

FALLON RAIL FREIGHT LOADING FACILITY TRANSFER ACT

MARCH 6, 2002.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HANSEN, from the Committee on Resources,
submitted the following

R E P O R T

[To accompany H.R. 1870]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 1870) to provide for the sale of certain real property within the Newlands Reclamation Project in Nevada, to the city of Fallon, Nevada, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Fallon Rail Freight Loading Facility Transfer Act”.

SEC. 2. CONVEYANCE TO THE CITY OF FALLON, NEVADA.

(a) CONVEYANCE.—

(1) IN GENERAL.—Subject to subsections (b) and (c), the Secretary of the Interior shall convey to the city of Fallon, Nevada, all right, title, and interest of the United States in and to approximately 6.3 acres of real property in the Newlands Reclamation Project, Nevada, generally known as “380 North Taylor Street, Fallon, Nevada”, and identified for disposition on the map entitled “Fallon Rail Freight Loading Facility”.

(2) MAP.—The map referred to in paragraph (1) shall be on file and available for public inspection in—

(A) the offices of the Commissioner of the Bureau of Reclamation; and

(B) the offices of the Area Manager of the Bureau of Reclamation, Carson City, Nevada.

(b) CONSIDERATION.—

(1) IN GENERAL.—The Secretary shall require that, as consideration for the conveyance under subsection (a), the city of Fallon, Nevada, shall pay to the United States an amount equal to the fair market value of the real property, as determined—

(A) by an appraisal of the real property, conducted not later than 60 days after the date of enactment of this Act by an independent appraiser approved by the Commissioner of Reclamation and paid for by the city of Fallon, Nevada; and

(B) without taking into consideration the value of any structures or improvements on the property.

(2) CREDIT OF PROCEEDS.—The amount paid to the United States under paragraph (1) shall be credited, in accordance with section 204(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(c)), to the appropriate fund in the Treasury relating to the Newlands Reclamation Project, Nevada.

(c) LIABILITY.—The conveyance under subsection (a) shall not occur until such data as the Commissioner of Reclamation certifies that all liability issues relating to the property (including issues of environmental liability) have been resolved.

PURPOSE OF THE BILL

The purpose of H.R. 1870 is to provide for the sale of certain real property within the Newlands Project in Nevada, to the city of Fallon, Nevada.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 1870 will transfer 6.3 acres of Department of the Interior property within the Newlands Project in Nevada, to the City of Fallon, Nevada.

The City of Fallon has 8,700 residents and is located approximately 70 miles east of Reno, Nevada. Since 1984, the City has leased 6.3 acres of property from the Bureau of Reclamation in the downtown area. The City, State, South Pacific Railroad, and Department of Transportation use this land as a rail freight yard and loading facility. These entities have collectively invested more than \$1 million in the facility.

In January 2000 the City's lease from the Bureau expired. In negotiating to renew the lease, the Bureau introduced a new lease provision regarding hazardous material impacts on and beyond the boundaries of the leased property. The City would not agree to the new provision. After a period of strained negotiations, the Bureau, on April 2, 2001, informed the City it had terminated its rights under the lease as of January 31, 2001, and allowed for a one year period to remove all structures and improvements on the property.

An agreement has now been reached between the City of Fallon and the Bureau of Reclamation that a transfer of this lot to the City, to be compensated at fair market value, is in the best interest of both parties. The property is no longer needed by the Bureau, and such a transfer would secure the ongoing use of the property by the City of Fallon.

COMMITTEE ACTION

H.R. 1870 was introduced on May 16, 2001, by Congressman Jim Gibbons (R-NV). The bill was referred to the Committee on Resources, and within the Committee to the Subcommittee on Water and Power. On December 10, 2001, the Subcommittee held a field hearing on the bill in Las Vegas, Nevada. On February 14, 2002, the Subcommittee met to mark up the bill. Congressman Ken Calvert (R-CA) offered an amendment in the nature of a substitute to clarify fair market value and how to credit the proceeds of the sale. The amendment was adopted by unanimous consent. The bill was then ordered favorably reported to the Full Committee by unanimous consent. On February 27, 2002, the Full Resources Committee met to consider the bill. No further amendments were of-

ferred and the bill as amended was ordered favorably reported to the House of Representatives by unanimous consent.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

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

CONSTITUTIONAL AUTHORITY STATEMENT

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

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

2. Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in tax expenditures. According to the Congressional Budget Office (CBO), enactment of this bill would affect offsetting receipts but that this effect would be "negligible".

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

4. Congressional Budget Office Cost Estimate. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 5, 2002.

Hon. JAMES V. HANSEN,
*Chairman, Committee on Resources,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1870, the Fallon Rail Freight Loading Facility Transfer Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Julie Middleton (for federal costs), and Majorie Miller (for the state and local impact).

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

H.R. 1870—Fallon Rail Freight Loading Facility Transfer Act

H.R. 1870 would direct the Secretary of the Interior to convey 6.3 acres of real property in the Newlands Reclamation Project to the city of Fallon, Nevada. As a condition of the conveyance, all liability issues, including environmental liability, would need to be resolved. In addition, the city would have to pay the fair market value of the property, minus the value of existing structural improvements. The proceeds of the sale would be credited to the Newlands Reclamation Project fund and would be available for future construction costs, subject to appropriation action.

CBO estimates that enacting H.R. 1870 would have no significant effect on the federal budget. Based on information from the Bureau of Reclamation and the city of Fallon, CBO estimates that the federal government would receive about \$330,000 from the sale of the lands. This amount represents a 1995 appraisal of the property adjusted for inflation. According to the Bureau, the transfer of title to the property would take place by the end of fiscal year 2003. Currently, the Bureau receives income of \$15,000 to \$18,000 a year from the Premier Chemical Company for the use of a loading facility located on the property. Because enacting H.R. 1870 would affect offsetting receipts (a form of direct spending), pay-as-you-go procedures would apply, but CBO estimates that the impact on direct spending would be negligible.

H.R. 2984 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. The conveyance authorized by this bill would be voluntary on the part of the city of Fallon, as would any associated costs.

The CBO staff contacts for this estimate are Julie Middleton (for federal costs), and Marjorie Miller (for the state and local impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

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

CHANGES IN EXISTING LAW

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