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REPORT
110–461

# RELEASE OF REVERSIONARY INTERESTS IN CERTAIN RAILROAD LANDS

DECEMBER 4, 2007.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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

# R E P O R T

[To accompany H.R. 2246]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 2246) to validate certain conveyances made by the Union Pacific Railroad Company of lands located in Reno, Nevada, that were originally conveyed by the United States to facilitate construction of transcontinental railroads, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. RAILROAD LANDS DEFINED.**

For the purposes of this Act, the term "railroad lands" means those lands within the City of Reno, Nevada, located within portions of sections 10, 11, and 12 of T.19 N., R. 19 E., Mount Diablo Meridian, Nevada, that were originally granted to the Union Pacific Railroad under the provisions of the Act of July 1, 1862, commonly known as the Union Pacific Railroad Act.

**SEC. 2. RELEASE OF REVERSIONARY INTEREST.**

Any reversionary interests of the United States (including interests under the Act of July 1, 1862, commonly known as the Union Pacific Railroad Act) in and to the railroad lands as defined in section one of this Act are hereby released.

Amend the title so as to read:

A bill to provide for the release of any reversionary interest of the United States in and to certain lands in Reno, Nevada.

69–006

## PURPOSE OF THE BILL

The purpose of H.R. 2246, as ordered reported, is to release any reversionary interest of the United States in and to certain lands in Reno, Nevada.

## BACKGROUND AND NEED FOR LEGISLATION

The Union Pacific Railroad operates a rail line passing through downtown Reno, Nevada. The rail corridor was created across federal land in the 19th century to facilitate development of a transcontinental rail system and settlement of the western United States. The grant to the railroad includes a requirement that the land revert back to federal ownership if it ceases to be used for rail purposes.

The City of Reno has undertaken a massive project to move approximately two miles of the rail line into a concrete trench constructed alongside the existing track to improve safety and traffic flow through downtown. As part of the project, the railroad apparently conveyed a portion of the right of way to the City for construction of the trench. It is not clear whether Union Pacific had authority to make such a conveyance given the federal reversionary interest.

H.R. 2246 as introduced would validate the conveyances made as part of this project "to the extent that the conveyances would have been valid had the land involved in the conveyances been held by the Union Pacific Railroad Company in absolute or fee-simple title at the time of the conveyances." The bill also releases the federal reversionary interest to the City of Reno.

## COMMITTEE ACTION

H.R. 2246 was introduced on May 9, 2007 by Representative Dean Heller (R–NV). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on National Parks, Forests and Public Lands. The Subcommittee held a hearing on the bill on October 23, 2007. On November 11, 2007, the Subcommittee was discharged and the Full Natural Resources Committee met to mark up the bill. Subcommittee Chairman Grijalva offered an amendment in the nature of a substitute narrowing the bill to simply release any reversionary interest the Federal Government may have had in the specific parcels at issue. The Grijalva substitute was adopted by unanimous consent. H.R. 2246 was then ordered favorably reported to the House of Representatives by unanimous consent.

## SECTION-BY-SECTION ANALYSIS

### *Section 1. Railroad lands defined*

Section 1 defines the term "railroad lands" as used in H.R. 2246 to refer to specific parcels within the City of Reno granted to the Union Pacific Railroad in 1862.

### *Section 2. Release of reversionary interest*

Section 2 releases any reversionary interest held by the Federal Government to the railroad lands described in Section 1.

## COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

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

## CONSTITUTIONAL AUTHORITY STATEMENT

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

## COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a 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 revenues or tax expenditures.

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

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

*H.R. 2246—A bill to provide for the release of any reversionary interest of the United States in and to certain lands in Reno, Nevada*

H.R. 2246 would release a reversionary interest held by the United States in certain lands located in Reno, Nevada. (Under a reversionary interest, ownership of land that has been disposed of by the federal government may revert to it in certain situations, such as abandonment of the property by a new owner.)

Based on information provided by the Bureau of Land Management, CBO estimates that enacting H.R. 2246 would have no effect on the federal budget, including revenues or direct spending. The United States does not currently own the property affected by the bill and is unlikely to exercise its reversionary interest in the future. The property consists of portions of several land parcels in Reno, Nevada, originally granted to the Union Pacific Railroad and later sold to the city.

H.R. 2246 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 CBO staff contact for this estimate is Deborah Reis. The estimate was approved by Theresa Gullo, Deputy Assistant Director of the Budget Analysis Division.

COMPLIANCE WITH PUBLIC LAW 104–4

This bill contains no unfunded mandates.

EARMARK STATEMENT

H.R. 2246 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e) or 9(f) of rule XXI.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

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

CHANGES IN EXISTING LAW

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

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