

Mr. Speaker, we should support the democratic plan. It means more modern schools, it means more teachers, and it means smaller class size. It simply makes sense.

**ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE**

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to the provisions of clause 5 of rule I, the Chair announces that it will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 2 p.m. today.

**CANYON FERRY RESERVOIR
LEASEHOLD CONVEYANCE**

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3963) to establish terms and conditions under which the Secretary of the Interior shall convey leaseholds in certain properties around Canyon Ferry Reservoir, Montana, as amended. The Clerk read as follows:

H.R. 3963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds that the conveyance of the properties described in section 4(b) to the lessees of those properties for fair market value would have the beneficial results of—

- (1) reducing Pick-Sloan project debt for the Canyon Ferry Unit;
- (2) providing a permanent source of funding to acquire publicly accessible land and interests in land, including easements and conservation easements, in the State from willing sellers at fair market value to—
 - (A) restore and conserve fisheries habitat, including riparian habitat;
 - (B) restore and conserve wildlife habitat;
 - (C) enhance public hunting, fishing, and recreational opportunities; and
 - (D) improve public access to public land;
- (3) eliminating Federal payments in lieu of taxes and associated management expenditures in connection with the Federal Government's ownership of the properties while increasing local tax revenues from the new owners; and
- (4) eliminating expensive and contentious disputes between the Secretary and leaseholders while ensuring that the Federal Government receives full and fair value for the properties.

SEC. 2. PURPOSES.

The purposes of this Act are to—

- (1) establish terms and conditions under which the Secretary of the Interior shall, for fair market value, convey certain properties around Canyon Ferry Reservoir, Montana, to private parties; and
- (2) acquire certain land for fish and wildlife conservation purposes.

SEC. 3. DEFINITIONS.

In this Act:

(1) **CANYON FERRY-BROADWATER COUNTY TRUST.**—The term “Canyon Ferry-Broadwater County Trust” means the Canyon Ferry-Broadwater County Trust established under section 8.

(2) **CFRA.**—The term “CFRA” means the Canyon Ferry Recreation Association, Incorporated, a Montana corporation.

(3) **COMMISSIONERS.**—The term “Commissioners” means the Board of Commissioners for Broadwater County, Montana.

(4) **LEASE.**—The term “lease” means a lease or permit in effect on the date of enactment of this Act that gives a leaseholder the right to occupy a property.

(5) **LESSEE.**—The term “lessee” means—

- (A) the leaseholder of 1 of the properties on the date of enactment of this Act; and
- (B) the leaseholder's heirs, executors, and assigns of the leasehold interest in the property.

(6) **MONTANA FISH AND WILDLIFE CONSERVATION TRUST.**—The term “Montana Fish and Wildlife Conservation Trust” means the Montana Fish and Wildlife Conservation Trust established under section 7.

(7) **PROJECT.**—The term “project” means the Canyon Ferry Unit of the Pick-Sloan Missouri River Basin Project.

(8) **PROPERTY.**—

(A) **IN GENERAL.**—The term “property” means 1 of the cabin sites described in section 4(b).

(B) **USE IN THE PLURAL.**—The term “properties” means all 265 of the properties and any contiguous parcels referred to in section 4(b)(1)(B).

(9) **PURCHASER.**—The term “purchaser” means a person or entity, excluding CFRA or a lessee, that purchases the properties under section 4.

(10) **RESERVOIR.**—The term “Reservoir” means the Canyon Ferry Reservoir, Montana.

(11) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

(12) **STATE.**—The term “State” means the State of Montana.

SEC. 4. SALE OF PROPERTIES.

(a) **IN GENERAL.**—Consistent with the Act of June 17, 1902 (32 Stat. 388, chapter 1093) and Acts supplemental to and amendatory of that Act (43 U.S.C. 371 et seq.), the Secretary shall convey to CFRA or a purchaser—

- (1) all right, title, and interest (except the mineral estate) of the United States in and to the properties, subject to valid existing rights and the operational requirements of the Pick-Sloan Missouri River Basin Program; and
- (2) perpetual easements for—
 - (A) vehicular access to each property;
 - (B) access to and use of 1 dock per property; and
 - (C) access to and use of all boathouses, ramps, retaining walls, and other improvements for which access is provided in the leases as of the date of enactment of this Act.

(b) **DESCRIPTION OF PROPERTIES.**—

(1) **IN GENERAL.**—The properties to be conveyed are—

(A) the 265 cabin sites of the Bureau of Reclamation located along the northern end of the Reservoir in portions of sections 2, 11, 12, 13, 15, 22, 23, and 26, Township 10 North, Range 1 West; and

(B) any small parcel contiguous to any property (not including shoreline or land needed to provide public access to the shoreline of the Reservoir) that the Secretary determines should be conveyed in order to eliminate an inholding and facilitate administration of surrounding land remaining in Federal ownership.

(2) **ACREAGE; LEGAL DESCRIPTION.**—The acreage and legal description of each property and of each parcel shall be determined by the Secretary in consultation with CFRA.

(3) **RESTRICTIVE USE COVENANT.**—

(A) **IN GENERAL.**—In order to maintain the unique character of the Reservoir area, the

Secretary, the purchaser, CFRA, and each subsequent owner of each property shall covenant that the use restrictions to carry out subparagraphs (B) and (C) shall—

- (i) be appurtenant to, and run, with each property; and
- (ii) be binding on each subsequent owner of each property.

(B) **ACCESS TO RESERVOIR.**—

(i) **IN GENERAL.**—The Secretary, the purchaser, CFRA, and the subsequent owners of each property shall ensure that—

- (I) public access to and along the shoreline of the Reservoir in existence on the date of enactment of this Act is not obstructed; and
- (II) adequate public access to and along the shoreline of the Reservoir is maintained.

(ii) **FEDERAL RECLAMATION LAW.**—

(I) **IN GENERAL.**—No conveyance of property under this Act shall restrict or limit the authority or ability of the Secretary to fulfill the duties of the Secretary under the Act of June 17, 1902 (32 Stat. 388, chapter 1093), and Acts supplemental to and amendatory of that Act (43 U.S.C. 371 et seq.).

(II) **NO LIABILITY.**—The operation of the Reservoir by the Secretary in fulfillment of the duties described in subclause (I) shall not result in liability for damages, direct or indirect, to the owner of any property conveyed under section 4(a) or damages from any loss of use or enjoyment of the property.

(C) **HISTORICAL USE.**—The Secretary, the purchaser, CFRA, and each subsequent owner of each property shall covenant that future uses of the property shall be limited to the type and intensity of uses in existence on the date of enactment of this Act, as limited by the prohibitions contained in the annual operating plan of the Bureau of Reclamation for the Reservoir in effect on October 1, 1998.

(c) **PURCHASE PROCESS.**—

(1) **IN GENERAL.**—The Secretary shall—

- (A) solicit sealed bids for the properties;
- (B) subject to paragraph (2), sell the properties to the bidder that submits the highest bid above the minimum bid determined under paragraph (2); and
- (C) not accept any bid for less than all of the properties in 1 transaction.

(2) **MINIMUM BID.**—

(A) **IN GENERAL.**—Before accepting bids, the Secretary shall establish a minimum bid, which shall be equal to the fair market value of the properties determined by an appraisal of each property, exclusive of the value of private improvements made by the leaseholders before the date of the conveyance, in conformance with the Uniform Appraisal Standards for Federal Land Acquisition.

(B) **FAIR MARKET VALUE.**—Any dispute over the fair market value of a property under subparagraph (A) shall be resolved in accordance with section 2201.4 of title 43, Code of Federal Regulations.

(3) **RIGHT OF FIRST REFUSAL.**—If the highest bidder is other than CFRA, CFRA shall have the right to match the highest bid and purchase the properties at a price equal to the amount of the highest bid.

(d) **TERMS OF CONVEYANCE.**—

(1) **PURCHASER.**—If the highest bidder is other than CFRA, and CFRA does not match the highest bid, the following shall apply:

(A) **PAYMENT.**—The purchaser shall pay the amount bid to the Secretary for distribution in accordance with section 6.

(B) **CONVEYANCE.**—The Secretary shall convey the properties to the purchaser.

(C) **OPTION TO PURCHASE.**—The purchaser shall give each lessee of a property conveyed under this section an option to purchase the property at fair market value, as determined under subsection (c)(2).

(D) **NONPURCHASING LESSEES.**—

(i) **RIGHT TO CONTINUE LEASE.**—A lessee that is unable or unwilling to purchase a

property shall be provided the opportunity to continue to lease the property for fair market value rent under the same terms and conditions as apply under the existing lease for the property, and shall have the right to renew the term of the existing lease for 2 consecutive 5-year terms.

(ii) **COMPENSATION FOR IMPROVEMENTS.**—If a lessee declines to purchase a property, the purchaser shall compensate the lessee for the fair market value, as determined pursuant to customary appraisal procedures, of all improvements made to the property by the lessee. The lessee may sell the improvements to the purchaser at any time, but the sale shall be completed by the final termination of the lease, after all renewals under clause (i).

(2) **CFRA.**—If CFRA is the highest bidder, or matches the highest bid, the following shall apply:

(A) **CLOSING.**—On receipt of a purchase request from a lessee or CFRA, the Secretary shall close on the property and prepare all other properties for closing within 45 days.

(B) **PAYMENT.**—At the closing for a property—

(i) the lessee or CFRA shall deliver to the Secretary payment for the property, which the Secretary shall distribute in accordance with section 6; and

(ii) the Secretary shall convey the property to the lessee or CFRA.

(C) **APPRAISAL.**—The Secretary shall determine the purchase amount of each property based on the appraisal conducted under subsection (c)(2), the amount of the bid under subsection (c)(1), and the proportionate share of administrative costs pursuant to subsection (e). The total purchase amount for all properties shall equal the total bid amount plus administrative costs under subsection (e).

(D) **TIMING.**—CFRA and the lessees shall purchase at least 75 percent of the properties not later than August 1 of the year that begins at least 12 months after title to the first property is conveyed by the Secretary to a lessee.

(E) **RIGHT TO RENEW.**—The Secretary shall afford the lessees who have not purchased properties under this section the right to renew the term of the existing lease for 2 (but not more than 2) consecutive 5-year terms.

(F) **REIMBURSEMENT.**—A lessee shall reimburse CFRA for a proportionate share of the costs to CFRA of completing the transactions contemplated by this Act, including any interest charges.

(G) **RENTAL PAYMENTS.**—All rent received from the leases shall be distributed by the Secretary in accordance with section 6.

(e) **ADMINISTRATIVE COSTS.**—Any reasonable administrative costs incurred by the Secretary, including the costs of survey and appraisals, incident to the conveyance under subsection (a) shall be reimbursed by the purchaser or CFRA.

(f) **TIMING.**—The Secretary shall make every effort to complete the conveyance under subsection (a) not later than 1 year after the satisfaction of the condition established by section 8(b).

(g) **CLOSINGS.**—Real estate closings to complete the conveyance under subsection (a) may be staggered to facilitate the conveyance as agreed to by the Secretary and the purchaser or CFRA.

(h) **CONVEYANCE TO LESSEE.**—If a lessee purchases a property from the purchaser or CFRA, the Secretary, at the request of the lessee, shall have the conveyance documents prepared in the name or names of the lessee so as to minimize the amount of time and number of documents required to complete the closing for the property.

SEC. 5. AGREEMENT.

(a) **MANAGEMENT OF SILO'S CAMPGROUND.**—Not later than 180 days after the date of enactment of this Act, the Secretary, acting through the Commissioner of Reclamation, shall—

(1) offer to contract with the Commissioners to manage the Silo's campground;

(2) enter into such a contract if agreed to by the Secretary and the Commissioners; and

(3) grant necessary easements for access roads within and adjacent to the Silo's campground.

(b) **CONCESSION INCOME.**—Any income generated by any concession that may be granted by the Commissioners at the Silo's recreation area—

(1) shall be deposited in the Canyon Ferry-Broadwater County Trust; and

(2) may be disbursed by the Canyon Ferry-Broadwater County Trust manager as part of the income of the Trust.

SEC. 6. USE OF PROCEEDS.

Notwithstanding any other provision of law, proceeds of conveyances under this Act shall be available, without further Act of appropriation, as follows:

(1) 10 percent of the proceeds shall be applied by the Secretary of the Treasury to reduce the outstanding debt for the Pick-Sloan project at the Reservoir.

(2) 90 percent of the proceeds shall be deposited in the Montana Fish and Wildlife Conservation Trust.

SEC. 7. MONTANA FISH AND WILDLIFE CONSERVATION TRUST.

(a) **ESTABLISHMENT.**—The Secretary, in consultation with the State congressional delegation and the Governor of the State, shall establish a nonprofit charitable permanent perpetual public trust in the State, to be known as the "Montana Fish and Wildlife Conservation Trust" (referred to in this section as the "Trust").

(b) **PURPOSE.**—The purpose of the Trust shall be to provide a permanent source of funding to acquire publicly accessible land and interests in land, including easements and conservation easements, in the State from willing sellers at fair market value to—

(1) restore and conserve fisheries habitat, including riparian habitat;

(2) restore and conserve wildlife habitat;

(3) enhance public hunting, fishing, and recreational opportunities; and

(4) improve public access to public land.

(c) **ADMINISTRATION.**—

(1) **TRUST MANAGER.**—The Trust shall be managed by a trust manager, who—

(A) shall be responsible for investing the corpus of the Trust; and

(B) shall disburse funds from the Trust on receiving a request for disbursement from a majority of the members of the Joint State-Federal Agency Board established under paragraph (2) and after determining, in consultation with the Citizen Advisory Board established under paragraph (3) and after consideration of any comments submitted by members of the public, that the request meets the purpose of the Trust under subsection (b) and the requirements of subsections (d) and (e).

(2) **JOINT STATE-FEDERAL AGENCY BOARD.**—

(A) **ESTABLISHMENT.**—There is established a Joint State-Federal agency Board, which shall consist of—

(i) 1 Forest Service employee employed in the State designated by the Forest Service;

(ii) 1 Bureau of Land Management employee employed in the State designated by the Bureau of Land Management;

(iii) 1 Bureau of Reclamation employee employed in the State designated by the Bureau of Reclamation;

(iv) 1 United States Fish and Wildlife Service employee employed in the State des-

ignated by the United States Fish and Wildlife Service; and

(v) 1 Montana Department of Fish, Wildlife and Parks employee designated by the Department.

(B) **REQUESTS FOR DISBURSEMENT.**—After consulting with the Citizen Advisory Board established under paragraph (3) and after consideration of the Trust plan prepared under paragraph (3)(C) and of any comments or requests submitted by members of the public, the Joint State-Federal Agency Board, by a vote of a majority of its members, may submit to the Trust Manager a request for disbursement if the Board determines that the request meets the purpose of the Trust.

(3) **CITIZEN ADVISORY BOARD.**—

(A) **IN GENERAL.**—The Secretary shall nominate, and the Joint State-Federal Agency Board shall approve by a majority vote, a Citizen Advisory Board.

(B) **MEMBERSHIP.**—The Citizen Advisory Board shall consist of 4 members, including 1 with a demonstrated commitment to improving public access to public land and to fish and wildlife conservation, from each of—

(i) a Montana organization representing agricultural landowners;

(ii) a Montana organization representing hunters;

(iii) a Montana organization representing fishermen; and

(iv) a Montana nonprofit land trust or environmental organization.

(C) **DUTIES.**—The Citizen Advisory Board, in consultation with the Joint State-Federal Agency Board and the Montana Association of Counties, shall prepare and periodically update a Trust plan including recommendations for requests for disbursement by the Joint State-Federal Agency Board.

(D) **OBJECTIVES OF PLAN.**—The Trust plan shall be designed to maximize the effectiveness of Montana Fish and Wildlife Conservation Trust expenditures considering—

(i) public needs and requests;

(ii) availability of property;

(iii) alternative sources of funding; and

(iv) availability of matching funds.

(4) **PUBLIC NOTICE AND COMMENT.**—Before requesting any disbursements under paragraph (2), the Joint State-Federal Agency Board shall—

(A) notify members of the public, including local governments; and

(B) provide opportunity for public comment.

(d) **USE.**—

(1) **PRINCIPAL.**—The principal of the Trust shall be inviolate.

(2) **EARNINGS.**—Earnings on amounts in the Trust shall be used to carry out subsection (b) and to administer the Trust and Citizen Advisory Board.

(3) **LOCAL PURPOSES.**—Not more than 50 percent of the income from the Trust in any year shall be used outside the watershed of the Missouri River in the State, from Holter Dam upstream to the confluence of the Jefferson River, Gallatin River, and Madison River.

(e) **MANAGEMENT.**—Land and interests in land acquired under this section shall be managed for the purpose described in subsection (b).

SEC. 8. CANYON FERRY-BROADWATER COUNTY TRUST.

(a) **ESTABLISHMENT.**—The Commissioners shall establish a nonprofit charitable permanent perpetual public trust to be known as the "Canyon Ferry-Broadwater County Trust" (referred to in this section as the "Trust").

(b) **PRIORITY OF TRUST ESTABLISHMENT.**—

(1) **CONDITION TO SALE.**—No sale of property under section 4 shall be made until at least \$3,000,000, or a lesser amount as offset by in-

kind contributions made before full funding of the trust, is deposited as the initial corpus of the Trust.

(2) IN-KIND CONTRIBUTIONS.—

(A) IN GENERAL.—In-kind contributions—

(i) shall be approved in advance by the Commissioners;

(ii) shall be made in Broadwater County;

(iii) shall be related to the improvement of access to the portions of the Reservoir lying within Broadwater County or to the creation and improvement of new and existing recreational areas within Broadwater County; and

(iv) shall not include any contribution made by Broadwater County.

(B) APPROVAL.—Approval by the Commissioners of an in-kind contribution under subparagraph (A) shall include approval of the value, nature, and type of the contribution and of the entity that makes the contribution.

(3) INTEREST.—Notwithstanding any other provision of this Act, all interest earned on the principal of the Trust shall be reinvested and considered part of its corpus until the condition stated in paragraph (1) is met.

(C) TRUST MANAGEMENT.—

(1) TRUST MANAGER.—The Trust shall be managed by a nonprofit foundation or other independent trustee to be selected by the Commissioners.

(2) USE.—The Trust manager shall invest the corpus of the Trust and disburse funds as follows:

(A) PRINCIPAL.—A sum not to exceed \$500,000 may be expended from the corpus to pay for the planning and construction of a harbor at the Silo's recreation area.

(B) INTEREST.—The balance of the Trust shall be held and the income shall be expended annually for the improvement of access to the portions of the Reservoir lying within Broadwater County, Montana, and for the creation and improvement of new and existing recreational areas within Broadwater County.

(3) DISBURSEMENT.—The Trust manager—

(A) shall approve or reject any request for disbursement; and

(B) shall not make any expenditure except on the recommendation of the advisory committee established under subsection (d).

(d) ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—The Commissioners shall appoint an advisory committee consisting of not fewer than 3 nor more than 5 persons.

(2) DUTIES.—The advisory committee shall meet on a regular basis to establish priorities and make requests for the disbursement of funds to the Trust manager.

(3) APPROVAL BY THE COMMISSIONERS.—The advisory committee shall recommend only such expenditures as are approved by the Commissioners.

(e) NO OFFSET.—Neither the corpus nor the income of the Trust shall be used to reduce or replace the regular operating expenses of the Secretary at the Reservoir, unless approved by the Commissioners.

SEC. 9. AUTHORIZATION.

(a) IN GENERAL.—The Secretary is authorized to—

(1) investigate, plan, construct, operate, and maintain public recreational facilities on land withdrawn or acquired for the development of the project;

(2) conserve the scenery, the natural historic, paleontologic, and archaeological objects, and the wildlife on the land;

(3) provide for public use and enjoyment of the land and of the water areas created by the project by such means as are consistent with but subordinate to the purposes of the project; and

(4) investigate, plan, construct, operate, and maintain facilities for the conservation of fish and wildlife resources.

(b) COSTS.—The costs (including operation and maintenance costs) of carrying out subsection (a) shall be nonreimbursable and nonreturnable under Federal reclamation law.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3963 authored by the gentleman from Montana (Mr. HILL) would establish terms and conditions under which the Secretary of the Interior must convey fee title to leaseholders in certain properties around Canyon Ferry Reservoir in Montana. Canyon Ferry Reservoir is a man-made lake located in central Montana near Helena.

The Bureau of Reclamation presently leases 265 cabin sites around the lake to local citizens. This section would direct the Secretary of Interior to sell these leaseholds at fair market value to a private interest. The sites would be sold at public auction. The present leaseholders would then have the opportunity to purchase title to the land.

This bill is a compromise negotiated with the gentleman from Montana (Mr. HILL) and Senator BAUCUS of Montana and with the administration.

Mr. Speaker, this is a very important bill, and I urge my colleagues to support it.

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

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

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, I rise in opposition to H.R. 3963. Here we are again, in the last days of the session, presented with a bill that has never cleared the Committee on Resources and violates the Budget Act and sets precedents on the use of and disposition of Federal resources.

I understand why Senator BAUCUS and the gentleman from Montana (Mr. HILL) have been in discussions with the administration on this initiative, and he has a letter from OMB stating they will not object. That is worth considering, but I believe there are still serious problems with this legislation.

First, the bill sets up a bidding process for these cabin sites, supposedly to get fair and open bids on the property. However, the bill then sets terms and conditions that rig the bid so that effectively there is only one bidder, that just happens to be the Canyon Ferry Recreation Association.

Next the bill takes any funds received from these sales and sets up a fund for the Federal, state and local management board, trust funds for the

resources. I guess some would argue why we have the board or do not have the board, but I think, more importantly, that this is the conveyance of public resources, ostensibly to private hands. And yet, at the same time, when we look at the process to receive fair market value, it really precludes others from bidding on these properties, because if any bidder is other than the Canyon Ferry Recreation Association, that purchaser then has to provide for an option to purchase to the lessees, the existing lessees, and also for those who decide they do not want to purchase, it has to provide them continuance of the lease.

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Well, is highly unlikely that somebody who seeks to have one of these properties for their use and enjoyment would bid in that process and therefore, then by default, what we have is Canyon Ferry being really the only bidder in the process, and they also get the benefit in that situation of fully depreciating, excluding the value of the improvements on that property.

However, under existing Federal law at the end of their lease, the value, if there are cabins or improvements, would revert to the Federal Government as it would in the private sector. If one makes improvements on lease property, generally those enure to the property owner.

So, I think for those reasons that this legislation should undergo further consideration. I also think because of the fact that we have, scattered throughout the public lands in this country, hundreds of thousands of inholdings, lease holdings and all the rest, that we ought to make sure of what we are doing here, prior to setting a precedent on how we would convey those properties either to existing private owners or on a bid process, or whether in fact they should revert to the people of the United States.

Mr. Speaker, reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Montana (Mr. HILL), the sponsor of this legislation.

Mr. HILL. Mr. Speaker, I thank the gentleman from Utah (Mr. HANSEN) for yielding to me, and thank him for bringing this bill to the floor.

Mr. Speaker, let me point out that what this bill will do is to authorize the sale of 240 cabin sites on Canyon Ferry Reservoir to people who currently have cabins that have been built on these sites. These are truly cabins. These are not houses. They are not high-value properties. These are simply recreational properties.

But the management of this reservoir has been a matter of considerable dispute and controversy ever since the reservoir was originally constructed back in the late 1940s. What this bill attempts to do by selling these cabin sites to these cabin owners is to resolve an area that has been contentious and a long-standing matter of dispute.

This bill has the support of the governor of the State of Montana. It has the support of both United States Senators, Democrat and Republican. It has the support of county commissioners in Broadwater and Lewis and Clark County, Democrats and Republicans. It has the support of the administration. It has the support of sportsman groups, and it has the support of local conservation groups.

On October 10, the Executive Office of the President wrote to Senator BAUCUS saying, "I am writing to express the Administration's support for the substitute amendment to . . . the Montana Fish and Wildlife conservation act." It goes on to say that this bill would create "a unique opportunity to exchange lands at Canyon Ferry Reservoir for other lands in the State to conserve fish and wildlife, enhance public hunting, fishing, and recreation opportunities, and improve public access to public lands."

It is important for my colleagues to understand that this is basically a land exchange bill. The proceeds from the sale of these lots will be put into a trust fund, and this trust fund will be used for the purposes of acquiring other lands in this area or other conservation efforts in those areas.

I want my colleagues to understand that this area on the Missouri River from Three Forks to Holter Dam is an area that is prime trout habitat. In fact, the watershed there is a watershed that supports critical cutthroat habitat, and the funds from the sale of these lots will be used for the purposes of conserving that habitat which is extremely critical. As we all know, the cutthroat has been proposed as a threatened species. It will also be used to accomplish other conservation efforts to acquire other access to the river and to the reservoir and it will also be used to secure other lands.

Mr. Speaker, it is important to note that the trustees over this trust fund will be appointed by the Secretary of the Interior, so the Secretary will approve whoever serves on this trust fund, and the trust fund itself will be protected. Only the income from the trust fund can be used, so it will be a permanent trust fund to help secure important habitat and to provide access.

Mr. Speaker, the gentleman from California (Mr. MILLER) has pointed out that there is some controversy, or was some controversy, over the method of selling the lots. Substantially, those were changed at the request of the administration so that it is clear now these lots will be valued using existing law for the purposes of determining the appraisal and for the purposes of bidding.

It is important for Members to understand that these lots can only be sold at or above fair market value, which will be determined by an independent appraisal process. It is true that cabin owners will have the option to buy those lots, a last refusal right,

but it is important for my colleagues to understand that that is necessary because currently the leases go to the year 2008, and there are improvements on these lots that have to be accommodated somehow in the transaction.

I would just urge my colleagues to look at the fact that the administration supports this; Democrats and Republicans that are local and here in Washington support it; it has the support of landowners and conservation groups and sportsman groups. I think that that in and of itself indicates this is a consensus approach to resolving a long-standing problem.

Mr. Speaker, with that I urge all of my colleagues to support the bill.

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

Mr. MILLER of California. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 3963, as amended.

The question was taken.

Mr. MILLER of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

SUBJECTING CERTAIN RESERVED MINERAL INTERESTS OF THE OPERATION OF THE MINERAL LEASING ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3878) to subject certain reserved mineral interests of the operation of the Mineral Leasing Act, and for other purposes.

The Clerk read as follows:

H.R. 3878

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LEASING OF CERTAIN RESERVED MINERAL INTERESTS.

(a) APPLICATION OF MINERAL LEASING ACT.—Notwithstanding the provisions of section 4 of the 1964 Public Land Sale Act (P.L. 88-608, 78 Stat. 988), the Federal reserved mineral interests in lands conveyed under that Act by United States land patents No. 49-71-0059 and No. 49-71-0065 shall be subject to the operation of the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) ENTRY.—Any person who acquires any lease under the Mineral Leasing Act for the interests referred to in subsection (a) may exercise the right to enter reserved to the United States and persons authorized by the United States in the patents conveying the lands described in subsection (a) by occupying so much of the surface thereof as may be required for all purposes reasonably incident to the exploration for, and extraction and re-

moval of, the leased minerals by either of the following means:

(1) By securing the written consent or waiver of the patentee.

(2) In the absence of such consent or waiver, by posting a bond or other financial guarantee with the Secretary of the Interior in an amount sufficient to insure—

(A) the completion of reclamation pursuant to the Secretary's requirements under the Mineral Leasing Act, and

(B) the payment to the surface owner for—

(i) any damages to crops and tangible improvements of the surface owner that result from activities under the mineral lease, and

(ii) any permanent loss of income to the surface owner due to loss or impairment of grazing use, or of other uses of the land by the surface owner at the time of commencement of activities under the mineral lease.

(c) LANDS COVERED BY PATENT No. 49-71-0065.—In the case of the lands in United States patent No. 49-71-0065, the preceding provisions of this section take effect January 1, 1997.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3878, a bill to open to the operation of the Mineral Leasing Act two tracts with reserved Federal mineral estate near Big Piney, Wyoming. The lands affected by this bill were sold at auction several decades ago under a statute which requires the minerals be reserved to the United States in the land patent because the surface was to be used for commercial purposes.

But, the planned use never occurred. The tracts remain grazing lands, like thousands of acres nearby that are currently subjected to interest for oil and gas exploration and development. Sublette County, Wyoming, where the affected parcels are located, hosts the Jonah field, which has been described as the largest recent onshore discovery of natural gas on public lands. One unleased parcel will be subject to competitive bid offering under the normal BLM leasing process. BLM has already leased the other parcel.

Mr. Speaker, I urge my colleagues to support H.R. 3878 to help make available a prospective supply of this fuel. The gentlewoman from Wyoming (Mrs. CUBIN) should be commended for her work on this bill.

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

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

Mr. Speaker, H.R. 3878, as explained by the chairman of the subcommittee, would open two tracts of land in Sublette County, Wyoming, to oil and gas leasing under the Mineral Leasing Act of 1920, as amended.

It would provide that any party acquiring a lease under this authority could also exercise the right reserved to the United States to enter lands and occupy the surface for oil and gas operations. The bill would also protect the