

CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE FOR H.R. 4721

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 2000

Mr. YOUNG of Alaska. Mr. Speaker, I submit for the benefit of the Members a copy of the cost estimate prepared by the Congressional Budget Office for H.R. 4721, a bill to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 10, 2000.

Hon. DON YOUNG,
Chairman, Committee on Resources,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4721, an act to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States.

If you wish further details on this estimate, we will be pleased to provide them,

The CBO staff contacts are John R. Righter (for federal costs), and Lauren Marks (for the private-sector impact).

Sincerely,

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

Enclosure.

H.R. 4721—An act to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States

H.R. 4721 would transfer about 1,550 acres in real property in Washington County, Utah, to the federal government. As compensation for the government's taking of private property, the legislation would provide an immediate payment of \$15 million, with a subsequent amount to be paid to Environmental Land Technology, Ltd., the property owner, at a later date. The amount of the second payment would depend, in part, on whether the federal government could negotiate a settlement with the property owner.

Under a negotiated settlement, the second payment would include the difference between the property's appraised value and the initial payment of \$15 million, plus interest accrued from the date of the legislation's enactment. Alternatively, if the amount of the second payment is decided in a court of law, it would include the remaining property

value as determined by the court, accrued interest, reasonable expenses of holding the property from February 1990 to the date of the final payment, and reasonable court costs and attorneys' fees. The legislation would provide the full faith and credit of the United States to make such payments without further appropriation.

CBO estimates that enacting H.R. 4721 would increase direct spending by \$15 million in fiscal year 2001. The amount of the second payment is uncertain and will probably be determined in court. Based on information from the Bureau of Land Management (BLM), CBO estimates that a second payment of \$43 million would be made in 2002. The estimated total of \$58 million is the midpoint between the government's and the property owner's estimates of the property's value (between \$30 million and \$70 million), plus accrued interest and reasonable property and court-related expenses. This estimate assumes that, based on the wide difference in their estimates of the property's value, the two sides would be unable to negotiate an out-of-court settlement. Because H.R. 4721 would affect direct spending, pay-as-you-go procedures would apply. The changes in direct spending are shown in the following table.

	By fiscal year, in millions of dollars									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in outlays	15	43	0	0	0	0	0	0	0	0
Changes in receipts	(1) ¹	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

¹ Not applicable.

In addition, because it is possible that BLM would have purchased the property under current law using funds appropriated from the Land and Water Conservation Fund, implementing the legislation could reduce the need for future appropriations.

H.R. 4721 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. H.R. 4721 would impose a private-sector mandate, as defined in UMRA, on the property owner who would be required to confer his property to the federal government. CBO estimates that the cost of complying with the mandate would fall below the annual threshold established by UMRA (\$109 million in 2000, adjusted annually for inflation).

The legislation would require, 30 days after enactment, the landowner to confer to the United States all right, title, and interest in and to, his property located within and adjacent to the Red Cliffs Reserve. That requirement would be a mandate as defined in UMRA. The cost of complying with the mandate would be the fair market value of the land, expenses incurred and lost interest in transferring the property to the federal government, and the costs of relocating. Estimates of the value of the property range between \$30 million and \$70 million. Thus, CBO expects that the direct costs of complying with the mandate would fall below the threshold established by UMRA (\$109 million for private-sector mandates in 2000, adjusted annually for inflation). The legislation provides that, in exchange for his land, the landowner would receive an initial payment \$15 million, as well as a subsequent payment to be determined either through a negotiated settlement or through litigation.

On October 10, 2000, CBO transmitted a cost estimate for S. 2873, a similar bill reported by the Senate Committee on Energy and Natural Resources on October 2, 2000. CBO's two cost estimates are identical.

The CBO staff contacts for this estimate are John R. Righter (for federal costs) and

Lauren Marks (for the private-sector impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

INTRODUCTION OF H. CON. RES. 426
CONCERNING THE VIOLENCE IN
THE MIDDLE EAST

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 12, 2000

Mr. GILMAN. Mr. Speaker, the past two weeks have seen tension in the Middle East spiral out of control as PLO Chairman Yasser Arafat attempts to dictate Israeli concessions at the negotiating table through the unbridled use of violence, and, most appallingly, through the manipulation of young children as "martyrs in training".

This massive and fundamental violation of the Oslo Accords is intentional, as underscored when the leader of the Tanzim paramilitary forces in the West Bank said yesterday that his organization would escalate the confrontations with Israel and not try to calm the situation. Marwan Barghuti said, "This blessed Intifada is looking ahead and the mass activity is moving forward".

Mr. Speaker, in today's latest outrage, a Palestinian mob killed two Israeli soldiers and dumped their bloodied bodies in the street after the pair were captured with two other servicemen earlier today in the Palestinian city of Ramallah.

That is why I felt compelled to introduce a resolution, H. Con. Res. 426 on behalf of myself and Mr. GEJDENSON, our ranking Minority Member on the House International Relations Committee, condemning the Palestinian vio-

lence, and expressing congressional support for the people of Israel at this time of crisis.

The Palestinians must understand that you can't have it both ways. The Government of Israel has made clear to the world its commitment to peace time and time again. We see that the Palestinian response is violence.

Accordingly, I submit the text H. Con. Res. 426 to be printed at this point in the CONGRESSIONAL RECORD, and urge our colleagues to strongly support this.

H. CON. RES. 426

Whereas the Arab-Israeli Conflict must be resolved by peaceful negotiation;

Whereas since 1993 Israel and the Palestinians have been engaged in intensive negotiations over the future of the West Bank and Gaza;

Whereas the United States, through its consistent support of Israel and the cause of peace, made the current peace process possible;

Whereas the underlying basis of those negotiations was recognition of the Palestine Liberation Organization (PLO) by Israel in exchange for the renunciation of violence by the PLO and its Chairman Yasser Arafat, first expressed in a letter to then-Israeli Prime Minister Yitzhak Rabin dated September 9, 1993, in which Mr. Arafat stated: "[T]he PLO renounces the use of terrorism and other acts of violence, and will assume responsibility over all PLO elements and personnel in order to assure their compliance, prevent violations and discipline violators.";

Whereas as a result of those negotiations, the Palestinians now fully control over 40 percent of the West Bank and Gaza, with over 95 percent of the Palestinian population under the civil administration of the Palestinian Authority;

Whereas as a result of peace negotiations, Israel turned over control of these areas to