

**Calendar No. 547**

112TH CONGRESS }  
2d Session }

SENATE

{ REPORT  
112-239

A BILL TO AUTHORIZE THE SECRETARY OF  
COMMERCE TO CONVEY REAL PROPERTY,  
INCLUDING IMPROVEMENTS, OF THE NA-  
TIONAL OCEANIC AND ATMOSPHERIC AD-  
MINISTRATION IN KETCHIKAN, ALASKA,  
AND FOR OTHER PURPOSES

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R E P O R T

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND  
TRANSPORTATION

ON

S. 1307



NOVEMBER 14, 2012.—Ordered to be printed

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED TWELFTH CONGRESS

SECOND SESSION

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### A BILL TO AUTHORIZE THE SECRETARY OF COMMERCE TO CONVEY REAL PROPERTY, INCLUDING IMPROVE- MENTS, OF THE NATIONAL OCEANIC AND ATMOS- PHERIC ADMINISTRATION IN KETCHIKAN, ALASKA, AND FOR OTHER PURPOSES

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Mr. ROCKEFELLER, from the Committee on Commerce, Science, and  
Transportation, submitted the following

### REPORT

[To accompany S. 1307]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 1307) to authorize the Secretary of Commerce (Secretary) to convey real property, including improvements, of the National Oceanic and Atmospheric Administration (NOAA) in Ketchikan, Alaska, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

#### PURPOSE OF THE BILL

The purpose of S. 1307 is to authorize NOAA to sell the agency's existing, but condemned and unsafe, homeport facility in Ketchikan, Alaska, and to apply the proceeds from the sale, should it occur, towards a new homeport facility in Ketchikan. The intent of the bill is to help encourage cost-effective collaboration between the State and Federal Government in developing a new port facility which can support both State agency and NOAA needs. The bill does not authorize any additional Federal funds.

#### BACKGROUND AND NEEDS

The NOAA Ship *Fairweather*, a hydrographic survey ship, serves as NOAA's only multi-role Arctic survey platform. By statute, the vessel is homeported in Ketchikan, Alaska. The current port facil-

ity consists of a pier for the ship, a small-boat dock, a warehouse, an office, and parking. The ship's pier is over 50 years old, and in 2008 the pier was condemned as structurally unsound. As a result, the *Fairweather* now must transit to NOAA's Marine Operations Center-Pacific (MOC-P; in Newport, Oregon) for the winter. Because the *Fairweather* is usually funded for 130–210 days-at-sea per year, the five to ten days spent traveling to Oregon and back reduces the ship time that can be spent on the *Fairweather's* central mission of nautical charting. Authorizing NOAA to sell the existing dock and use the funds to contribute towards a suitable replacement facility to homeport the vessel would enable greater continuity of service in the Arctic.

#### SUMMARY OF PROVISIONS

S. 1307 would allow NOAA to retain any proceeds obtained from the conveyance of its current property and to apply those funds to a new facility in Ketchikan.

#### LEGISLATIVE HISTORY

S. 1307 was introduced on June 30, 2011, by Senator Begich, and is cosponsored by Senator Murkowski. On November 2, 2011, the Committee met in open Executive Session and by voice vote ordered that the bill be reported favorably without amendment.

#### ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

*S. 1307—A bill to authorize the Secretary of Commerce to convey real property, including improvements, of the National Oceanic and Atmospheric Administration in Ketchikan, Alaska, and for other purposes*

S. 1307 would authorize the Secretary of Commerce to sell a National Oceanic and Atmospheric Administration (NOAA) port facility in Ketchikan, Alaska. The bill also would authorize the Secretary to acquire a new facility to serve as the homeport for the NOAA Ship *Fairweather*. CBO estimates that implementing the legislation would cost \$3 million over the 2012–2016 period, subject to the availability of appropriated funds. In addition, we estimate that S. 1307 would increase offsetting receipts (a credit against direct spending) by \$1 million; therefore, pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

S. 1307 would authorize the appropriation of funds to establish a new homeport in Ketchikan. Because it is generally cheaper for the federal government to own property than to lease it, CBO expects that, under the bill, NOAA would purchase an existing port facility for its use. Based on information provided by individuals with knowledge of the real estate market in Ketchikan, CBO estimates that acquiring the new facility and making the necessary improvements would cost about \$3 million over the 2012–2016 period, assuming appropriation of the amount necessary to purchase a new port facility.

Under the bill, the Secretary would be authorized to sell a condemned NOAA port facility in Ketchikan, Alaska. Proceeds from the sale would be deposited in the U.S. Treasury as offsetting receipts. Based on information provided by the agency and individuals familiar with real estate values in Ketchikan, CBO estimates that enacting the legislation would increase offsetting receipts by about \$1 million in the year the facility is sold, sometime over the next several years.

S. 1307 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Jeff LaFave. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

#### REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

##### NUMBER OF PERSONS COVERED

S. 1307 does not authorize any new regulations and therefore would not subject any individuals or businesses to regulation.

##### ECONOMIC IMPACT

The legislation is not expected to have an impact on the Nation's economy.

##### PRIVACY

S. 1307 would not have a negative impact on the personal privacy of individuals.

##### PAPERWORK

The reported bill would not increase paperwork requirements for private individuals, businesses, or the Federal Government.

##### CONGRESSIONALLY DIRECTED SPENDING

In compliance with paragraph 4(b) of rule XLIV of the Standing Rules of the Senate, the Committee provides that no provisions contained in the bill, as reported, meet the definition of congressionally directed spending items under the rule.

#### SECTION-BY-SECTION ANALYSIS

##### *Section 1. Conveyance Certain Property of the National Oceanic and Atmospheric Administration in Ketchikan, Alaska.*

This section would authorize the Secretary to convey property currently under the administrative jurisdiction of NOAA to a non-Federal entity, if the Secretary determines the conveyance is in the best interest of NOAA and the Federal Government. Subsection (b) would require that in return for the property, the United States receive fair market value of the property in the form of any combination of the following: (1) property; (2) cash or cash equivalents; and/or (3) in-kind consideration. Subsection (b)(3) would require the

Secretary to determine fair market value of the property based on a highest- and best-use appraisal consistent with the Uniform Appraisal Standards for Professional Appraisal Practice. Subsection (c) would authorize the Secretary to, subject to appropriation, use proceeds from the conveyance of the NOAA property to lease or purchase property at a new port facility in the Ketchikan Gateway Borough, Alaska. Subsection (d) would require the Secretary to conduct and pay for an adequate survey of the NOAA property to be transferred. The remaining subsections of the legislation would authorize the Secretary to: exchange the property; acquire temporary facilities during the transition to the new port facility; and require additional terms and conditions as necessary.

#### CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee states that the bill as reported would make no change to existing law.

