would have no effect on 1997 spending and that there would be a future savings to current law if this bill is passed. I think we need to look carefully at really the background of this case, as Congressman DOOLITTLE and Congressman HASTINGS have set forth. This was a settlement agreement by the administration, the administration that the gentleman from California [Mr. MILLER] I believe supports more often than not, and I find myself not always in agreement with this administration on matters of policy but in this one they are right.

I have been practicing law for years and I know that a settlement is a good settlement if both parties agree, and it saves everybody a lot of time and effort and liability and exposure and money in the future, and that is really what this is about. We are going to have a savings of $51 million plus legal fees ranging up to $1 million. So I think that is something that all of us ought to take into great account as we decide whether this is a good bill or a bad.

Another thing that is very important, in my judgment, is that if this irrigation district wins only a partial settlement the U.S. taxpayers are still liable for whatever the court decides. The Bureau of Reclamation has stated that they are probably liable for at least $4 million, but that is only an estimate.

My judgment is, let us get this settled, let us move on. If the United States were to win this lawsuit and not be liable for the $51 million of exposure that they have, the taxpayers would still have to pay to maintain and operate these facilities. Taxpayer dollars can be better spent, Mr. Chairman, and the Colville Confederated Tribe in my district supports this, the Oroville-Tonasket Facilities District supports this, the Federal Government, Mr. Clinton, Mr. Babbitt support this. We should support it, too. Let the local officials of this irrigation district run this project. Repair the damage that exists and make it work for the farmers of this area.

Mr. Chairman, I conclude certainly by saying this is a cost saver. This is a taxpayer saving by passage of this bill. I urge my colleagues to support it.

Mr. YOUNG of Alaska. Mr. Chairman, I rise in strong support of H.R. 412, Congressman DOC HASTINGS' bill to approve a settlement in a lawsuit filed by the Oroville-Tonasket Irrigation District against the Bureau of Reclamation.

This is a lawsuit which should not have happened. The Bureau of Reclamation was charged with designing and building an irrigation system for the District in north-central Washington State. Although the original canal and flume system date from the early 1900's, Congress has authorized rehabilitation, repair, redesign, and construction of new works in 1962, 1976, and 1987 in ever increasing amounts. But the system has never worked as promised. In 1990, the Bureau told the District that it was washing its hands of the system and sought repayments of approximately $300,000 per year for the District's small share of the project. However, the District refused payment, arguing that the irrigation system does not work as planned and that the project operation and maintenance costs were much higher than the Bureau of Reclamation had led them to believe. The District has filed two lawsuits in this case, the latest seeking $51 million in damages and forgiveness of its repayment obligations.

I don't blame the District for withholding payment, because as you can see from the photographs of the project displayed in the chamber, this project is a turkey. I am also embarrassed for the Bureau, which has had decades to make this irrigation system work and failed. The District believes it can make the system deliver usable water by repairing it at a lower cost than the Federal Government. The Government agrees and is also seeking to be relieved of what could be substantial liability for this faulty system.

CBO believes enactment of H.R. 412 will probably save the U.S. Treasury and the taxpayers money. The vast majority of the project costs are not borne by the District, but the Bonneville Power Administration and by any calculation the District is foregoing much more in claims than is the Federal Government. This is not a give-away of a Federal asset, as some might have you believe.

Therefore, I ask Members to support H.R. 412 as reported from the Committee on Resources. The bill has bipartisan support from Members, the Administration, and even Citizens Against Government Waste. Let's put an end to this public works nightmare and settle what could be an expensive, protracted lawsuit.

Mr. DOOLITTLE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. MILLER of California. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. DOOLITTLE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. EVERETT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 412) to approve a settlement agreement between the Bureau of Reclamation and the Oroville-Tonasket Irrigation District, had come to no resolution thereon.

GENERAL LEAVE

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 412.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California:

There was no objection.

□ 1545

RECESS

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to clause 12 of rule I, the House stands in recess until approximately 5 p.m.

Accordingly (at 3 o'clock and 45 minutes p.m.), the House stood in recess until approximately 5 p.m.

□ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HASTINGS of Washington) at 5 p.m.

OROVILLE-TONASKET CLAIM SETTLEMENT AND CONVEYANCE ACT

The SPEAKER pro tempore. Pursuant to House Resolution 94 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 412.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 412) to approve a settlement agreement between the Bureau of Reclamation and the Oroville-Tonasket Irrigation District, with Mr. EVERETT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, all time for debate again had expired. The Committee amendment in the nature of a substitute printed in the bill shall be considered by sections as an original bill for the purpose of an amendment, and pursuant to the rule each section is considered read.

The CHAIRMAN. The Clerk will designate section 1.

The text of section 1 is as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Oroville-Tonasket Claim Settlement and Conveyance Act''.

The CHAIRMAN. Are there any amendments to section 1?

The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. PURPOSES.

The purposes of this Act are to authorize the Secretary of the Interior to implement the provisions of the negotiated Settlement Agreement including conveyance of the Project Irrigation Works, identified as not having national importance, to the District, and for other purposes.

The CHAIRMAN. Are there any amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. DEFINITIONS.

As used in this Act:

(1) The term ''Secretary'' means the Secretary of the Interior.

(2) The term ''Reclamation'' means the United States Bureau of Reclamation.

(3) The term ''District'' or ''Oroville-Tonasket Irrigation District'' means the project beneficiary organized and operating under the laws of the State of Washington, which is the operating and repayment entity for the Project.

(4) The term ''Project'' means the Oroville-Tonasket unit extension, Okanogan-Similkameen division, Chief Joseph Dam Project, Washington, constructed and rehabilitated by the United States under the Act of September 28, 1976 (Public Law 94–423, 90 Stat. 1324), previously authorized and constructed under the Act of October 9, 1962 (Public Law 87–762, 76 Stat. 761), under the Federal reclamation laws (including the Act of June 17, 1902 (ch. 1093, 32 Stat. 388), and Acts supplementary thereto or amendatory thereof).

(5) The term ''Project Irrigation Works'' means—

(A) those works actually in existence and described in subarticle 3(a) of the Repayment Contract, excluding Wildlife Mitigation Facilities, and depicted on the maps held by the District and Reclamation, consisting of the really with improvements and real estate interests;

(B) all equipment, parts, inventories, and tools associated with the Project Irrigation Works realty and improvements and currently in the District's possession; and

(C) all third party agreements.

(6)(A) The term ''Basic Contract'' means Repayment Contract No. 14–06–100–4442, dated December 26, 1964, as amended and supplemented, between the United States and the District;

(B) the term ''Repayment Contract'' means Repayment Contract No. 00–7–10–W0242, dated November 28, 1979, as amended and supplemented, between the United States and the District; and

(C) the term ''third party agreements'' means existing contractual duties, obligations, and responsibilities that exist because of all leases, licenses, and easements with third-parties related to the Project Irrigation Works, or the lands or rights-of-way for the Project Irrigation Works, but excepting power arrangements with the Bonneville Power Administration.

(7) The term ''Wildlife Mitigation Facilities'' means—

(A) land, improvements, or easements, or any combination thereof, secured for access to such lands, acquired by the United States under the Fish and Wildlife Coordination Act (16 U.S.C. 661–667e); and

(B) all third party agreements associated with the land, improvements, or easements referred to in subparagraph (A).

(8) The term ''Indian Trust Lands'' means approximately 61 acres of lands identified on land classification maps on file with the District and Reclamation beneficially owned by the Confederated Tribes of the Colville Reservation (Colville Tribes) or by individual Indians, and held in trust by the United States for the benefit of the Colville Tribes in accordance with the Executive Order of April 9, 1872.

(9) The term ''Settlement Agreement'' means the Agreement made and entered on April 15, 1996, between the United States of America acting through the Regional Director, Pacific Northwest Region, Bureau of Reclamation, and the Oroville-Tonasket Irrigation District.

(10) The term ''operations and maintenance'' means normal and reasonable care, control, operation, repair, replacement, and maintenance.

The CHAIRMAN. Are there any amendments to section 3?

The Clerk will designate section 4.

The text of section 4 is as follows:

SEC. 4. AGREEMENT AUTHORIZATION

The Settlement Agreement is approved and the Secretary of the Interior is authorized to conduct all necessary and appropriate investigations, studies, and required Federal actions to implement the Settlement Agreement.

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California:

Page 5, line 14, strike ''The Settlement Agreement is approved'' and insert ''Upon payment to the United States of fair market value for the property and facilities transferred, and upon consideration and satisfaction of outstanding obligations as provided in section 5, the Settlement Agreement is approved''.

Page 5, line 17, after the period insert: ''Fair market value shall be determined by majority vote of a panel of 3 impartial appraisers qualified in accordance with State regulatory requirements. The District shall select one member of the panel. The Secretary shall select one member of the panel. The third member of the panel shall be selected by the other two members.''.

Mr. MILLER of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOOLITTLE. Mr. Chairman, I have consulted with the gentleman from California [Mr. MILLER] and I ask unanimous consent that the debate on all amendments to H.R. 412 be limited to 10 minutes on each side.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank my colleagues for that agreement.

Mr. Chairman, earlier this afternoon we had general debate on this legislation, and I said at that time I would be offering an amendment. This is the amendment that I discussed during general debate. The purpose of this amendment is to get a fair appraisal of the value of this project before the Federal Government gives this project to the irrigation district.

As some may remember from the general debate, in fact what we have here is we have an expenditure by the Federal Government of some $88 million, a portion of that which will be paid by power users to subsidize the power to the irrigation district and pay back some of the obligations to the Federal Government, and then the question of the $14 million that this irrigation district owes with respect to its repayment contract for this project.

This is a project that has been plagued by problems, that has not operated in a manner in which the irrigators believe that it should but, in spite of all that, is delivering a benefit to the irrigators within this district. And I believe that before we turn this project over to those irrigators and to the beneficiaries of this expenditure of public moneys, we ought to have an independent appraisal as to the value of this project. If it turns out that the benefit and value have been diminished, so be it, they should pay us back a diminished value. What we ought not to do is to have the parties of interest get into a room and negotiate this and then decide that this is a fair deal when in fact we can end up with the irrigators of some 10,000 acres of orchards paying the Federal Government nothing for a project that is in fact delivering a benefit to them.

During the general debate, the suggestion was that the Federal Government is on the hook for a lot of additional costs and that therefore we should settle this agreement. Those are allegations, I appreciate, in the complaints of the district. In its lawsuit they choose to sue the Federal Government rather than negotiate and correct this project and pay the value of those corrections, but we do not know whether or not the Federal Government is in fact on the hook for those. The Bureau of Reclamation has not admitted that in spite of the allegations that that is the suggestion.

I think what this amendment does is it guarantees simply fair value for the taxpayers and a fair deal for the irrigation district, and I think that is important. In the past when we have had these problems, we have corrected them, the Federal Government has absorbed those costs, but we have not allowed people who continue to get a benefit to escape all of their obligations to the Federal Government. And the fact of the matter is that this district, even its O&M and others is in line with what other people in the area are paying and we ought not to make an exception in this case.

I would hope that people would support this amendment on behalf of the taxpayers.

Mr. Chairman, I reserve the balance of my time.

Mr. DOOLITTLE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to the amendment. This amendment, although perhaps on its face it appears reasonable, is really a killer amendment. It will void the settlement agreement which has taken the irrigation district and the Federal Government 6 years to develop. If the amendment is adopted, the parties are right back where they started with the Federal Government on the hook for at least $51 million in damages and the irrigation district refusing to make payments on this defective irrigation system. If title is not transferred to the district, the Federal Government will still have to make the repairs to this lemon of a public works project.

Given that the Bureau of Reclamation has had 30 years to get the project

right, without success and with the greater costs involved whenever we get the Federal Government building something, I would say it is the taxpayers who will be taking a bath if the Miller amendment is adopted.

That is why Citizens Against Government Waste is supporting H.R. 412. That is why the Clinton administration is supporting H.R. 412. I think we ought to give the irrigation district the chance to fix the system.

I just remind you, Mr. Chairman, that indeed it was the Federal Government; they know this is such a bad project, they insisted that the district take title. The district did not want title but the Federal Government insisted that the district take title, and by giving the title of the works, this nonprofit entity should be able to get the financing it needs to make these expensive, far-reaching pairs.

Despite what my colleague from California has been implying, this is clearly not a case of something for nothing. Let us look at what the district has agreed to under the settlement agreement:

First, it has agreed to pay $350,000 in cash; second, to repair deteriorating water pipes at a cost of at least $14 million which the Federal Government will otherwise have to pay absent this settlement; third, it agrees to waive its claims against the United States which have been estimated by the Government to be at least $4.5 million; fourth, the district agrees to accept the United States liability for third party claims associated with the project; fifth, it agrees to reduce the time and the amount of power it will receive to help pump irrigation water, where under current law the district is entitled to unlimited power forever; and sixth, it will provide free water for federally-owned wildlife mitigation facilities.

In turn, the Federal Government will, first, transfer the defective water system to the district which is causing untold damage to public and private property; and second, it will forgive the district's contract repayment which the Government estimates has a present value of $4.2 million, not 13.9, which is over 45 years at present value of 4.2 million, an amount even less than the value of the claims the district has waived against the United States.

As my colleagues can see, enactment of H.R. 412 as reported from the Committee on Resources will save the Federal Government money according to the CBO. By voiding the settlement agreement and subjecting the United States to a lengthy lawsuit, the Miller amendment will only increase the exposure of the Federal purse and ultimately result in higher costs to the taxpayer.

What is the market value of this defective water irrigation system? Zero. These works are not portable sprinklers, but are gigantic fixed pipes and flumes which have a single use, to supply the water for irrigation to the Oroville-Tonasket region, a job that it does quite poorly. The water in the system already belongs to the district so to what other use can the delivery system be put?

I think these facts illustrate the real reason this amendment is being offered. Mr. MILLER opposes transferring any Federal asset to local ownership. This local government unit can repair and operate this Government facility and save taxpayer money. The Government does not want this decrepid system and wants to avoid the substantial liability associated with it.

This transfer will not serve as precedent. This lawsuit involves the total and complete failure of the Government to design, build, and deliver a working irrigation system, an event which I hope should be rare.

In addition, the committee report clearly states that, H.R. 412 also should not be regarded as precedent for legislative action to transfer Bureau of Reclamation facilities at other projects. The litigation problems surrounding the transfer of the Oroville-Tonasket unit and continued provision of power at low project power rates are unique.

This is one of those times when the Clinton administration and I agree on something. I urge the Members to oppose the killer Miller amendment and let the people in north central Washington correct this substandard irrigation works while saving the Federal Government money.

Mr. MILLER of California. Mr. Chairman, I reserve the balance of my time.

Mr. DOOLITTLE. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY of California. Mr. Chairman, I rise in opposition to this amendment. While on the surface of it, it may appear that there is some merit to it, I would say that in the implementation, trying to appoint a three-member panel that could accurately ascertain the fair market value of a project which is subject to a lot of exigencies and their impact in value would make it impossible for that group to come to an accurate conclusion.

The bottom line is we have the Government agency which has the greatest knowledge about the value of this project that entered into an agreement willingly with the water district in order to transfer title to it. They made that decision in order to minimize the costs to the Federal Government and made that agreement in order that they would also be working in the best interests of the taxpayers of the United States.

The Miller amendment, I fear, would scuttle this agreement; it would expose the taxpayers to greater potential costs. We should defeat this amendment, and we should pass the bill which has the support of the Clinton administration.

Mr. DOOLITTLE. Mr. Chairman, may I inquire, does the gentleman from California have further speakers? I know he wishes the right to close.

Mr. MILLER of California. No, it is just me.

Mr. DOOLITTLE. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington [Mr. HASTINGS].

Mr. HASTINGS of Washington. Mr. Chairman, let us take a look at the facts. This is a very narrowly drawn claim settlement bill. There is no net market value to this project. For example, the CBO in their scoring of this, weighed what the district owed versus what the Federal Government was for and determined that the Government would save money by having the Government unload this district. In other words, liabilities in this case exceeds the value.

I believe that the gentleman from California [Mr. MILLER] knows this. I believe that he knows there is no market value to this project. I believe that he knows that no one except the district would even consider taking over this project; and furthermore, Washington State law prohibits any irrigation district in that State from raising its fees to purchase a project.

So I wonder why is the gentleman offering this amendment at this eleventh hour?

□ 1715

I think it is simple. I think the gentleman knows that this amendment would kill the agreement between the Clinton administration and the local irrigation district; and I might emphasize, by law, this agreement must be approved by April 15 of this year. Failure to ratify this agreement will simply send the issue back to the courts and will mean the district would pursue its pending $51 million lawsuit. That is a bad deal for Uncle Sam, and it is a bad deal for this Congress.

That is why the Clinton administration, and not the local irrigation district, proposed the transfer of this facility. It is the only way for the Government to avoid millions of dollars in court costs, millions of dollars in repair costs, and millions of dollars in damages that they would be forced to pay if they should lose the court case.

Mr. Chairman, let me propose three reasons to oppose this amendment. First, a vote for the Miller amendment is a vote to stick the taxpayers with tens of millions of dollars in repair costs. Second, a vote for the Miller amendment is a vote to stick the taxpayers with untold billions of dollars in damages as a result of the court case. Finally, a vote for the Miller amendment is to send the issue back to the court and stick the taxpayers with hundreds of thousands of dollars in additional legal fees to the Government. As I mentioned from the outset, this is a very narrowly drawn bill.

Mr. Chairman, as a result then, I urge my colleagues to oppose the feel-good Miller amendment and support my commonsense bill to relieve the

Federal Government of this tremendous liability.

Mr. DOOLITTLE. Mr. Chairman, I reserve the balance of my time.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I find it rather interesting that the proponents of this legislation keep standing up and saying that there is no value to this project, but the beneficiaries of this project are willing to take this project, and they say they are going to have to spend millions of more dollars on this project, but they will take it anyway, because there is no value to it.

The fact of the matter is there is value to this project. There may not be value to this project for people in Pennsylvania or California or Washington, DC, but to the beneficiaries this project, with the expenditure of over $88 million, Federal dollars, is delivering water to the land of the members of this irrigation district, and they are receiving an economic benefit from it, a gross income of about $3,000 an acre, according to the Bureau of Reclamation, and that is the benefit of this project.

They can have the project. There is nothing in my amendment that does not let them have the project. They can have the project. All I want is an impartial appraisal as to the value of this project in its diminished state, if that is the case, and then pay the taxpayers for what they created for us.

They keep saying no value, it is not worth anything. Yes, it is. It is delivering thousands of acres of feed of water to land that otherwise would not have it. That is why they came back here in 1952 and 1962 and 1976 and 1995 and 1996, because there is value.

Mr. Chairman, what we ought to do is recognize two things: The project was not properly designed and this operation has been impaired and the value has been diminished, but what we ought to do is get an appraisal as to what that means and then ask the district to relieve the taxpayers of that burden. They can have the project, they can manage it, they can make the improvements if they want.

So I think it does not quite add up when something has no value, but some are fighting so hard to take it, and then they say what they are giving up is millions of dollars in benefits that they could receive in the cost of a court case and millions of dollars in future expenditures, and they still want to take on the project. So there is something that does not ring true here.

The fact that the Committee on the Budget has said that this is budget-neutral in an opinion, in a letter that they sent to the committee, they said, while seemingly perverse, this estimate may in fact accurately represent. Yes, it is perverse, when it is said to people who have refused to pay the Government what they owe them, then there is a finding that they probably would have never paid us; therefore, there is no budget implications.

If we keep doing business that way, I say to my colleagues, we will end up with no money in the Federal Government. We do not say that to people who cannot pay their taxes or decide not to pay their taxes. We do not say that to people who do not want to pay for services rendered. But all of a sudden, they can say, we do not like this, we are not going to pay for it, and then the CBO comes along and says, because they did not pay for it, they probably will never pay for it, and therefore, we are not going to charge it against the Treasury.

The fact of the matter is the Treasury is owed this money, these people signed a contract for this, this project is delivering a benefit, and what we ought to do now is simply protect the taxpayers in the process of transferring this project to the beneficiaries of it. I urge an ''aye'' vote on the Miller amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. DOOLITTLE. Mr. Chairman, I yield myself such time as I may consume.

I think it is very clear that both the Clinton administration and Citizens Against Government Waste and the bipartisan opponents to the Miller amendment understand that this amendment will cost the taxpayers money.

The gentleman from California [Mr. MILLER] argues in favor of the taxpayers, but advances a proposition that will expose the Government to much greater liability than it already has. For that reason we oppose the Miller amendment. For that reason, the Clinton administration has actually come out in support of this bill as the settlement was reflected in the bill.

That is something I have noted that has been very rare. I cannot think of another time we have had that happen in the last couple of years, when the administration has actually supported something like this. Why? It is because they believe it is in the best interest of the Government. Over here, the taxpayer groups represented by Citizens Against Government Waste also believe it is in the best interest of the Government.

The facility, as we pointed out, is in a terrible state of repair. There are significant claims that this district has that can be asserted against the Government. The Bureau of Reclamation has recognized that at least $4.5 million are valid claims, according to the Government, that the district has against them, and for that reason this settlement has been proposed.

The Miller amendment is a bad amendment because it will nullify the settlement and will force renegotiation and force a court action. For that reason, I urge a ''no'' vote on the Miller amendment and a ''yes'' vote on H.R. 412.

Mr. YOUNG of Alaska. Mr. Chairman, Congressman MILLER has offered similar fair market value amendments on the floor before.

In the 104th Congress, H.R. 535 transferred the title of the Corning National Fish Hatchery from the Department of the Interior to the State of Arkansas. In committee and on the floor, Mr. MILLER offered an amendment much like the one he offers today to require the payment of fair market value before the asset is transferred. He also offered this same amendment to H.R. 584, which transferred the Fairport National Fish Hatchery from the Department of the Interior to the State of Iowa.

His amendments both failed resoundingly, in one case 96 to 315 the other by voice vote.

The arguments made against those amendments apply equally here:

First, the Federal Government does not want this asset—in this case the irrigation works. As you can see from the photographs displaying the deplorable state of the irrigation system and the harm that it has caused other public and private property, I can certainly see why the Federal Government is happy to transfer the works and avoid any past or future claims associated with its failure to operate.

Second, the recipient has made some investment in the project in the past and will make substantial financial commitments to the project in the future. The Oroville-Tonasket Irrigation District has already paid $350,000 and will be obligated to pay at least $14 million to repair deteriorating water pipes. This district is also waiving its claims against the Government, estimated even by the Bureau of Reclamation to be $4.5 million at a minimum. In addition, the district is accepting liability for third party claims associated with the project. Finally, the district is also accepting a reduction on the time and amount of power it will receive to help pump irrigation water. This is clearly not a case of something for nothing.

The district is a not-for-profit entity and having title to the project will allow it to raise the funds needed to repair the extensive piping system so that it will operate as promised by the Bureau of Reclamation.

Third, transferring the project under the bill as reported from the Resources Committee will likely save the Federal Government money—these are the words of the Congressional Budget Office, not mine. If the Miller amendment is adopted, the settlement agreement will be void and the parties will default to the courts. The Government will continue to be exposed to liability for damages. When the suit was filed in 1995, the irrigation district claimed $51 million in damages; these may have increased since then. In addition, the Government may ultimately pay for court costs and interest on the claims. These can be substantial. In the Whitney Benefits, Inc. versus U.S. case filed under the surface mining law, where the initial claim filed was for $60 million, the Government's failure to timely settle meant the U.S. Treasury was held liable for $150 million in principal and interest after 8 years of additional litigation. The Miller amendment will not save the taxpayers money but will only increase the exposure of the Federal purse and ultimately to the taxpayers.

Fourth, like the fish hatchery transferred under H.R. 535, it is unclear what, if any, fair market value the irrigation works have. It is not as though these works are portable sprinklers so that other purchasers could make use of them. They are gigantic, fixed pipes which have a single use—to supply water for irrigation to the Oroville-Tonasket region, a job

these works do poorly. The water in the system already belongs to the district. I know that I would not be quick to purchase these faulty, single-purpose works even at fire sale prices and I can't imagine others would either. The fair market value is likely to be zero or less.

Fifth, opposition to transferring assets from Federal to local government ownership. Perhaps the real reason that this amendment is being offered is that its author is opposed to transferring any asset out of Federal ownership, whether a fish hatchery in Arkansas or an irrigation system in Washington. If this local government unit can repair and operate this Bureau of Reclamation facility and in doing so save the Federal Government money, then I say, let it.

The proponent of the amendment also argues that this bill sets a dangerous precedent for future asset transfers. I should hope not, where the whole reason for the transfer is the total and complete failure of the Federal Government to design, build, and deliver a working irrigation system in the first place, an event I hope will be rare.

Therefore, I ask my colleagues to once again defeat this killer Miller amendment and allow the parties to settle this lawsuit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MILLER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MILLER of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were ayes 195, noes 232, not voting 5, as follows:

[Roll No. 51]

AYES—195

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dingell
Dixon
Doggett
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Fawell
Filner
Flake
Foglietta
Forbes
Ford
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Gilman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hoekstra
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kasich
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klug
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McGovern
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Porter
Poshard
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Slaughter
Smith (MI)
Spratt
Stabenow
Stark
Stokes
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOES—232

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehner
Bonilla
Bono
Boucher
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fazio
Foley
Fowler
Fox
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jenkins
John
Johnson, Sam
Jones
Kelly
Kim
King (NY)
Kingston
Klink
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Manzullo
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Molinari
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schiff
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Wamp
Watkins
Watts (OK)
Weldon (FL)
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Eshoo
Istook
Kaptur
Tauzin
Turner

□ 1744

The Clerk announced the following pair:

On this vote:

Ms. Kaptur (OH) for, with Mr. Istook (OK) against.

Messrs. CHAMBLISS, SUNUNU, HANSEN, and BONO changed their vote from ''aye'' to ''no''.

Ms. KILPATRICK, Ms. DEGETTE, and Messrs. SCOTT, ALLEN, FAWELL, and FORBES changed their vote from ''no'' to ''aye''.

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Without objection, the Clerk will designate sections 5 through 11.

There was no objection.

The text of sections 5 through 11 is as follows:

SEC. 5. CONSIDERATION AND SATISFACTION OF OUTSTANDING OBLIGATIONS.

(a) CONSIDERATION TO UNITED STATES.—Consideration by the District to the United States in accordance with the Settlement Agreement approved by this Act shall be—

(1) payment of $350,000 by the District to the United States;

(2) assumption by the District of full liability and responsibility and release of the United States of all further responsibility, obligations, and liability for removing irrigation facilities constructed and rehabilitated by the United States under the Act of October 9, 1962 (Public Law 87–762, 76 Stat. 761), or referenced in section 201 of the Act of September 28, 1976 (Public Law 94–423, 90 Stat. 1324), and identified in Article 3(a)(8) of the Repayment Contract;

(3) assumption by the District of sole and absolute responsibility for the operations and maintenance of the Project Irrigation Works;

(4) release and discharge by the District as to the United States from all past and future claims, whether now known or unknown, arising from or in any way related to the Project, including any arising from the Project Irrigation Works constructed pursuant to the 1964 Basic Contract or the 1979 Repayment Contract;

(5) assumption by the District of full responsibility to indemnify and defend the United States against any third party claims associated with any aspect of the Project, except for that claim known as the Grillo Claim, government contractor construction claims accruing at any time, and any other suits or claims filed as of the date of the Settlement Agreement; and

(6) continued obligation by the District to deliver water to and provide for operations and maintenance of the Wildlife Mitigation Facilities at its own expense in accordance with the Settlement Agreement.

(b) RESPONSIBILITIES OF UNITED STATES.—In return the United States shall—

(1) release and discharge the District's obligation, including any delinquent or accrued payments, or assessments of any nature under the 1979 Repayment Contract, including the unpaid obligation of the 1964 Basic Contract;

(2) transfer title of the Project Irrigation Works to the District;

(3) assign to the District all third party agreements associated with the Project Irrigation Works;

(4) continue power deliveries provided under section 6 of this Act; and

(5) assume full responsibility to indemnify and defend the District against any claim known as the Grillo Claim, government contractor construction claims accruing at any time, and any other suits or claims filed against the United States as of the date of the Settlement Agreement.

(c) PROJECT CONSTRUCTION COSTS.—The transfer of title authorized by this Act shall not affect the timing or amount of the obligation of the Bonneville Power Administration for the repayment of construction costs incurred by the Federal government under section 202 of the Act of September 28, 1976 (90 Stat. 1324, 1326) that the Secretary of the Interior has determined to be beyond the ability of the irrigators to pay. The obligation shall remain charged to, and be returned to the Reclamation Fund as provided for in section 2 of the Act of June 14, 1966 (80 Stat. 200) as amended by section 6 of the Act of September 7, 1966 (80 Stat. 707, 714).

SEC. 6. POWER.

Nothing in this Act shall be construed as having any affect on power arrangements under Public Law 94–423 (90 Stat. 1324). The United States shall continue to provide to the District power and energy for irrigation water pumping for the Project, including Dairy Point Pumping Plant. However, the amount and term of reserved power shall not exceed, respectively—

(1) 27,100,000 kilowatt hours per year; and

(2) 50 years commencing October 18, 1990.

The rate that the District shall pay the Secretary for such reserved power shall continue to reflect full recovery of Bonneville Power Administration transmission costs.

SEC. 7. CONVEYANCE.

(a) CONVEYANCE OF INTERESTS OF UNITED STATES.—Subject to valid existing rights, the Secretary is authorized to convey all right, title, and interest, without warranties, of the United States in and to all Project Irrigation Works to the District. In the event a significant cultural resource or hazardous waste site is identified, the Secretary is authorized to defer or delay transfer to title to any parcel until required Federal action is completed.

(b) RETENTION OF TITLE TO WILDLIFE MITIGATION FACILITIES.—The Secretary will retain title to the Wildlife Mitigation Facilities. The District shall remain obligated to deliver water to and provide for the operations and maintenance of the Wildlife Mitigation Facilities at its own expense in accordance with the Settlement Agreement.

(c) RESERVATION.—The transfer of rights and interests pursuant to subsection (a) shall reserve to the United States all oil, gas, and other mineral deposits and a perpetual right to existing public access open to public fishing, hunting, and other outdoor recreation purposes, and such other existing public uses.

SEC. 8. REPAYMENT CONTRACT.

Upon conveyance of title to the Project Irrigation Works notwithstanding any parcels delayed in accordance with section 7(a), the 1964 Basic Contract, and the 1979 Repayment Contract between the District and Reclamation, shall be terminated and of no further force or effect.

SEC. 9. INDIAN TRUST RESPONSIBILITIES.

The District shall remain obligated to deliver water under appropriate water service contracts to Indian Trust Lands upon request from the owners or lessees of such land.

SEC. 10. LIABILITY.

Upon completion of the conveyance of Project Irrigation Works under this Act, the District shall—

(1) be liable for all acts or omissions relating to the operation and use of the Project Irrigation Works that occur before or after the conveyance except for the Grillo Claim, government contractor construction claims accruing at any time, and any other suits or claims filed as of the date of the Settlement Agreement;

(2) absolve the United States and its officers and agents of responsibility and liability for the design and construction including latent defects associated with the Project; and

(3) assume responsibility to indemnify and defend the United States against all claims whether now known or unknown and including those of third party claims associated with, arising from, or in any way related to, the Project except for the Grillo Claim, government contractor construction claims accruing at any time, and any other suits or claims filed as of the date of the Settlement Agreement.

SEC. 11. CERTAIN ACTS NOT APPLICABLE AND TERMINATION OF MANDATES.

(a) RECLAMATION LAWS.—All mandates imposed by the Reclamation Act of 1902, and all Acts supplementary thereto or amendatory thereof, including the Reclamation Reform Act of 1982, upon the Project Irrigation Works shall be terminated upon the completion of the transfers as provided by this Act and the Settlement Agreement.

(b) RELATIONSHIP TO OTHER LAWS.—The transfer of title authorized by this Act shall not—

(1) be subject to the provisions of chapter 5 of title 5, United States Code (commonly known as the ''Administrative Procedure Act''); or

(2) be considered a disposal of surplus property under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) and the Surplus Property Act of 1944 (50 U.S.C. App. 1601 et seq.).

(c) DEAUTHORIZATION.—Effective upon transfer of title to the District under this Act, that portion of the Oroville-Tonasket Unit Extension, Okanogan-Similkameen Division, Chief Joseph Dam Project, Washington, referred to in section 7(a) as the Project Irrigation Works is hereby deauthorized. After transfer of title, the District shall not be entitled to receive any further Reclamation benefits pursuant to the Reclamation Act of June 17, 1902, and Act supplementary thereto or amendatory thereof.

The CHAIRMAN. Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. EVERETT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee has had under consideration the bill (H.R. 412) to approve a settlement agreement between the Bureau of Reclamation and the Oroville-Tonasket Irrigation District, pursuant to House Resolution 94, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitue.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 789

Mr. MCDERMOTT. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 789.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1, WORKING FAMILIES FLEXIBILITY ACT OF 1997

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 105–31) on the resolution (H. Res. 99) providing for consideration of the bill (H.R. 1) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for employees in the private sector, which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 993

Mr. TIAHRT. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado, DAN SCHAEFER, be removed as a cosponsor from H.R. 993, which I introduced on March 6.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5 of rule 1, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 924, de novo; and H.R. 672, de novo.

VICTIM RIGHTS CLARIFICATION ACT OF 1997

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the bill, H.R. 924, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by gentleman from Florida [Mr. MCCOLLUM] that the House suspend the rules and pass the bill, H.R. 924, as amended.