but I would be happy to go with you, put it that way.

But thank you all for your kindness.

Senator WYDEN. Thank you. We will excuse you at this time.

All right. We have now Congressman Udall who will be speaking about his bill, H.R. 1576. My understanding is, as Senator Campbell had alluded to earlier, that you all have really forged a very strong bipartisan consensus and brought together everybody at the local level, which is the key to sensible natural resources policy. It is what Senator Craig and I tried to do with the county payments bill last session. So, congratulations on all you have done. I look forward to supporting your efforts.

Why don't you go ahead and make your statement this afternoon.

STATEMENT OF HON. MARK UDALL, U.S. REPRESENTATIVE FROM COLORADO

Mr. UDALL. Thank you, Mr. Chairman and members of the committee, to inviting me to share my testimony. If I could, I would like to submit my testimony for the record and be brief to leave time for questions and any comments.

Senator WYDEN. Without objection, that will be ordered.

Mr. UDALL. I did want to make some acknowledgements and then conclude, Mr. Chairman. I thank you for the hearing and would tell you historically a quick retrospective. The House passed this on a voice vote last year and it could not have happened without the leadership and hard work of my colleague, who my friend Mr. Campbell knows, Scott McInnis. He worked very, very hard to continue to keep people at the table. It passed by a voice vote in the House, but it took over 2½ years to work all the compromises and to solve all the questions that had been asked.

I did want to thank our senior Senator and my good friend, Senator Campbell, for sponsoring an identical measure over here. I understand our junior Senator, Senator Allard, has also joined as a co-sponsor.

Senator CAMPBELL. Senator Allard asked to co-sponsor this bill.

Senator WYDEN. Without objection, that will be so ordered.

Senator CAMPBELL. Thank you.

Mr. UDALL. Senator Campbell's remarks I think hit the nail on the head. I would associate myself with those remarks.

I would make one last comment. James Peak, which is the center of the area, is named for Dr. James who was one of the first Anglos to climb Pikes Peak in that first party. His supporters and friends tried to name Pikes Peak James Peak, but Zebulon Pike had already put his marker down, and so we have Pikes Peak named Pikes Peak. But this gentlemen for whom the peak is named was a pioneer and explorer.

Senator CAMPBELL. My ancestors already——

Mr. UDALL. You noticed I said Anglo. But this is what is so great about being in the West and the history we have.

As I listen to all of us westerners talk and far westerners, with all due respect to Oregon, if we just had westerners here, we could solve this PILT problem in about 5 minutes. Senator Craig, I am sure of it.

So, again, I thank you for the hearing and I would urge you and your colleagues to move the House-passed bill, if at all possible, so we could send it to the President for signing into law before the end of the Congress. I think the compromise would hold if we were not able to act in this session of the Congress, but I would not want to take our chances. So, I hope we can move this and move it to the President's desk. I thank you again for allowing me to appear today.

[The prepared statement of Mr. Udall follows:]

PREPARED STATEMENT OF HON. MARK UDALL, U.S. REPRESENTATIVE FROM COLORADO

Thank you, Mr. Chairman. I greatly appreciate your scheduling this hearing on the James Peak bill.

The bill passed the House last year on a voice vote. That could not have happened without the leadership and hard work of my colleague from Colorado, Representa-

tive Scott McInnis, who chairs the Forests and Forest Health Subcommittee. I want to note my great appreciation for what he has done to make it possible for your to be considering the bill today.

I also want to thank our Senior Senator, Senator Campbell, for sponsoring an identical companion measure here in the Senate. I greatly appreciate his initiative and support.

The bill will provide additional protection for a key part of the high alpine environment along Colorado's Continental Divide.

Rising to 13,294 feet above sea level, James Peak is a noticeable feature of this part of the Front Range section of our state. It is a dominant feature in a 26,000-acre roadless area within the Arapaho-Roosevelt National Forest that straddles this part of the Continental Divide.

The James Peak roadless area includes lands within 4 counties. Three—Boulder, Clear Creek and Gilpin—are on the east side of the divide, within Colorado's Second Congressional District, which I represent. The other—Grand County—is on the western side. That county currently is in the Third Congressional District, represented by Mr. McInnis, but will become part of the Second District next year.

The area offers outstanding recreational opportunities for hiking, skiing, fishing, and backpacking.

This is the largest roadless area on the Northern Front Range that has no specific statutory protection—under current law it is open to mining claims, new roads, and other developments that can occur on general national forest lands.

In my opinion, these roadless lands are eminently qualified for and deserve to be added to the National Wilderness Preservation System—and that is the view of many other Coloradans as well.

My predecessor, Representative David Skaggs, introduced a James Peak wilderness bill, but action on it was not completed.

Since my first election to Congress, I have been working to protect the wilderness qualities of the James Peak area. I introduced a bill in the 106th Congress that would have designated about 22,000 acres of the James Peak roadless area as wilderness, including about 8,000 acres in Grand County.

That proposal was designed to renew discussions for the appropriate management of these lands that qualify for wilderness consideration—and that discussion certainly has taken place.

In fact, the bill as now passed by the House has been shaped by nearly two years of discussions with county officials, interested groups, and the general public.

The previous bill had broad support. However, after its introduction, the County Commissioners of Grand County—which includes the western side of the James Peak area—expressed some concerns with the proposed wilderness designation for the lands in that county.

As an alternative, the Grand County Commissioners put forth a suggestion for designation of a "James Peak Protection Area" that would include both the Grand County part of the roadless area and additional lands as well. That suggestion is a key part of the bill approved by the House.

The bill as passed by the House also incorporates a number of other changes that Representative McInnis and I developed through negotiations.

In short, this bill is a compromise—but a good compromise.

It does not do everything I would have liked, but it probably does more than some others would have liked. That is what a compromise is all about.

In particular, it does not designate as much wilderness as I would have preferred on the western side of the James Peak area.

But it also does not preclude the Forest Service from revisiting that issue in the future—and in fact it makes clear that at least part of these lands on the west side will be reviewed for possible wilderness recommendations.

Mr. Chairman, the James Peak area is indeed special. With the continuing pressure of population growth in Colorado, and particularly along the Front Range, I fear that if we do not protect these lands now, we could lose a critical resource for future generations.

So, again, I thank you for scheduling this hearing, and I urge you and your colleagues to move the House-passed bill forward without unnecessary delay so that it can be sent to the President for signing into law before the end of this Session of Congress. I will be glad to respond to any questions.

Senator WYDEN. Let me recognize Senator Campbell.

Senator CAMPBELL. Well, Mr. Chairman, I have worked on a number of wilderness bills and I can tell you that wilderness bills can often be very contentious and difficult when you deal with

Western water and all kinds of things. I do not really have any questions of you, Mark, except to commend you on keeping all those diverse groups at the table. When we were working even on something as simple as upgrading the Black Canyon to national park status, it seemed like every time we would have a meeting, somebody would show up and say, you did not ask me. And we would have to start all over with a new constituency group that was not involved all the foregoing discussions. We would have to almost start over from first base every single time. So, I know it was not easy for you.

Maybe just let me ask you that one simple question. What was the most divisive, difficult thing you had to deal with when you were writing this bill?

Mr. UDALL. Have you got all day?

[Laughter.]

Mr. UDALL. I think certainly the water issues popped up. Whiskey is for drinking. Water is for fighting over. We know that is a true statement, aphorism in the West.

I think, Senator Campbell, getting and keeping everybody at the table and encourage people to continue to talk with each other, to build on that Western tradition which we used to great effect, but we also have a Western tradition of pulling out our six-guns and firing away. We did not do that, and there were plenty of people who would have liked us to have taken that course of action. Calmer heads prevailed in building relationships, and we never mistrusted each other. There was a lot of trust in the process, and I think that is why we reached this point we have reached today.

Senator CAMPBELL. Very good. We will do the best we can.

Senator WYDEN. Send some of the calm heads our way.

[Laughter.]

Mr. UDALL. If I could bottle whatever we were all drinking and send it your way, I will do that, Senator Wyden. We have more work to do in the West, for sure.

Senator WYDEN. I interrupted you, Senator Campbell.

Senator CAMPBELL. No. I was done. Thank you, Mr. Chairman, and thanks, Mark.

Senator WYDEN. Senator Craig.

Senator CRAIG. Congressman, thank you. I too commend you on the compromises struck.

Let me ask a couple of questions because I have been frustrated over the years in the inability of us to bring some wilderness about, and at the same time we saw what happened when we could not take the next step in the RARE II process several years ago. President Clinton then tried to move in a rather sweeping, massive way to deal with the roadless issue, unsuccessfully. I fought him. Others fought him because we did not think that was quite the right way to go. At the same time, we know that these roadless areas beg the question. What are we going to do with them? How are we going to handle them? How are we going to manage them? It is argued by many that we should never enter them, and that idea has a strong support base.

And yet, in this one, you struck an interesting approach as it relates to forest health. I understand that it is true within this that you do allow access to deal with certain forest health kinds of

issues. Probably one of the greater problems we have today is this very substantial fuel buildup on our forest floor, and wilderness has become neat, little, charred, devastated areas, tragically enough sometimes, if we cannot get somewhere with that issue. Address that, would you please?

Mr. UDALL. Thank you, Senator, for pointing out that challenge and I think that opportunity. I have been working on the House side with Congressman McInnis, Congressman Hefley and many others, my cousin, Tom Udall from New Mexico, to look at fuels reduction programs that would create jobs, create healthier forests and avoid what appears to be future catastrophic problems we are going to face. Colorado, as Senator Campbell knows, is in the midst of a very significant drought. We are very worried about what this summer may hold. So, I think we were able to look a little bit at the longer term.

Also, if you look at the Wilderness Act, it does allow for forest health intervention in certain situations. We made that clear to all the parties who were involved, and the legislation also alludes to that opportunity if we need to take advantage of it.

But there is a lot of work we could do, I think, in this crisis to actually make some good results for particularly our rural communities in creating jobs in reducing these fuel loads in the forests and then seeing fire returned in a more natural setting. We all know as westerners fire plays an important role in healthy forests. We just cannot introduce it now because of the enormous fuel loads.

Senator CRAIG. Well, those are wise and important thoughts because I agree with you in that area. At the same time, I think all of us recognize unique areas within our public lands of our States that deserve protection. Yet, because we demonstrated a relative unwillingness to be flexible, it is kind of an either/or, and as a result, we did neither. That has frustrated so many of us and in many ways affected our communities and the economies of those communities. So, offering some flexibility is clearly one thing, and I am glad you were able to find it and strike a compromise in a way that would allow that kind of thing to happen.

Mr. UDALL. Senator, if I might say one other thing. One of the reason I think we were also able to work together was the immense population pressure we are now feeling in the front range area of Colorado. A lot of people believed that we needed to act now.

The good news is in Idaho you do not have quite as many people pushing you up against your mountains as we do.

Senator CRAIG. Not yet.

Mr. UDALL. But they are coming I think.

Senator CRAIG. Yes. They are coming.

Mr. UDALL. Senator Campbell would agree that this was the time particularly in this part of Colorado to act.

Senator CRAIG. Well, when the Forest Service finds that it has to expend more money fire fighting to protect houses than trees, that day has already come to the West, and it is there. Urban/wildland intermingling or face or front that you all experience along the Western range is now very typical across the West, and a frustration to all of us. And you are right. New Mexico has been burning for a month or two. Arizona is afire or has been, and Colo-

rado is well on the way to that. The only good news is we have got a little more moisture this year than last. Maybe we are going to be exempt. We hope so. But at the same time, those problems beg a solution. Thank you.

Mr. UDALL. I hope we will continue to work with you on this side of the Hill to ensure that the Forest Service and the Interior Department are working together, number one, and number two, they are putting these resources and people into that red zone, the wildland/urban interface, because there are some indications that the money and people have not actually been as focused in those areas as we would like. I know you are on the case here and we will stay on the case in the Resources Committee on our side.

Senator CRAIG. That we will. Thank you.

Senator WYDEN. Well, Mark, what you have done—and you can see it—is sort of trigger a discussion about a variety of questions, not just your very good bill, but the whole question of forest health. We had a hearing, really a shocking hearing, a couple of days ago looking at what is going on with respect to the fire plan. What we tried to do is to break the cycle, decades and decades of skewed priorities. We basically have the Federal Government dawdle and not do what needed to be done in terms of restoration and dealing with fuel buildup. Then you would have a huge fire and the Federal Government would rush out and try to deal with it. The Congress on a bipartisan basis, all of the Western Senators to a person, said we have got to be more aggressive in terms of the preventive kind of efforts and put more into fuel reduction and restoration. And yet, we examined budgets just a couple of days ago, and much of the West by a 3 to 1 ratio, more is still being put into just rushing to send patriotic Americans out to fight fires rather than prevention.

Now, we are going to have a forest health effort in this subcommittee before the end of this year. They said we could not do a county payments bill. They said how in the world are Larry Craig and Ron Wyden going to agree on county payments. We said we are going to figure out a way to get there, and we are going to try to do exactly the same thing with respect to forest health. There are a number of good ideas out there. It is clear you have some good ones. Senator Craig has offered a number of very good ones to deal with some of these bizarre bureaucratic hoops and requirements that seem to serve absolutely no purpose whatsoever. Maybe we ought to take steps to deal with thinning and protecting old growth in a kind of balanced effort that you obviously have brought to your legislation, H.R. 1576. So, we will support you on this. Know we are going to call on you as we go forward with a comprehensive forest health effort.

And we will excuse you at this time.

Mr. UDALL. Thank you very much. I appreciate the opportunity to appear before you today. I look forward to working with you.

Senator WYDEN. Our next panel: the Honorable H.T. Johnson, Assistant Secretary for Installations and Environment, U.S. Department of the Navy; Gloria Manning, Associate Deputy Chief for the National Forest System, U.S. Forest Service; Chris Kearney, Deputy Assistant Secretary for Policy and International Affairs, U.S. Department of the Interior; and Larry Finfer, Assistant Director for Communications, Bureau of Land Management, U.S. De-

partment of the Interior; and we also have Mr. Randal Bowman, Special Assistant to the Assistant Secretary for Fish, Wildlife, and Parks of the Department of the Interior.

Why do we not begin with you, Mr. Johnson. I know there is almost a biological imperative to read your statement just word for word, but we will put all of it into the record in its entirety. And if you could just perhaps summarize your main concerns today, just in the interest of time, that would be very helpful.

STATEMENT OF H.T. JOHNSON, ASSISTANT SECRETARY OF THE NAVY (INSTALLATIONS AND ENVIRONMENT), DEPARTMENT OF THE NAVY

Mr. JOHNSON. Thank you, sir. I have no desire to read my statement.

Senator WYDEN. All right. Three cheers for you.

Mr. JOHNSON. We are very pleased to join the other members here in talking about Adak. Adak has been a very important part of the U.S. Navy and we are ready to transfer it back to the Aleuts and also to the Department of the Interior.

We support the Senate bill and the companion House bill. We need these bills to transfer the property. The property we can transfer to the Interior Department, but then they need to transfer it to the Aleuts. We also need the bill to transfer personal property directly to the Aleut Corporation.

We look forward to transferring the properties very quickly. 32,000 acres are ready today to transfer. An additional 15,000 will be ready within a year.

I look forward to answering your questions, Mr. Chairman.

[The prepared statement of Mr. Johnson follows:]

PREPARED STATEMENT OF H.T. JOHNSON, ASSISTANT SECRETARY OF THE NAVY (INSTALLATIONS AND ENVIRONMENT), DEPARTMENT OF THE NAVY

Mr. Chairman and members of the Committee, I am H.T. Johnson, Assistant Secretary of the Navy (Installations and Environment). I appreciate the opportunity to speak to you today on S. 1325.

NAVY SUPPORTS S. 1325 & H.R. 4546

S. 1325 would ratify an agreement signed in September 2000 by The Aleut Corporation (TAC), the Department of the Navy (DON), and the Department of Interior (DoI) to exchange land and related personal property. Similar language is included in Section 2863 of H.R 4546. The differences between the two bills are not significant to the DON, and we would support either one.

This legislation is the critical enabler that would allow Navy to dispose of property that comprised the former Naval Air Facility Adak (NAF Adak), Alaska, which was closed as a result of the 1995 round Base Realignment and Closure (BRAC). It would promote economic reuse of the developed portions of the base by native Alaskans, while enhancing the Alaska Maritime National Wildlife Refuge. I urge your support of this legislation. Its enactment this year will permit timely implementation of the land conveyance it authorizes.

Let me share a bit of background about the Navy's presence at Adak, some details of the transfer agreement, and Navy's efforts to complete environmental cleanup and promote economic reuse.

NAVAL AIR FACILITY, ADAK

Adak Island has been federal property since the United States acquired Alaska from Russia in 1867. Since 1913 it has been a federal wildlife refuge. In 1980, all of Adak Island was included within the Alaska Maritime National Wildlife Refuge established by Congress in the Alaska National Interest Lands Conservation Act (ANILCA), and it remains part of that wildlife refuge today.

Military presence on Adak began during World War II with its use [occupation] as a staging area to mount a counteroffensive to dislodge the Japanese from Attu and Kiska Islands. Navy presence at Adak was officially recognized by Public Land Order 1949, dated August 19, 1959, which withdrew the northern portion of Adak Island, comprising about 76,800 acres, for use by the Navy for military purposes. Notwithstanding that withdrawal, the property remains part of the wildlife refuge. Navy used the base to conduct a variety of Cold War era military activities.

Naval Air Facility Adak was on the list of DoD installations recommended for closure in 1995, and that recommendation became final when Congress did not disapprove the list. The active Navy mission ceased and the base operationally closed in March 1997. Since then, the Navy has been doing environmental cleanup and property disposal activities.

In most cases, closing military bases have been located within or near established communities and the affected local governments usually form a local redevelopment authority to plan and implement reuse. Adak was located in the unorganized borough of Alaska. It was not near to or part of a local community or within the jurisdiction of any political subdivision of the state. The Adak Reuse Corporation (ARC) was organized as a not-for-profit corporation under State of Alaska law, and its membership included a range of interests in the region. The ARC was recognized by DoD as the Adak local redevelopment authority, and continues to act in that capacity.

In carrying out its responsibilities at closing bases, Navy seeks to achieve a number of goals:

- Close bases quickly, but in a manner that will preserve valuable assets to support rapid reuse and redevelopment.
- Give high priority to local economic development when disposing of available real and personal property.
- Put available property to productive use as quickly as possible through leases and conveyances to spur rapid economic recovery and reduce caretaker costs.
- Fast-track environmental cleanup by removing needless delays while protecting human health and the environment.
- Make every reasonable effort to assist the local redevelopment authority in obtaining the available personal property needed to implement its redevelopment plan.
- Coordinate Federal resources to assist community economic recovery.

Navy has worked hard to apply these philosophies to the unique circumstances at Adak. Let me briefly outline what we have done.

LAND EXCHANGE

Early in the closure process, TAC expressed interest in exchanging some of its Alaska Native Claims Settlement Act (ANCSA) real property interests for property at Adak. The DoI sought opportunities to enhance the wildlife refuge. The resulting framework is that the Navy would relinquish the withdrawn lands comprising the former NAF Adak to DoI, who would then convey approximately 47,150 acres on Adak to TAC in exchange for TAC relinquishing an equal amount of TAC Native Land Selections and entitlement under the Alaska Native Claims Settlement Act. In September 2000, DON, DoI and TAC signed an Agreement that sets forth terms and conditions of an eventual exchange under which TAC will obtain title to approximately 47,150 acres of the former Adak military reservation, as well as all of the remaining Navy personal property.

Because Adak is within the wildlife refuge, special legislation from Congress embodied in S. 1325 and H.R. 4546 is needed to convey Adak property to TAC, a nonfederal party, who will use it for non-refuge purposes.

This exchange benefits all parties. The property occupied by the former NAF Adak has well over $1 billion invested in numerous buildings, improvements and personal property associated with its former military mission. Thus, TAC benefits by acquiring all of the developed portions of the island. Everything is in place to stimulate economic reuse, create jobs and establish a community on Adak.

Without the exchange, the property would revert to DoI as a wildlife refuge. However, the developed portion of the base would present a liability for DoI and compromise its value as a wildlife habitat. The exchange benefits Interior by providing it with equivalent wildlife habitat, along with important conservation safeguards on portions of land to be transferred to TAC.

The Navy benefits by terminating the land withdrawal of the largest single portion of BRAC real estate in a manner that enables the remaining infrastructure to be productively reused rather than being demolished at significant additional expense to be suitable for reversion to a wildlife refuge.

U.S. taxpayers benefit by enhancing opportunities for productive use of the infrastructure constructed and supporting personal property acquired at taxpayers' expense, while enhancing the wildlife refuge in Alaska.

ENVIRONMENTAL CLEANUP

In addition to the legislation, completing the conveyance of Adak property to TAC also requires the Navy to clean up environmental contamination and certify that we have taken all remedial action necessary to protect human health and the environment with respect to any hazardous substances. In partnership with the State of Alaska Department of Environmental Conservation (ADEC) and the U.S. Environmental Protection Agency (EPA) we have made great strides toward that goal. Since early 1996 there has been an active Adak Restoration Advisory Board, comprised of interested stakeholder representatives and members of the public, that has been a primary means of sharing information and obtaining public comment on environmental cleanup plans. In April 2000, ADEC and EPA concurred in a Record of Decision that addressed all chemical and petroleum site issues. All of the chemical site remedies, and most of the petroleum site remedies are now in place.

Munitions response at NAF Adak presented a more formidable challenge. Military actions there during World War II held the potential for widespread unexploded ordnance and scattered munitions disposal sites. A project team that includes the Navy, state and federal environmental regulators, as well as, the U.S. Fish and Wildlife Service, TAC, and the Aleutian/Pribilof Islands Association has been addressing unexploded ordnance issues. Extensive ordnance investigations in the main developed "downtown" core areas were completed in 1997 and 1998. Additional investigations of known or suspected World War II era range areas and minefield locations have been carried out since that time. The Navy, with the concurrence of federal and state environmental regulators, signed a Record of Decision in December 2001 for all munitions response work on the property to be transferred to TAC.

I am pleased to report that last month, the Navy issued a Finding of Suitability to Transfer (FOST) for 32,150 acres of the 47,150 acres intended for conveyance to TAC. A FOST for the remaining 15,000 acres intended for conveyance to TAC is planned by early 2003, when Navy expects to complete ordnance investigation and clearance in that area.

In addition to the 47,150 acres proposed for conveyance to TAC, there are approximately 29,650 additional acres in the Adak military public land withdrawal, of which about 25,500 acres are environmentally suitable for transfer now. Navy expects to relinquish its public land withdrawal on that property to U.S. Fish and Wildlife Service at the appropriate time. Navy is still investigating ordnance issues on the remaining 4,150 acres, and Navy will retain that property until it is found to be safe for other uses. Fences and warning signs are in place to control access.

FACILITATING REUSE

The Navy has worked very closely with ARC and TAC to enable reuse to move ahead. When the active military mission ended in March 1997, we contracted with wholly owned subsidiaries of TAC to protect and maintain the facilities and provide services to support Navy environmental cleanup activities. This enabled TAC to become familiar with the facilities and their operation. When that contract ended in September 2000, the Navy funded a grant of $3 million to ARC, administered by the Department of Commerce Economic Development Administration (EDA), to assist in the transition to local operation of the Adak infrastructure in support of reuse. The Congress has provided additional financial support each year.

In June 1998, we entered into a lease with ARC authorizing them to use or sublease virtually the entire developed core of the base. That lease has enabled a number of reuse activities. The Navy and ARC have worked together to "privatize" vessel and aircraft fueling operations, and to commence rental housing operations. ARC subleased space to Adak Seafoods, which subsequently became Adak Fisheries. They began fish processing operations in a waterfront warehouse in early 1999 and continue in operation today, with an on-island workforce that fluctuates seasonally between approximately 50 and 100 people. A public school with grades K through 12 has been operating at Adak since the fall of 1998. There is also a general store serving the needs of the on-island population and visiting ship crews.

The vote to incorporate a new City of Adak was held on April 3, 2001, and affirmed the desire of the Adak community to become Alaska's western-most City. We are working closely with officials of the new City of Adak and they are beginning to take on an important role in this overall transition.

CONCLUSION

We have come a long way. The foundation for success is in place. The partnerships among the stakeholders is the glue that holds it all together, and we appreciate the proactive engagement of the ADEC and Department of Commerce EDA in working with all the parties to help build solutions to the many obstacles encountered along the way. There is still work to do, but the pieces are in place to get there and, most importantly, there appears to be a shared sense of purpose to do what is needed to succeed.

Legislation embodied in S. 1325 and H.R. 4546 is the critical enabler to conveyance and economic reuse of the former NAF Adak. I urge your support for this legislation in this session of Congress.

Thank you, Mr. Chairman and members of the Committee. I am available to respond to any questions you may have.

Senator WYDEN. You get the record for being brief.

[Laughter.]

Senator WYDEN. And I thank you for it.

Let us just go right down the row. Yes, sir.

STATEMENT OF RANDAL BOWMAN, SPECIAL ASSISTANT TO THE ASSISTANT SECRETARY FOR FISH, WILDLIFE, AND PARKS, DEPARTMENT OF THE INTERIOR

Mr. BOWMAN. Thank you, Mr. Chairman. I will also try to be extremely brief. I am representing the Department of the Interior on the Adak legislation.

With the withdrawal of the Navy at Adak, we had a large urban industrial area which could not reasonably be rehabilitated for use as a wildlife refuge. We are, therefore, extremely pleased that we have been able to negotiate a land exchange between the Navy, the Interior Department, and the Aleut Corporation which would provide this land to them for use as a new village in return for their entitlement to wildlife refuge lands of no economic value but considerable wildlife value.

We believe this is a good situation for all parties, and we would urge the committee to move promptly on the legislation. Thank you.

[The prepared statement of Mr. Bowman follows:]

PREPARED STATEMENT OF RANDAL BOWMAN, SPECIAL ASSITANT TO THE ASSITANT SECRETARY FOR FISH, WILDLIFE, AND PARKS, DEPARTMENT OF THE INTERIOR

Mr. Chairman, thank you for the opportunity to testify today on S. 1325, which would ratify a land exchange agreement negotiated between the Federal government and The Aleut Corporation concerning the former Naval Air Facility, Adak, and much of the surrounding military withdrawal on the remote Adak Island in the Aleutian Chain of Alaska.

After five years of negotiations, The Department of the Interior, the Department of the Navy, and The Aleut Corporation signed a land exchange agreement in September of 2000. This Agreement has subsequently been renewed twice. Legislation ratifying the signed agreement is necessary to remove the former Naval Complex from the National Wildlife Refuge system. Legislation would also resolve several legal issues regarding the conveyance of real and personal property.

Adak Island was withdrawn in 1913 as a wildlife preserve and in 1940 designated a National Wildlife Refuge. In 1959, the Secretary of the Interior withdrew and reserved the northern portion of the island for use by the Navy for military purposes in Public Land Order No. 1949. In 1980, the Alaska National Interest Lands Conservation Act incorporated Adak Island, and other refuge islands, as part of the new Alaska Maritime National Wildlife Refuge. The Naval Air Facility, Adak, was operationally closed in March 1997 under the Base Realignment and Closure procedures. The Navy will request revocation of the Public Land Order as the final part of its base closure and cleanup.

At its peak, the Navy-built infrastructure on Adak could support a small city of about 6,000 people. The Naval Complex is also a "Super Fund Site" with more than 96 contaminated sites. The Navy has acknowledged responsibility for cleanup and is currently taking remedial actions. However, it is unlikely that the intensively used area could be suitably rehabilitated for use as a wildlife refuge.

After the base closure announcement was made, The Aleut Corporation offered to exchange a portion of its Alaska Native Claims Settlement Act entitlement, elsewhere in the Aleutian Islands, for the northern portion of Adak Island occupied by the Naval Complex. With the exception of cemetery and historic sites, Adak Island was not available for selection under the 1971 Alaska Native Claims Settlement Act.

The outline of a basic exchange agreement was negotiated by the Fish and Wildlife Service, the Navy and The Aleut Corporation in December 1996. This agreement involved an unequal value exchange of about 47,000 acres of The Aleut Corporation's Alaska Native Claim Settlement Act entitlement for an equal number of acres including the improvements on the Adak Naval Complex. Negotiations were complex and required the resolution of issues such as indemnification, long-term responsibility for demolition and cleanup of the buildings not needed for reuse, actual exchange boundaries, the status of the Fish and Wildlife Service's administrative facilities on Adak and The Aleut Corporation's desire for an immediate master lease on Adak to start reuse prior to completion of an exchange agreement. In March of 1998, a hearing was held before the Senate Committee on Energy and Natural Resources. Several weeks after the hearing the Navy announced they had discovered archival evidence from World War II of additional unexploded ordnance (UXO). The discovery stalled negotiations and started a intensive ordnance and explosives cleanup on the island.

In September 2000, with ordnance and explosives cleanup underway and several significant issues regarding exchange boundaries resolved, the Parties signed an exchange agreement. This agreement has been renewed twice and is currently valid until December 31, 2002. Additionally, The Aleut Corporation is trying to establish viable businesses and a community on the island. The city of Adak was incorporated as a second-class city by the State of Alaska in spring of 2001. In March 2002, the Navy announced that the last uniformed Navy personnel had left the island. The Navy has recently signed a Finding of Suitability for Transfer for 32,150 acres of lands included in the agreement. Cleanup will continue this summer on the remainder (15,000 acres) of the exchange lands and presumably a Finding of Suitability for Transfer for this remainder can be finalized in 2003. It should be noted that the decision point for the Aleut Corporation in the signed agreement is 90 days after EPA concurs with the Finding of Suitability for Transfers signed by the Navy for the remainder of the exchange lands.

By our actions over the last seven years, the Service has clearly demonstrated our commitment in helping The Aleut Corporation reuse the former Adak Naval Air Facility. We are willing to have lands with improvements on Adak removed from the Alaska Maritime National Wildlife Refuge in exchange for undeveloped land elsewhere in the Aleutians. We want the community of Adak to succeed. Like the Aleuts, the Alaska Maritime National Wildlife Refuge has a long-term commitment in the Aleutians. For years, the Navy presence on Adak facilitated our management activities in the Aleutians. We maintain a refuge subunit headquarters on the island and have used Adak as a resupply port for our 120 foot research vessel. We will continue working in the Aleutians and with the community of Adak.

We recognize both The Aleut Corporation's desire to profitably convert the considerable infrastructure on Adak to a successful new community as well as their reluctance to expose their corporation to financial risk. Therefore The Aleut Corporation, not the Federal Government, must make their final decision as to whether a land exchange involving Adak is in the best interest of the corporation and its shareholders.

In the end a land exchange involving national wildlife refuge lands must also benefit, or at least not harm, the National Wildlife Refuge system. Therefore, we support the approach S. 1325 takes of ratifying a completed exchange agreement between the Federal Government and The Aleut Corporation. We have negotiated a good agreement that gives The Aleut Corporation considerable land and facilities on Adak in exchange for their entitlement to other Aleutian islands valuable as wildlife habitat.

Senator WYDEN. This is very good. This is going to be the shortest panel in history.

Let me welcome Ms. Gloria Manning.

STATEMENT OF GLORIA MANNING, ASSOCIATE DEPUTY CHIEF, NATIONAL FOREST SYSTEM, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Ms. MANNING. Unfortunately, I am not going to be quite as short. I have three bills to give the Department's view. I am Gloria Manning, the Associate Deputy Chief of the National Forest System.

The first one I would like to talk about is S. 1139, conveying land to Lander County, Nevada for cemetery use. The Department does not object to making additional Federal lands available to Lander County for cemetery use. We have already conveyed 1.25 acres of land to the county. We did that in August 2000 for $500.

We are required to get fair market value, and we feel that we have enough legislation to be able to convey the land to Lander County. We were, in August 2000, under the impression the county had all of the land it needed for the cemetery. In the 1.25 acres of land, only a half acre was needed for the graves, and the .75 acre was for future expansion and for parking. And if the county needs additional land, we are willing to work with them to convey the land within our authority to them.

Senator CAMPBELL. Mr. Chairman, could I interrupt just for a moment? I have a conflict and have to leave, but I need to ask unanimous consent to introduce a statement for the record by Senator Murkowski.

Senator WYDEN. Without objection.

[The prepared statement of Senator Murkowski follows:]

PREPARED STATEMENT OF HON. FRANK H. MURKOWSKI, U.S. SENATOR FROM ALASKA

I am pleased that in today's subcommittee hearing we are addressing a number of the miscellaneous bills that have been pending before the Committee. I hope that we will continue to move forward expeditiously in clearing many of these important bills for further action by the Senate.

S. 454, which would provide permanent funding for the Bureau of Land Management Payment in Lieu of Taxes program, is legislation that is badly needed in the rural parts of our country, including Alaska.

During the 106th Congress, we took action to temporarily address the funding shortage under the 25% revenue sharing program by passing the Secure Rural Schools and Community Self-determination Act of 2000 which was sponsored by my colleagues on this Committee, Senators Craig and Wyden. Now we need to step back up to the plate and address the chronic shortfall under the PILT program.

I would add a cautionary note, however. We need to consider carefully what is the best way to address this matter. We have Budget and Appropriations committees whose responsibility is to integrate programs like this one with other funding needs across the country.

Turning to Alaska, I appreciate Chairman Wyden's willingness to include S. 1325 in today's hearing. S. 1325 ratifies an agreement between the Department of the Navy, the United States Fish and Wildlife Service and the Aleut Corporation to exchange lands within the Alaska Maritime National Wildlife Refuge.

Since 1901, there has a been a military presence on the island of Adak, far out in the Aleutian Chain. In 1959, the Naval Station at Adak was established by a military withdrawal of nearly half the island. The withdrawal made Adak unavailable for selection by the Aleut Corporation when it was formed under the Alaska Native Claims Settlement Act of 1971.

The Naval Complex was closed in 1997 as a result of the Defense Base Closure and Realignment Act of 1990. Since that time, the Navy, the Fish and Wildlife Service and the Aleut Corporation have been in negotiations to decide the disposition of the lands and property. They were able to craft a solution that is beneficial to all parties and signed an agreement in September of 2000.

In summary, the agreement provides for 47,150 acres to be conveyed to the Aleut Corporation. In return, the Aleut Corporation will relinquish an equal number of acres of its prioritized selections. In addition, the Aleut Corporation will irrevocably prioritize its land conveyance schedule and relinquish over-selections according to

a specific, established timetable. Lands relinquished by the Aleut Corporation and lands associated with the Naval Complex not conveyed to the Aleuts would return to refuge management under the FWS.

This bill is win-win-win. The Navy, the Fish and Wildlife Service and the Aleut Corporation all come out ahead. I understand there is no known opposition to getting this deal completed. I had the opportunity to visit Adak two years ago and was amazed at the infrastructure on the island. I am glad to have the witnesses from the Navy and the Department of the Interior here today to discuss this legislation and I look forward to hearing their testimony.

Again, I appreciate the willingness of the Subcommittee Chairman to allow me to include a full Committee item in today's hearing. I regret we could not have scheduled two other measures that these same witnesses could have provided testimony for.

Senator CAMPBELL. Thank you. Thank you, Ms. Manning.

Ms. MANNING. As I said, just to reiterate, we are willing to work with the town to identify additional needs and work with conveying land to them within our authority.

The next two bills I would like to talk about are S. 1711 and H.R. 1576, designating the James Peak Wilderness and Protection Areas. The Department does not object to either bill. We feel, however, that under our present management and authority, we can provide a lot of the protection that is required under this bill, but we do not object to your making a formal designation for the acreage.

With that, I am available for questions.

[The prepared statement of Ms. Manning follows:]

PREPARED STATEMENT OF GLORIA MANNING, ASSOCIATE DEPUTY CHIEF, NATIONAL FOREST SYSTEM, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to appear before you today. I am Gloria Manning, Associate Deputy Chief for National Forest System, USDA Forest Service. I am here today to provide the Department's views on three bills: S. 1139, a bill to direct the Secretary of Agriculture to convey certain lands to Lander County, Nevada for continued cemetery use and S. 1711 and H.R. 1576, bills to designate the James Peak Wilderness and James Peak Protection Area in the Arapaho and Roosevelt National Forests.

S. 1139 CONVEY CERTAIN LAND TO LANDER COUNTY, NEVADA FOR CONTINUED USE AS A CEMETERY

In summary, Section 1 of S. 1139 requires the Secretary through the Chief of the Forest Service to convey to Lander County, Nevada, for no consideration, all right, title, and interest of the United States in and to the 10 acres of National Forest System land known as Kingston Cemetery.

In accordance with Public Law 85-569, the Townsite Act, we have already conveyed 1.25 acres of land (on which the cemetery is located) to the Town of Kingston for $500 on August 1, 2000. At the time of the conveyance, the Town of Kingston indicated the 1.25 acres encompassed all known marked and unmarked gravesites. The Town of Kingston also indicated that the 1.25 acres was adequate to accommodate their future expansion needs. Specifically, all of the gravesites were accounted for within a half acre fenced area that the 1.25 acres encompassed. The additional .75 acres were intended for parking and anticipated expansion of the current cemetery.

If new unmarked gravesites have been discovered or the needs of the Kingston Cemetery have changed and are in the public interest, we would be supportive of making additional Federal lands available to the county or city for fair market value and granting the county an easement to maintain the access road to the cemetery as a county road.

If Lander County is not willing to pay fair market value to purchase this land, we would be willing to consider authorizing its current and future use of this land under a special-use permit authorization.

The Department does not object to making additional Federal lands available to Lander County, Nevada in S. 1139, but the Department believes that the Forest Service can meet the objectives of Section 1 of this legislation under its current stat-

utory authorities that would allow it to convey National Forest System lands to Lander County for land or fair-market value in cash.

For example, under the Townsite Act, the Secretary of Agriculture may convey, for fair market value, up to 640 acres of land to established communities located adjacent to National Forests in Alaska or the contiguous western states. Within certain limits, the Sisk Act authorizes the Secretary of Agriculture to exchange lands with states, counties, or municipal governments or public school districts for lands or money.

Moreover, under the General Exchange Act, the Secretary of Agriculture can exchange National Forest System lands with State and local governments. These laws require the Secretary of Agriculture to obtain fair market value for exchanges or sales of National Forest lands. Indeed, the Federal policy, in recent decades has moved toward obtaining a fair return to the public for the value of lands conveyed out of Federal ownership.

S. 1711/H.R. 1576 TO DESIGNATE THE JAMES PEAK WILDERNESS AND PROTECTION AREA

The Department does not object to S. 1711 and H.R. 1576, bills that would designate the James Peak Wilderness and the James Peak Protection Area in the Arapaho and Roosevelt National Forests in Colorado.

In summary, S. 1711 and H.R. 1576 designate a wilderness area and a protection area. In addition, S. 1711 and H.R. 1576 address acquisition of State and private lands within the protection area, direct the Forest Supervisor to construct a trailhead in the Fall River basin, and provide for technical assistance to local governments in repairing Rollins Pass Road.

Both bills would designate approximately 14,000 acres of land within the Arapaho and Roosevelt National Forests as the James Peak Wilderness and add approximately 2,232 acres of the Arapaho and Roosevelt National Forests known as the Ranch Creek Addition to the Indian Peaks Wilderness.

Another 963 acres of the Arapaho and Roosevelt National Forests, known as the Fourth of July Addition, would also be added to the Indian Peaks Wilderness.

The bills would designate 16,000 acres of the Arapaho and Roosevelt National Forests as the James Peak Protection Area. Except as otherwise provided in the legislation, this area would be managed consistent with the direction established in the 1997 Revised Land and Resource Management Plan (LRMP) for the Arapaho and Roosevelt National Forests.

In addition, the bills require the Secretary to:

- Review and inventory all roads and trails in the Protection Area, no later than 2 years after the date of enactment, and restrict the use of motorized and mechanized travel to designated routes within the Protection Area.
- Make recommendations to Congress concerning the suitability of lands within the Special Interest Area for inclusion in the National Wilderness Preservation System.
- Conduct a study, not later than three years after funding, of the suitability and feasibility of establishing a loop trail for mechanized and other non-motorized recreation connecting Rogers Pass and Rollins Pass road. If the study indicates suitability and feasibility, the Secretary shall establish the loop trail;
- Prepare a report concerning the status of negotiations and acquisition of inholdings within the Protection Area. The Secretary may only acquire inholding within the Protection Area on a willing seller basis.
- Establish a trailhead in the Fall River basin and assign personnel to manage the use of National Forest System land in the Fall River basin south of the communities of Alice and St. Mary's Glacier, and prepare a report to Congress identifying the funding needed to implement this section.

S. 1711 and H.R. 1576 further state that the designation of wilderness areas and the Protection Area shall not establish buffer zones around those areas. The bills also direct the Secretary, upon request, to provide counties technical assistance and otherwise cooperate with respect to repairing Rollins Pass road. If repairs are completed, the Secretary is to close to motorized travel the roads and trails shown on the Rollins Pass road and trail closure map.

The 1997 Revised Land Management Plan recommended wilderness designation for the Ranch Creek Addition and Fourth of July Addition to the Indian Peaks Wilderness. The proposed James Peak Wilderness was not recommended for wilderness designation in the forest plan.

In addition, the forest plan provides direction under which concerns regarding travel management and dispersed recreation use can be addressed in the Rollins Pass, Rogers Pass, and Fall Creek basin areas.

While we believe the LRMP sufficiently protects the resource values in the proposed James Peak Wilderness and Protection Areas, we do not object to the additional designations contained in the bills.

CONCLUSION

This concludes my statement; I would be happy to answer your questions.

Senator WYDEN. Thank you.

Mr. Finfer.

STATEMENT OF LARRY FINFER, ASSISTANT DIRECTOR FOR COMMUNICATIONS, BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

Mr. FINFER. Thank you, Mr. Chairman. I am here to testify on S. 1139, S. 1497, and H.R. 2385, and S. 1907.

The Department of the Interior supports each proposal, but would like the opportunity to work with the sponsors of the bills and the committee on minor and technical amendments.

S. 1139 provides for the conveyance of two cemeteries in Nevada. I will confine my comments to section 2 of the bill and defer to the Forest Service on section 1.

We support section 2 which provides for the conveyance of Maiden's Grave Cemetery near Beowawe, Nevada to Eureka County. Approximately 10 acres would be conveyed and maintained as a cemetery. In addition, the BLM would be required to grant access. We would like the opportunity to work with Senator Reid and the committee to address minor technical issues, including modifications to the reversionary clause, timing on the transfer of the lands, access route, and mineral estate.

S. 1497 and the identical H.R. 2385 as passed by the House allow the Secretary to award a grant to the city of St. George, Utah for up to $500,000 for the acquisition of 10 acres on private land on which dinosaur tracks have been discovered. The grant will allow the city to purchase the land in order to preserve it and protect it for the public. The administration supported with amendments H.R. 2385 last year.

We would like the opportunity to work with Senator Hatch and the committee to resolve some minor technical issues, including map revisions, and our recommendation to consider several additional alternatives for financial assistance, for example, the establishment of a nonprofit foundation perhaps involving the State, the county, and the city of St. George to leverage and partner resources to help maintain the site.

S. 1907 directs the Secretary of the Interior to convey, without payment, to the city of Haines, Oregon a 40-acre parcel adjacent to its landfill. The intent of the legislation is to provide Haines with a source of topsoil as cover material for the landfill and allow for its closure. We support the bill.

In order to make the conveyance as smooth as possible, we would like the opportunity to work with you, Mr. Chairman, with Senator Smith and the committee on minor technical amendments such as a more precise map to avoid any confusion over the exact parcel to be transferred.

Mr. Chairman, although these bills involve diverse resources in different places, our support for them is based on a common

thread, that is simply the desire to be a good neighbor and to work with our community partners.

That concludes my testimony, Mr. Chairman.

[The prepared statement of Mr. Finfer follows:]

PREPARED STATEMENT OF LARRY FINFER, ASSISTANT DIRECTOR FOR COMMUNICATIONS, BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

Thank you for the opportunity to testify on section 2 of S. 1139 regarding the conveyance of a cemetery to Eureka County, Nevada, S. 1497 and H.R. 2385 to provide for the protection of dinosaur footprints in St. George, Utah and S. 1907 to convey a parcel of land to the city of Haines, Oregon. The Department of the Interior supports S. 1497, H.R. 2385, S. 1907 and section 2 of S. 1139 as it affects the Bureau of Land Management, but would like the opportunity to work with the sponsors of the bills and the Committee on minor and technical amendments.

S. 1139

S. 1139 provides for the conveyance of two cemeteries in Nevada to Lander and Eureka counties. I will confine my comments to section two of the bill and defer to the Forest Service on section one. The BLM supports section two of S. 1139 which provides for the conveyance of the "Maiden's Grave Cemetery" near Beowawe, Nevada (*Bay-o-wah'-wee*) to Eureka County, Nevada. Approximately 10 acres would be conveyed to the county which would maintain the area as a cemetery. In addition, the Bureau of Land Management (BLM) would be required to grant access to the cemetery across adjacent public land.

"The Maiden's Grave" is the final resting place of Lucinda Duncan who on August 15, 1863, died on her way to the gold and silver fields of Nevada. Mrs. Duncan at 71 was "the mother of the wagon train" which consisted largely of her seven surviving children, their spouses and a multitude of grandchildren. Following her death, the wagon train held a ceremony and their leaving was memorialized by a member of the party:

> ". . . we paid our last debt & respect to the remains of the departed mother. There upon that wild & lonely spot, we left her, until Gabriel shall sound his trumpet in the last day. The scene was truly a sad one to leave a beloved mother on the wild and desolate plains. A board with the name of the deceased was put up at the head & boulder was laid over the grave to keep wolves from scratching in it. After this the train moved on."

Today, the site continues to receive occasional burials. Therefore, it is considered a "modern cemetery" and does not qualify for the National Register of Historic Places. The BLM, through its planning process, has identified the cemetery as suitable for disposal and the county has indicated a strong interest in taking responsibility for this parcel.

This transfer would meet the unique needs of the county and is supported by the BLM's local field managers. We appreciate this opportunity to work cooperatively with local interests to the betterment of the community.

We would like the opportunity to work with Senator Reid and the Committee to address technical issues including: modifications to the reversionary clause, clarification of timing on the transfer of the lands, specificity on the access route, and to assure that the mineral estate is conveyed along with the land.

S. 1497 AND H.R. 2385

S. 1497 and the identical H.R. 2385 as passed by the House, allow the Secretary of the Interior to award a grant to the City of St. George, Utah of up to $500,000 for the acquisition of 10 acres of private land on which dinosaur tracks have been discovered. The grant would allow the city to purchase this land in order to preserve and protect it for the public. The Administration supported, with amendments, H.R. 2385 in July of last year.

The discovery of these tracks within the City of St. George is unique and represents a potential focus for local interpretive and preservation efforts. The State of Utah has some of the most concentrated and significant paleontological resources of any region of the country.

The Administration stands ready to assist in the implementation of this project to protect these rare resources in partnership with local community partners in St. George. We recognize the significance and importance of these dinosaur tracks to the community and the residents of Washington County. We applaud their efforts

to secure these tracks and protect them from further disturbance and deterioration so that they might be shared with the public.

The BLM would like the opportunity to work with Senator Hatch and the Committee to resolve a few specific issues including map revisions and other minor matters.

Section c(2)(A) of S. 1497 provides for additional financial assistance grants to the City to protect and manage the dinosaur tracks site. We recommend the consideration of several alternatives for financial assistance so as not to impede existing programs and their funding levels in the BLM's St. George area, while still providing for appropriate management of the dinosaur tracks site. For example, the establishment of a non-profit foundation, perhaps involving the State of Utah, Washington County, and the City of St. George to leverage and partner resources is an option. In addition, other forms of assistance through private and public grants, including the Secretary's new Cooperative Conservation Initiative (CCI), may provide numerous resources for providing for the long term operations, maintenance, and educational interpretation of the site.

S. 1907

S. 1907 directs the Secretary of the Interior to convey, without payment, to the City of Haines, Oregon a 40 acre parcel of land adjacent to the Haines, Oregon landfill. The intent of the legislation is to provide Haines with a source of topsoil as cover material for the landfill and allow for its closure, the BLM supports the bill.

This 40 acre parcel of BLM land has been identified for disposal by the BLM in the June 1998 Northeast Oregon Assembled Land Exchange final environmental impact statement. The 40 acre site is immediately adjacent to the Haines landfill and is largely isolated. Under current law, the BLM would be required to charge full market value, and therefore the legislation is needed. The BLM believes that this is a worthwhile proposal which allows the BLM to be a good neighbor.

In order to make this conveyance as smooth as possible, we would like the opportunity to work with Senators Smith and Wyden and the Committee on a technical amendment to address speedy transfer of the lands. In addition, in order to avoid any confusion over the exact parcel of land to be transferred, we request that the legislation be modified at markup to reference a new map created to specifically address this transfer. We believe that this will reduce confusion and assure proper transfer of the intended parcel to the City of Haines, Oregon.

CONCLUSION

Thank you for the opportunity to testify on these three bills. I am happy to answer any questions the members of the Committee may have.

Senator WYDEN. Very good.

Mr. Kearney.

STATEMENT OF CHRIS KEARNEY, DEPUTY ASSISTANT SECRETARY FOR POLICY AND INTERNATIONAL AFFAIRS, DEPARTMENT OF THE INTERIOR

Mr. KEARNEY. I will try to conclude on a positive note and be brief as well, Mr. Chairman.

Mr. Chairman, I am pleased to have the opportunity today to testify on S. 454, a bill to make the Bureau of Land Management's Payments in Lieu of Taxes program and the Fish and Wildlife Service's Refuge Revenue Sharing program mandatory. The administration strongly supports the PILT and RRS programs and views them as high priorities, but the administration is strongly opposed to S. 454 because it would force the Federal Government to either raise taxes or cut into other programs that are integral to the President's budget.

The President's fiscal year 2003 budget request demonstrates our commitment to PILT. The administration requested $150 million for fiscal year '02, and this year the administration is requesting $165 million, an increase of $15 million that is more in line with historical PILT funding levels.

The Refuge Revenue Sharing Act, as amended, was enacted in 1935. It authorizes payments to be made to offset tax losses to counties in which the U.S. Fish and Wildlife Service fee and withdrawn public lands are located. Counties can use the funds for any governmental purpose and can pass through the funds to lesser units of local government within the county that experiences a reduction of real property taxes as a result of the existence of Service fee lands within their boundaries. Counties with Service lands that are withdrawn from the public domain continue to receive 25 percent of the receipts collected from the area and paid under the provisions of the PILT Act.

I would like to note that many of the same concerns we have expressed regarding PILT funding hold true for RRS funding as well. Moreover, we believe it would be prudent to take another look at the PILT and RRS formulas, authorization levels, and other issues including those raised in the Department's report to Congress dated January 11, 1999 before considering such a significant action as converting these payments to permanent mandatory payments.

In conclusion, the administration recognizes that these payments are important to local governments, often compromising a significant portion of their operating budget. The PILT and RRS monies have been used for critical functions such as local search and rescue operations, road maintenance, law enforcement, schools, and emergency services. These activities are often undertaken in support of people from around the country who visit or recreate on Federal lands. The BLM and the Fish and Wildlife Service and all of us at the Department look forward to continuing to work cooperatively with communities on these important issues.

This concludes my statement. I will be happy to answer any questions.

[The prepared statement of Mr. Kearney follows:]

PREPARED STATEMENT OF CHRIS KEARNEY, DEPUTY ASSISTANT SECRETARY FOR POLICY AND INTERNATIONAL AFFAIRS, DEPARTMENT OF THE INTERIOR

Mr. Chairman and members of the Committee, I am pleased to have the opportunity to testify today on S. 454, a bill to make the Bureau of Land Management's (BLM) Payments-in-Lieu of Taxes (PILT) Program and the Fish and Wildlife Service's Refuge Revenue Sharing (RRS) Program mandatory. The Administration strongly supports the PILT and RRS programs and views them as high priorities, but the Administration is strongly opposed to S. 454 because it would force the Federal Government to either raise taxes or cut into other programs that are integral to the President's budget.

BACKGROUND

The PILT Act (P.L. 94-565) was passed by Congress in 1976 to provide payments to local governments in counties where certain Federal lands are located within their boundaries. PILT is based on the concept that these local governments incur costs associated with maintaining infrastructure on Federal lands within their boundaries but are unable to collect taxes on these lands; thus, they need to be compensated for these costs. The payments are made to local governments in lieu of tax revenues and to supplement other Federal land receipts shared with local governments. The amounts available for payments to local governments require annual appropriation by Congress. The BLM allocates payments according to the formula in the PILT Act. The formula takes into account the population within an affected unit of local government, the number of acres of eligible Federal land, and the amount of certain Federal land payments received by the county in the preceding year. These payments are other Federal revenues (such as receipts from mineral leasing, livestock grazing, and timber harvesting) that the Federal Government transfers to the counties.

The President's FY 2003 budget request demonstrates our commitment to PILT. The Administration requested $150 million for FY 2002 for PILT, and this year the Administration is requesting $165 million, an increase of $15 million that is more in line with historical PILT funding levels. Although the FY 2003 budget request appears to indicate a downward trend, I would point out that most counties (and their respective states) also receive significant and growing benefits from Federal lands. Many of the counties that receive PILT funding receive other Federal payments that have recently or will soon increase substantially. For example, the Secure Rural Schools and Community Self-Determination Act passed in 2000 provides for permanent payment of an additional roughly $110 million annually to western Oregon counties—approximately the amount the counties received during the mid-1980s peak of timber production in the Northwest. I would also point out that the Federal government covers many of the costs that the counties would otherwise incur if the land were not in Federal ownership.

The Refuge Revenue Sharing Act (16 U.S.C. 715s), as amended, was enacted in 1935. It authorizes payments to be made to offset tax losses to counties in which U.S. Fish and Wildlife Service (FWS) fee and withdrawn public domain lands are located. The original Act provided for 25 percent of the net receipts from revenues from the sale or other disposition of products on 2 refuge lands to be paid to counties. The Act was amended in 1964 to make it more like the payment-in-lieu of tax program. The new provisions distinguished between acquired lands that are purchased by the Service and lands that are withdrawn from the public domain for administration by the Service. For fee lands, the counties received 3/4 of 1 percent of the adjusted value of the land or 25 percent of the net receipts, whichever was greater, with the value of the land to be reappraised every 5 years. They continued to receive 25 percent of the net receipts collected on the withdrawn public domain lands in their county.

The Act was amended again in 1978 in order to provide more equitable payments to counties with lands administered by the Service within their boundaries. The method used to determine the adjusted cost of the land acquired during the depression years of the 1930's (using agricultural land indices) resulted in continuing low land values compared to the land prices that existed in 1978. Also, other lands that were purchased during periods of inflated land values were found to be overvalued. The Congress decided that the payments did not adequately reflect current tax values of the property. It also recognized that national wildlife refuges are established first and foremost for the protection and enhancement of wildlife and that many produce little or no income that could be shared with the local county.

In the 1978 amendments, Congress chose to distinguish between lands acquired in fee and lands withdrawn from the public domain, by recognizing that the financial impact on counties tends to be greater when lands are directly withdrawn from the tax rolls, rather than when the refuge unit is created out of the public domain and has never been subject to a property tax. The formula adopted then, and still in effect, allows the Service to pay counties containing lands acquired in 3 fee the greater of: 75 cents per acre, 3/4 of 1 percent of the fair market value of the land, or 25 percent of the net receipts collected from the area. If receipts are insufficient to satisfy these payments, appropriations are authorized to make up the difference.

Counties can use the funds for any governmental purpose, and can pass through the funds to lesser units of local government within the county that experience a reduction of real property taxes as a result of the existence of Service fee lands within their boundaries. Counties with Service lands that are withdrawn from the public domain continue to receive 25 percent of the receipts collected from the area and are paid under the provisions of the PILT Act.

I would like to note that many of the same concerns we have expressed regarding PILT funding hold true for RRS funding as well. Moreover, we believe that it would be prudent to take another look at the PILT and RRS formulas, authorization levels and other issues including those raised in the Department's report to Congress dated January 11, 1999, before considering such a significant action as converting these payments to permanent mandatory payments.

CONCLUSION

The Administration recognizes that these payments are important to local governments, often comprising a significant portion of their operating budgets. The PILT and RRS monies have been used for critical functions such as local search and rescue operations, road maintenance, law enforcement, schools, and emergency services. These activities are often undertaken in support of people from around the country who visit or recreate on Federal lands. The BLM and the FWS look forward to continuing to work cooperatively with the communities on these important issues.

Mr. Chairman, this concludes my prepared statement. I would be pleased to answer any questions that you or the other members may have.

Senator WYDEN. Let me, before we go to questions, recognize my friend and colleague for any opening statement he would like to make.

STATEMENT OF HON. GORDON SMITH, U.S. SENATOR FROM OREGON

Senator SMITH. Thank you, Mr. Chairman. I am pleased to be here in the spirit of our bipartisan working relationship to talk about a bill that you and I have jointly authored. It is S. 1907. It was mentioned briefly by one of your witnesses. It is about providing conveyance of 40 acres of land from the Bureau of Land Management to the city of Haines, Oregon.

For those of you who have never been to Haines, Oregon, you are not alone. Very few people have. It is a great little town, beautiful by any measure, with a great steakhouse too. So, you would be welcome there I am sure.

The city of Haines is required by the Oregon Department of Environmental Quality to establish a closeout plan for its landfill located just outside of town. This plan must outline specific closure activities that will take place over the next 50 years as the landfill reaches its natural terminus. One of the closure specifications includes coverage of the existing refuse site with 3 feet of topsoil.

However, given the lack of topsoil available to the city on its own, the city must seek large quantities of topsoil off site. Purchase and transportation costs of off-site topsoil are estimated to be in excess of $125,000, an unattainable sum of money for a city populated by fewer than 500 citizens.

Adjacent to the Haines landfill is a 40-acre parcel owned by the Bureau of Land Management that offers the city the topsoil it needs and eliminates a significant amount of transportation costs.

While the city of Haines has worked extensively with staff from the BLM to identify an existing administrative program through which the parcel land could be turned over to the citizens of Haines, I have been informed that no such program has been found.

In 1999, Congress passed the Northeast Oregon Land Exchange Act to allow the BLM to engage in several land exchanges. Specifically, small parcels of BLM acreage have been targeted for sale to interested parties in an effort to streamline land management operations.

The 40 acres adjacent to the Haines landfill is specified as one of these small parcels for exchange. However, due to the delays and funding shortfalls, the appraisal work necessary for the property to be released for purchase is not scheduled to be completed at any time in the near future.

As you know, Mr. Chairman, our home State of Oregon is currently struggling with a faltering economy. Without a question, the hardest hit areas of our State are in small towns such as Haines. Those citizens can hardly afford to pay the high costs of topsoil purchase and transportation needed for their landfill.

The closing of this landfill is an important waste management project that must be planned to ensure full compliance with health, safety, and environmental standards in the region.

This legislation enables the Federal Government to be a good neighbor to an Oregon town that needs its help.

I might also add that it is this type of legislation that serves as a reminder that no matter how small a town or how seemingly distant from Washington, D.C., it is never too small or too distant to have its case heard and good government delivered.

Thank you, Mr. Chairman, for your support of our bill.

Senator WYDEN. Well said. I share all of the sentiments you have offered today, and we will be having some questions for Mr. Finfer here in a moment.

Let me begin, if I might, with you, Mr. Kearney. The Payment in Lieu of Taxes program, in the eyes of so many westerners, is about fairness. It is an attempt to compensate the rural counties for having nontaxable Federal lands within the boundaries.

Now, you oppose S. 454, the legislation that would fully fund PILT, and you have been citing a 1999 Department of the Interior report. The way I read the report, however, it makes the case for Mr. Bingaman's bill, and it essentially undercuts your opposition to full funding of PILT. Let me see if I can get your reaction on it.

The report says that even if PILT plus Revenue Sharing was fully funded, the counties on average would get less than half the property taxes that they otherwise would have received if Federal land was taxable. So, in other words, your report—not something that Senator Bingaman or I wrote, but your report—says to me that even if PILT was fully funded, as S. 454 provides, rural counties would still not be fairly compensated in this country.

So, explain to me, if you would, how your report supports your position rather than Senator Bingaman's because when I take that report down, I say, shoot, I am going to use the administration's argument to make the case for what Chairman Bingaman wants to do.

Mr. KEARNEY. My understanding, Mr. Chairman, of the elements of that report is that it was examining a congressional direction and evaluation of the equities associated and whether or not the formula associated under the current program was adequate and sufficient to ensure the dollars were going to the counties, as appropriate. So, the context in which I am recommending a review of it, based on my understanding by the experts who prepared it and had it submitted at the time, was in the context of evaluating the existing formula, and that the formula itself, within the context of the current process, a discretionary process, needed to be evaluated.

Senator WYDEN. The funding formula has not changed.

Mr. KEARNEY. Right.

Senator WYDEN. I think you are getting into a completely different issue. I will tell you, as I read this 1999 report, if I were in your shoes, I would not be waving it around too much because I think it makes Senator Bingaman's case and not yours.

Mr. KEARNEY. I understand.

Senator WYDEN. Who within the administration made the decision to oppose full funding of PILT?

Mr. KEARNEY. It is the administration's position as reflected in the statement. So, it is the administration as a whole. There is not an individual. It is the Bush administration's position.

Senator WYDEN. Well, but somebody must be taking the lead there. I think the President of the United States is kind of busy these days, and I do not imagine that he has been involved in all the details. Was this the chief or OMB? Somebody had to take the lead on it.

Mr. KEARNEY. This is the Department of the Interior testifying on behalf of the administration. It is the administration's position and it is submitted in that context.

Senator WYDEN. On implementation of the program, the money for PILT is appropriated at the beginning of each year, but when we look at the payment sheets, it indicates that the Federal Government does not transfer the money to localities until the end of each fiscal year. So, given again that these funds are just a lifeline for local governments, why the delay in giving the money out?

Mr. KEARNEY. It is something that we have looked at and know that is a concern. To be honest, I cannot remember precisely, but we are either about to or have disbursed dollars for this fiscal year, for '02. So, we are doing it ahead of the end of the fiscal year, and we recognize that is a problem.

Senator WYDEN. That sounds constructive.

I will just tell you I strongly support Senator Bingaman's bill. I think it is the right thing to do. But as with everything else, there may be other ways to do it.

Will you all go back and get to looking at how we make sure we get a fair shake to the West on this? I will tell you, we look at some of what is spent on subsidy programs in this country. I look even at what is spent in terms of tobacco subsidies. I mean, you can go program after program, and it just seems to me that this is pretty modest in terms of the national budget and the overall level of Federal spending. I would like to see us work together to break the cycle.

I will tell you also this has been true in Democratic administrations as well. Nobody is saying anything else. But I would like to see us break the cycle here. We have been able to do it in other areas. That is what the county payments bill was all about. I commend Secretary Veneman and Secretary Norton for how they have handled the county payments bill. They have been very responsive and have followed through on everything that Senator Craig and I have sought as the sponsors of the legislation. I think we ought to try to do it on this PILT issue as well.

The fact that you are going to get the money out earlier, that is certainly a constructive step, but I think we have got to do a lot more than that.

Mr. KEARNEY. Yes, sir, Senator.

Senator WYDEN. Mr. Finfer, on to Haines. As you could tell, Senator Smith and I feel strongly about it. You have said that you want to work with us on a technical amendment involving the speedy transfer of land. We are anxious to speed it up. What do you want to have in this technical amendment? What do you want to see be brought into this?

Mr. FINFER. Mr. Chairman, I think we could probably work on an amendment that would direct with some precision a time frame in which the transfer might take place or perhaps something on that order. This is a situation we are anxious to help you resolve.

Senator WYDEN. So, you think we can come up with an approach that will speed up the transfer and that it should not be too hard to do.

Mr. FINFER. That would be our hope and expectation, yes.

Senator WYDEN. Well, let us get your people together with the folks from the committee and Senator Smith's folks and ours, and let us get this done.

Mr. FINFER. Yes, sir.

Senator WYDEN. All right, let us see. A question for you, Mr. Johnson. The president of the Aleut Corporation said that the corporation is not willing to take on the management of the airport on Adak Island. He said he is working with the Navy and the State of Alaska to make other arrangements to allow the transfer to proceed.

Can you tell us about these arrangements and the situation with respect to the airport management and whether that is going to cause any problems?

Mr. JOHNSON. First of all, we recognize the need for the airport for Adak to be successful. So, we all accept that.

The Department of Defense is working with the various agencies that would use the airport, including the Aleut organization, to figure out how best to have it operated and paid for. The State Transportation Commissioner in Alaska has agreed to operate it, but would like funding, of course. So, we are trying to find a common ground on how best to fund it.

Senator WYDEN. Now, you also mention in your testimony that in addition to the 47,150 acres proposed for conveyance to the corporation, there are approximately 29,650 additional acres in the Adak military public land withdrawal, of which about 25,500 acres are environmentally suitable for transfer now.

Do you envisage that this 25,500 acres will at some future date be conveyed to the corporation in another exchange?

Mr. JOHNSON. At the current time, we plan to transfer 32,000, which is ready now, and an additional 15,000 which will be ready next year. The others are scheduled to be transferred to Interior, and they may want to transfer it on, but that is not in the current plans.

Senator WYDEN. I guess what I am wondering is this going to be the beginning and there will be another piece of legislation needed. What is your sense?

Mr. JOHNSON. We believe this piece of legislation will be sufficient. I gave you a copy of what we are talking about, which is very interesting.

Senator WYDEN. That is very helpful. We saw that.

Okay, Senator Craig. I am sorry, Frank. Excuse me. I did not look over. Excuse my bad manners. Senator Murkowski.

Senator MURKOWSKI. No problem, Senator. Obviously I did sneak in. I was down at another hearing and I apologize to my Alaska colleagues. I want to thank you for holding the hearing and accommodating our witnesses.

Have you both been to Adak?

Mr. JOHNSON. I have not. The gentleman behind me has. I have been to Shemya, but not Adak.

Mr. BOWMAN. I have not, sir.

Senator MURKOWSKI. Well, I have and it is a very interesting place. The Navy simply left it. It is kind of startling to go down a little street and see the Golden Arches unlit but there. It is kind of startling to go in to the school and see a brand new school that is called the Ann Stevens, named after Senator Stevens' wife who was killed in the aircraft accident in Anchorage several years ago, and see the swimming pool with water in it ready for a dip. Very, very eery. A community that housed 6,000 naval personnel and their dependents.

It is an area where the weather can get tough. The wind blows and you know it blows. The only way you can monitor air pollution there is to hang the monitoring device directly over the exhaust of the diesel generation because 80- and 90- and 100-mile winds are not uncommon at all.

What we have here, Mr. Chairman, is a native regional corporation who sees this as an opportunity to try and develop an economy using this resource. The economy is pretty much associated with fishing because that is all that they really have as a potential resource. It is kind of off the chart from the standpoint of tourism but has an extraordinarily adequate runway and facility. The problem, of course, is the cost of maintaining it while you try and stabilize it to support.

It has been suggested by some as kind of a—and this might appeal to some members—prison, only you would not have to do anything more than to fly the prisoners in and supply them. It would establish its own hierarchy. You know, those that were more dominant, the A types, would dominate the B types and so forth. You would probably have few repeat violators. There is no way to get off the island because you might swim, but you are not going to get very far. And others have said, no, that will turn into a Devil's Island. So, as far as pursuing that alternative, it was abandoned because I guess the human race has advanced now so we do not treat prisoners and let them kind of treat themselves.

But in any event, the idea of the regional corporation taking this over, with the help of the Federal Government, is the best of all solutions. We are anxious to work with the Aleut Corporation in their effort to try to take this excess resource of the Federal Government and utilize it in a productive way, providing employment for their people. So, I am pleased that you would accommodate the opportunity to bring this before the committee.

I would suggest that in the future, try to get some witnesses who have been out there, and I do not mean that demeaningly, but we are always interested in promoting a little hotel and air travel business in our State.

[Laughter.]

Senator WYDEN. I will work very closely with you, Senator Murkowski, on it. I think I may pass on the prison component and send that to Senator Leahy and the Judiciary Committee. But we will be working very closely with you on it and know this is an important priority.

Senator MURKOWSKI. Well, there might be some of the hard-nosed conservatives on the Judiciary Committee that might just support the idea.

Senator WYDEN. It may well be. Perhaps me.

[Laughter.]

Senator MURKOWSKI. Thanks.

Senator WYDEN. Thank you.

We will excuse you then. Unless any of you would like to add anything further, we will excuse you at this time. Thank you.

All right. Let us have the Honorable Janet Porter, chair of the NACo Rural Action Caucus, Reserve, New Mexico.

STATEMENT OF JANET S. PORTER, TREASURER, CATRON COUNTY, NM, ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTIES

Ms. PORTER. Good afternoon. Mr. Chairman and distinguished members of the subcommittee, my name is Janet Porter. I am the elected county treasurer from Catron County, New Mexico. I am here today representing the National Association of Counties, the New Mexico Association of Counties, and my community of Catron County.

It is also my privilege to serve as the chair of NACo's Rural Action Caucus, a bipartisan coalition of over 1,500 rural elected officials striving to improve conditions in rural counties across America.

I thank you for holding this hearing today, and I wish to also extend great thanks to my Senator, Chairman Bingaman, for sponsoring S. 454, the PILT and Refuge Revenue Sharing Permanent Funding Act. It is landmark legislation and it should be enacted without delay.

Mr. Chairman, I am confident that members of the subcommittee are all familiar with the Payment in Lieu of Taxes, PILT. Indeed, I am happy to note that 12 of the 17 members of this subcommittee recently joined 55 other Senators from both parties in signing a letter to the Interior appropriators supporting the increased PILT funding. This shows your understanding of the importance of these dollars to the over 1,800 counties which rely on them. We thank you for your strong support in the face of a disappointing budget request from the Department of the Interior.

However, for the record, though we are grateful for any increased appropriation, we view incremental increases as simply a stop-gap measure. PILT should not be seen as another spending program in the Bureau of Land Management and it should not have to compete with the worthwhile conservation programs within the Interior and related agencies appropriations bill. The citizens of America's public lands counties deserve to see PILT funded at its full authorization, and they deserve it on a permanent basis.

Mr. Chairman, the people of the United States own 62 percent of my county. With the passage of the PILT Act in 1976, the people by an act of Congress acknowledged their fiscal obligation to the counties that contain Federal land.

Shamefully since then, those payments have been delinquent year after year. Since 1995, no Department of the Interior budget has ever requested more than half of PILT's authorized amount,

and no Congress has ever appropriated more than two-thirds of the authorized amount. Even at full funding, PILT would yield only pennies on the dollar compared to what the land would yield were it privately owned and on the tax rolls.

Mr. Chairman, under New Mexico law, I am the property tax collector for the county, for the Village of Reserve, our two independent school districts, and other taxing agencies within Catron County. This means that if a private property owner fails to pay his taxes due, it is my responsibility to try to collect it on behalf of the county and the other institutes that depend on those revenues. If after 3 years the landowner still fails to pay his delinquent taxes, the State of New Mexico takes over and sells the property at public auction to settle the debt. Why? Because all property owners have to pay their fair share to support the basic functions of local government.

Why should the hardworking people of Catron County have to subsidize public services on Federal lands through higher property taxes? This is a disgrace.

NACo President and fellow New Mexican, Santa Fe County Commissioner Javier Gonzales recently said that he views this as a simple matter of economic justice. It is unjust that a landowner be stripped of his property for failing to pay the county the full assessed amount when the county's richest and most powerful landowner gets to decide unilaterally how much to pay. The Federal Government should pay the amount due in full every year. Period.

Mr. Chairman, if I may, I would like to take a moment to respond to one of the concerns we have heard about this measure. Some longtime champions of PILT are also principal fiscal conservatives with an aversion to mandatory spending or entitlements. To them we respectfully submit that in our view true conservatism requires paying for needs before spending on wants. Unfortunately, no administration has ever shown this kind of fiscal responsibility when it comes to meeting the national obligation to the Federal lands counties.

Confident that our friends in Congress would take care of us, successive administrations have requested lavish funding for all kinds of politically popular programs, leaving you on the Hill to do the unpopular heavy lifting. And while many of you on the subcommittee have championed this cause over the years, the time has come to take PILT off the table. I repeat the Federal Government should pay the amount due in full every year. Period.

Thank you, Mr. Chairman, for the opportunity to testify. I would be happy to respond to any questions you may have.

[The prepared statement of Ms. Porter follows:]

PREPARED STATEMENT OF JANET S. PORTER, TREASURER, CATRON COUNTY, NM, ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTIES

Mr. Chairman and distinguished members of the Subcommittee, my name is Janet Porter and I am the elected County Treasurer for Catron County, New Mexico. I am here today representing the National Association of Counties (NACo), the New Mexico Association of Counties and my community of Catron County.

I thank you for holding this hearing today, and I also wish to thank my Senator, Chairman Bingaman, for sponsoring S. 454, the "PILT and Refuge Revenue Sharing Permanent Funding Act". It is landmark legislation and should be enacted without delay.

Mr. Chairman, I am confident that members of the subcommittee are all familiar with the Payment in Lieu of Taxes (PILT) program. The program was conceived in 1976 to offset costs incurred by counties for services provided to federal employees and their families, and to the users of the public lands. These include education, solid waste disposal, law enforcement, search and rescue, health care, environmental compliance, fire fighting and other important community services.

I am happy to note that twelve of you recently joined 55 of your Senate colleagues from across the political spectrum and across the country in signing a letter to the Interior appropriators which shows your understanding of the importance of PILT to America's public lands counties. In that letter you argued for moving PILT toward its fully authorized funding level.

As you know, NACo actively promoted the effort to secure those signatures and will continue to seek enhanced funding in the course of the FY 2003 appropriations process. We thank you for your strong support.

However, for the record, we view incremental appropriation increases as a short-term, stop-gap measure. PILT is not just another spending program in the Bureau of Land Management budget. It should not have to compete with worthwhile conservation programs within the Interior Department. The citizens of America's public lands counties deserve to see PILT funded at its full authorization. And they deserve it on a permanent basis.

Allow me to explain.

Mr. Chairman, the people of the United States own 62% of Catron County. And since the passage of the PILT Act in 1976, when the people, by an act of Congress, acknowledged their fiscal obligation to the counties that contain federal land, the payment has been delinquent, year after year.

Since 1995, no Department of the Interior budget has ever requested more than half of PILT's authorized amount, and no Congress has ever appropriated more than two-thirds of the authorized amount.

Mr. Chairman, I use the word delinquent deliberately. Under New Mexico law, I am the property tax collector for the County, the Village of Reserve, our two independent school districts, and the other taxing agencies within Catron County. This means that if a private property owner fails to pay the taxes due, it is my responsibility to try to collect it on behalf of the county and the other local government entities that depend on those revenues. If, after three years the land owner still fails to pay his delinquent taxes, the State of New Mexico takes over and sells it at public auction to settle the debt.

Why? Because all property owners have to pay their fair share to support the basic functions of local government.

Why should the hard-working people of Catron County have to subsidize public services on federal lands through higher property taxes? It is unconscionable.

NACo president and fellow New Mexican, Santa Fe County Commissioner Javier Gonzales said recently that he views the passage of S. 454 as "a simple matter of economic justice." It is unjust that a private land owner be stripped of his property for failing to contribute to the county treasury when the county's richest and most powerful land owner does the same with impunity year after year.

The federal government should pay the amount due in full every year, with no questions asked.

Mr. Chairman, though we may differ on specific resource management issues, counties do not want to privatize the federal lands. NACo recognizes that our National Forests, National Parks, BLM lands and National Wildlife Refuges do indeed belong to all Americans and that all Americans have a stake in their conservation for the generations to come. The point is that with rights come responsibilities. We believe that fully funding PILT is one such responsibility.

Senator WYDEN. Thank you, Ms. Porter. That is very helpful testimony.

How do you respond to the suggestion in the administration's testimony that counties do not need an increase in PILT appropriations because some Federal revenue sharing programs are increasing?

Ms. PORTER. The Federal revenue sources that are increasing, those receipts are actually taken into consideration with the formula for PILT. The revenue sharing dollars offset PILT. As they go up, PILT money comes down.

Senator WYDEN. How do you respond to the administration's testimony that it supports PILT and Refuge Revenue Sharing based on its budget requests for fiscal year 2002 and fiscal year 2003?

Ms. PORTER. Well, sir, we find that to be an insult. What we would like to see is more money where the administration throws around some of the popular phrases nowadays.

The proposed $165 million for fiscal year 2003 is actually a huge cut. It is a cut of $45 million. It will require raising local property taxes in rural communities or deep cuts in local services. Balancing the Federal budget is on the backs of the citizens of public lands counties. In New Mexico, we are required to operate under a balanced budget each year. If we do not receive the full funding for PILT, we must increase our local property taxes.

Senator WYDEN. Well, you have done an excellent job. As you know, we westerners have a big job in terms of educating people in other parts of the country. They do not have the same Federal ownership. We are talking about communities where the Federal Government owns well over 50 percent of the land. Of course, we don't have those funds to sell as private property which would generate revenue and would go to pay for services. If you are, say, from one of the States in New England where there is very little Federal ownership, they sell private property to pay for basic services and probably look at what we consider a lifeline as something, well, the West is just getting something extra.

But you have made the case in a very eloquent way that that is not at all what transpires. We are prepared to be fiscally disciplined as we deal with these issues, and you have described how you do that on the local level. But we also expect the Federal Government to be a decent partner and a respectable partner. So, I think you have reflected very well on the people of your State of New Mexico and spoken for westerners overall in my opinion.

As you could tell, I am very sympathetic to Senator Bingaman's bill. If we cannot get that, we are going to dig in with the administration and do our best to significantly increase the resources that all of you have at the local level.

Would you like anything further? Go ahead.

Ms. PORTER. I just wish to thank this committee for the support that they have offered Senator Bingaman and for all of the counties. This is not just a western issue. However, we are the largest recipients of the money because we do have more Federal acreage, but it is a national cause. We do appreciate your support. Thank you for this opportunity to testify.

Senator WYDEN. We are glad you are a spokesperson for a very deserving cause.

With that, the subcommittee is adjourned.

[Whereupon, at 3:47 p.m., the hearing was adjourned.]

APPENDIX

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

STATEMENT OF VINCENT M. TUTIAKOFF, SR., PRESIDENT, THE ALEUT CORPORATION

The Aleut Corporation (TAC) is the Alaska Native Regional Corporation established under the Alaska Native Claims Settlement Act (ANCSA) for the Aleutian Islands region of Alaska. We have over 3,125 Aleut shareholders for whom we manage our lands and resources and seek to provide for the economic, social and cultural well being thereof. For the past six years TAC has worked towards the fulfillment of our goals of re-establishing a local community on Adak and the re-use of its unique assets for the benefit of our Aleut shareholders. We are now approaching the end of this lengthy and complex process and TAC wholeheartedly supports S. 1325 and urges the Committee and the Senate to pass this legislation so that we move forward with implementation of the Adak Land Transfer Agreement.

Adak falls within the boundaries of the Alaska Maritime National Wildlife Refuge, but that is not how most think of it. For fifty years Adak stood alone, literally and figuratively, as an active naval installation in the center of the North Pacific and part of the front line of our national defense. It was a large, active and relatively independent military community. When TAC made its ANCSA land selections Adak was not available due to the defense withdrawal and the wildlife refuge status, despite the fact that the Aleut people had a long history of use of and presence on Adak. So when the decision was made to close Adak as a military facility, TAC was naturally interested in reclaiming it for our shareholders. Moreover, the same attributes that made Adak useful as a defense site also make it attractive in terms of commercial economic activity. Commercial reuse of Adak would provide employment to many Aleut people and will serve the economic welfare of all of our shareholders. At the same time, the infrastructure on Adak would be inimical to the Department of the Interior's mission and obligation to manage the property as part of the wildlife refuge. Thus, a transfer of Adak to TAC would benefit not only TAC, but the United States as well.

In September 2000, TAC, the Navy and the Department of the Interior signed the "Agreement Concerning the Conveyance of Property at the Adak Naval Complex" (Adak Transfer Agreement) with the Navy and the Department of the Interior. Under the Agreement the Navy and Interior will lift the military withdrawal from most of the island. As a result, approximately 75,000 acres will revert back to the jurisdiction of the Department of the Interior and the U.S. Fish and Wildlife Service. The Department will then transfer the "Adak Exchange Lands" (about 47,000 acres) to TAC in exchange for an equal number of TAC's ANCSA selections elsewhere in the Refuge. TAC's selections included in this exchange are on 13 small Aleutian islands also located within the boundaries of the Alaska Maritime National Wildlife Refuge. These are spectacular undeveloped islands alive with wildlife, and we clearly understand why the Department of the Interior wishes to absorb them into the Refuge. Through this exchange TAC will acquire property it can put to work expediently. By trading its selections for the Adak base TAC also can put its ANCSA entitlements to work without creating new land use conflicts within the Refuge.

Although final transfer of Adak cannot occur until after the legislation before the Committee is enacted, as of October 1, 2000, responsibility for the day-to-day operation and management of Adak and its facilities fell to TAC and the Adak Reuse Corporation (ARC), the local reuse authority established under the base closure laws. ARC manages the island under an umbrella lease from the Navy. The new City of Adak was established by ballot initiative in April of last year and it is gradually assuming responsibility for the public facilities and infrastructure from ARC.

This arrangement has enabled us to begin to realize the commercial possibilities that arise from Adak's location and infrastructure, primarily by opening opportunities that previously were not available in Alaska. These activities call into play the

island's seaport, airport, fuel facilities, housing, medical and recreation facilities. Earlier this year Icicle Seafood began operating a year-round processing facility on Adak and since then has processed more than 18 million pounds of cod and one million pounds of crab. This is all new business for Alaska because other Aleutian ports are several sea days further east of Adak and the extra distance made an Alaskan port impractical for many vessels.

AEC Fuels has taken over operation of what is the largest bulk fuel farm in southwestern Alaska and is providing fuel to other communities and commercial interests in the region. Adak also offers a unique platform for scientific research activities in the North Pacific and we are actively promoting Adak as an excellent destination for experiencing marine life, for bird watching, and for military history buffs. In short, the possibilities for Adak are becoming more real each day.

There is still one potential obstacle to the transfer and reuse of Adak and that concerns the airport. The Adak airfield has two (2) 7,800 feet jet runways and is equipped with ILS and other navigational aids. It is used or relied upon as a critical backup by the Navy, the Air Force, the Coast Guard, the Air National Guard, the Federal Aviation Administration, the Fish and Wildlife Service and numerous other public and private interests. It is also, along with the establishment of a viable City government and the fishery-based economic activity, a crucial ingredient for the successful reuse of Adak. However, TAC is not in a position to take on the financial costs and risks of operating an airport. Nor should we have to do so, as no other community in Alaska is dependent upon a privately owned airfield. We have been working with the Navy and the Alaska Department of Transportation and Public Facilities on a solution whereby the Adak airport can be made part of the State system, if the State can be provided with federal funds to support its operation during a relatively short transition period. While we are confident that such a resolution can be achieved it is essential that we do so in order to be able proceed with a final transfer.

The legislation before the Committee would ratify the Adak Transfer Agreement including all the terms and conditions thereof. It would also do several things that are incorporated in the Agreement, but for which there is no current legal authority. The most important of these is to authorize the Navy to transfer all of the personal property on Adak to TAC so that it will pass with the real estate. Congressional authority is also necessary to remove the Adak Exchange Lands from the Refuge by modifying the boundaries thereof, to clarify that those lands are not subject to the restrictions of Section 22(g) of ANCSA, and to deem the public easement requirements of Section 17(b) of ANCSA as satisfied. Finally, the bill ensures that the property tax treatment of the exchange is consistent with other ANCSA land exchanges. It is our hope that this can be expanded to also provide income tax treatment similar to what has been extended to other ANCSA land exchanges as well. In short, we need the legislation so as to effectuate fully all of the terms and conditions for the transfer and reuse of Adak.

On behalf of TAC I want to thank all the members of our Alaska congressional delegation for their support and assistance of the Adak transfer and reuse effort. I particularly want to thank Senator Murkowski for his leadership in sponsoring this enabling legislation.

We at TAC realize that we have taken on an enormous task and it has been a great challenge. Furthermore, it is not yet complete and more hard work will be necessary. However, we have a come a very long way in just six years. The successful and beneficial reuse of Adak is well underway. Enactment of this legislation is the key remaining step towards complete fulfillment of a transfer that will benefit not only TAC and the Aleut people, but the diverse interests of the United States, as well. For that reason we urge the Committee to pass S. 1325.

April 10, 2002.

Hon. ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: I am writing in support of Senate Bill S. 1497, a proposal to establish the Virgin River Dinosaur Footprint Preserve, at a locality near the city of St. George, Utah. Acquisition and protection of this site is of high importance to the science of vertebrate paleontology. The locality preserves multiple rock surfaces, each bearing exceptionally well-preserved dinosaur footprints, spread out over an area of more than ten acres. Studies of these trackways, which include skin impressions and extremely rare traces of swimming animals, promise to yield significant new insight into dinosaur appearance, locomotion, ecology, and behavior.

In addition, in the two years since its discovery, the site has already received more than 300,000 visitors from over 80 nations it is clearly an educational resource that should be protected for the public.

Thank you very much for your time and consideration.

Sincerely,

MATTHEW C. LAMANNA,
University of Pennsylvania.

April 10, 2002.

Hon. ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: As Editor for the Jurassic Park Institute, an educational program funded by Universal Studios and Amblin Entertainment, I am constantly exposed to the need for the preservation of important and accessible paleontological sites. It is rare that children have an opportunity to learn from something that interests them, and dinosaurs provide a unique tool for capturing the imagination of children while teaching them real science.

I have visited the St. George site many times and I am amazed at the constant stream of visitors to this remarkable assembly of fossil footprints. Its proximity to a major interstate highway offers an especially attractive incentive to create a permanent public exhibit. I have seen not only the awe and excitement of the general public when they visit, but I have also witnessed the excitement and enthusiasm of the scientists who have studied these fossils.

I urge you to support S. 1497 and preserve this site for the many millions of people who will visit over the years.

Sincerely,

JOE IACUZZO,
Jurassic Park Institute,
Paleo Consulting, LLC.

April 24, 2002.

Hon. ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: I am writing to express my support for Senate Bill S. 1497, which allocates funds for preserving the Virgin River Dinosaur Footprint Preserve. This is a truly remarkable site, with some of the best-preserved three-toed dinosaur footprints in the world, as well as a diverse biota of fishes, plants, and invertebrates. The Virgin River tracksite constitutes a paleoecological snapshot from a short interval of time early in the reign of the dinosaurs. Apart from its scientific importance, the site will undoubtedly be a significant educational resource for the region, as well as a major tourist attraction.

The dinosaur footprints are so significant that I have obtained casts of some of them for my university's research and teaching collection. A site this important doesn't turn up every day, and I urge you to act to preserve it.

Thank you for your consideration.

Sincerely,

JAMES O. FARLOW, PH.D.,
University of Indiana/Purdue,
Professor of Geology.

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