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WALLOWA FOREST SERVICE COMPOUND CONVEYANCE

AUGUST 30 (legislative day, AUGUST 2), 2011.—Ordered to be printed

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Mr. BINGAMAN, from the Committee on Energy and Natural Resources, submitted the following

R E P O R T

[To accompany S. 271]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 271) to require the Secretary of Agriculture to enter into a property conveyance with the city of Wallowa, Oregon, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill, as amended, do pass.

The amendments are as follows:

1. On page 3, line 8, strike “and”.
2. On page 3, strike line 12 and insert the following:
Compound; and
(4) pay the reasonable administrative costs associated with the conveyance.

PURPOSE

The purpose of S. 271 is to provide for the conveyance of a Forest Service administrative site to the city of Wallowa, Oregon.

BACKGROUND AND NEED

In 1936, the city of Wallowa donated to the Forest Service approximately one acre of land in downtown Wallowa where the Forest Service sought to construct a ranger station and associated buildings. The Civilian Conservation Corps subsequently built a ranger station, bunkhouse, warehouse, storage building, and gas-house on the site. The Wallowa Ranger Station was listed on the National Register of Historic Places on October 28, 2009.

The site was used for many decades by the Forest Service, but now sits vacant and has accumulated hundreds of thousands of dollars in deferred maintenance needs. The Forest Service recently identified the property for sale under the Forest Service Facility Realignment and Enhancement Act (16 U.S.C. 580d note), which requires fair market value for any conveyance.

The Maxville Heritage Interpretive Center has proposed using the compound for local historical and cultural preservation, interpretation, and education. The Center is a nonprofit organization whose mission is to collect, preserve, and interpret the rich early-1900's history of the multicultural railroad logging community of Maxville, Oregon, and similar communities in the Pacific Northwest. However, the Forest Service needs legislative authorization to convey the property for anything less than its fair market value.

LEGISLATIVE HISTORY

S. 271 was introduced by Senators Wyden and Merkley on February 3, 2011. The Subcommittee on Public Lands and Forests held a hearing on S. 271 on May 18, 2011 (S. Hrg. 112–39). At its business meeting on July 14, 2011, the Committee on Energy and Natural Resources ordered S. 271 favorably reported with amendments. The Committee reported a similar bill, S. 1139, in the 111th Congress (S. Rept. 111–138).

COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on July 14, 2011, by a voice vote of a quorum present, recommends that the Senate pass S. 271, if amended as described herein.

COMMITTEE AMENDMENTS

During its consideration of S. 271, the Committee adopted an amendment that requires the city to pay the reasonable costs associated with the conveyance, along with a conforming amendment.

SECTION-BY-SECTION ANALYSIS

Section 1 provides the short title for the bill.

Section 2(a) provides the definitions for a number of terms used in the bill.

Subsection (b) directs the Forest Service to convey the Wallowa Forest Service Compound to the city of Wallowa, if the city requests the conveyance within 1 year after the date of enactment of the bill.

Subsection (c) requires the conveyance to be made by quitclaim deed for no consideration and to be subject to valid existing rights and such terms and conditions as the Secretary may require.

Subsection (d) includes a number of conditions for the use of the compound by the city.

Subsection (e) provides the Secretary with discretion to exercise a reversionary interest if the conditions in subsections (c) and (d) are not followed.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of costs of this measure has been provided by the Congressional Budget Office:

S. 271—Wallowa Forest Service Compound Conveyance Act

S. 271 would direct the Forest Service to convey, without consideration, about 1 acre of land and improvements in Oregon to the city of Wallowa. Based on information provided by the Forest Service, CBO estimates that implementing the bill would have no significant net effect on the federal budget.

Enacting S. 271 would affect direct spending; therefore, pay-as-you-go procedures apply. Because the affected land (and related structures) would probably have been sold under existing authority, enacting the bill would reduce offsetting receipts. However, because the Forest Service can spend those receipts, the loss in receipts would be offset by lower direct spending of a similar amount. (CBO estimates that the value of the land is less than \$500,000.) Enacting the bill would not affect revenues.

S. 271 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 EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 271.

The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 271, as ordered reported.

CONGRESSIONALLY DIRECTED SPENDING

S. 271, as ordered reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

EXECUTIVE COMMUNICATIONS

The testimony of the Forest Service at the May 18, 2011, hearing on S. 271 follows.

STATEMENT OF MARY WAGNER, ASSOCIATE CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the Subcommittee, I am Mary Wagner, Associate Chief of the Forest Service. Thank you for the opportunity to appear before you today to provide the Department of Agriculture's views on S. 271, which would require the Secretary of Agriculture to convey land, the Wallowa Ranger Station, to the City of Wallowa, Oregon.

S. 271 would require the Secretary of Agriculture, to convey to the City of Wallowa, Oregon, on the request of the City, all right, title, and interest in the Wallowa Forest Service Compound, approximately 1.11 acres located within the City, subject to valid existing rights and to such terms and conditions as the Secretary may require. The bill provides that, as conditions of the conveyance, the City shall use the compound as a historical and cultural interpretation and education center, shall ensure that the compound is managed by a nonprofit entity, and shall manage the compound with due consideration for its historic values.

It is long standing policy that the United States receive market value for the sale, exchange, or use of NFS land. This policy is well established in law, including the Independent Offices Appropriation Act (31 U.S.C. 9701), section 102(9) of FLPMA, as well as numerous land exchange authorities. The parcels have value to the United States for their potential to be used to facilitate future land conveyance.

Our preference would be to convey the compound to the City under existing authorities. The Forest Service has identified the Wallowa Compound as a site to be sold under the Forest Service Facility Realignment and Enhancement Act (FSFREA). Disposition under FSFREA would allow the proceeds from the sale to be used to address other administrative site needs. In the past 3 years, the Forest Service has expended funds to prepare the compound for disposal and hopes to derive benefit on behalf of the public from the sale by re-investing proceeds from the sale in other deteriorating infrastructure on the Wallowa-Whitman National Forest as provided for under FSFREA.

However, because of special circumstances, we do not object to the conveyance to the City under the bill. Originally the parcels were owned by the City. During the Depression, the City defaulted on taxes owned on the land and the County assumed ownership. The County donated the parcels to the United States in 1936.

We recommend, however, that the bill should provide that the City of Wallowa be responsible for bearing all administrative costs associated with the conveyance. Additionally, the legislation would provide for the reversion of the property to the United States, at the election of the Secretary, if the conditions under subsections 2(c) or 2(d)

are violated. We would like to work with the Committee to address concerns with S. 271, including the reversionary language.

This concludes my statement and I would be happy to answer any questions you might have.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill S. 271, as ordered reported.