

104TH CONGRESS
2D SESSION

S. 1719

To require the Secretary of the Interior to offer to sell to certain public agencies the indebtedness representing the remaining repayment balance of certain Bureau of Reclamation projects in Texas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 1, 1996

Mrs. HUTCHISON introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To require the Secretary of the Interior to offer to sell to certain public agencies the indebtedness representing the remaining repayment balance of certain Bureau of Reclamation projects in Texas, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Texas Reclamation
5 Projects Indebtedness Purchase Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) FEDERAL RECLAMATION LAWS.—The term
2 “Federal reclamation laws” means the Act of June
3 17, 1902 (32 Stat. 388, chapter 1093), and Acts
4 amendatory or supplementary to that Act, (43
5 U.S.C. 371 et seq.).

6 (2) NON-FEDERAL MITIGATION COSTS.—The
7 term “non-Federal mitigation costs” means costs or
8 expenses incurred by a purchaser, whether paid di-
9 rectly or incurred as a reduction of anticipated
10 project benefits, not otherwise included as costs to
11 be repaid by the Federal Government, to mitigate
12 environmental impacts of a project pursuant to law.

13 (3) PRESENT VALUE.—The term “present
14 value” means the present value of the unpaid indebt-
15 edness of a project, as defined by the project repay-
16 ment schedule, discounted at the United States
17 Treasury rates on the date of execution of the pur-
18 chase contract.

19 (4) PROJECT.—The term “project” means all
20 or part of a project specified in section 4, including
21 all features, functions, and real and personal prop-
22 erty authorized by Congress for any such project.

23 (5) PUBLIC AGENCY.—The term “public agen-
24 cy” means—

1 (A) a State agency or political subdivision
2 of the State of Texas created under the laws of
3 the State of Texas; or

4 (B) a home rule city created under the
5 laws of the State of Texas.

6 (6) PURCHASER.—The term “purchaser”
7 means—

8 (A) the party that (as of the date of enact-
9 ment of this Act) has contracted with the Unit-
10 ed States for repayment of the indebtedness of
11 a project; or

12 (B) if the party referred to in subpara-
13 graph (A) declines to complete the contract in
14 accordance with this Act, the State of Texas, or
15 a public agency, that has contracted with the
16 United States for repayment of the indebted-
17 ness of a project in accordance with this Act.

18 (7) SECRETARY.—The term “Secretary” means
19 the Secretary of the Interior.

20 **SEC. 3. AGREEMENT FOR SALE OF INDEBTEDNESS OF BU-**
21 **REAU OF RECLAMATION PROJECTS IN TEXAS.**

22 (a) IN GENERAL.—Not later than 180 days after the
23 date of enactment of this Act, the Secretary shall offer
24 to enter into an agreement with a purchaser for the pur-
25 chase of projects in accordance with this section.

1 (b) PURCHASE PRICE.—

2 (1) IN GENERAL.—Subject to the other provi-
3 sions of this subsection, the purchase price of a
4 project shall be equal to the present value of the
5 project.

6 (2) DISCOUNT FOR IDENTIFIED LIABILITIES
7 AND UNREALIZED BENEFITS.—In the case of a
8 project with an identified liability, or a project from
9 which actual benefits are less than the benefits that
10 are projected at the time of project authorization,
11 the purchase price of the project shall be discounted
12 to the extent of the identified liability or unrealized
13 benefits, as determined by the State of Texas.

14 (3) DISCOUNT FOR BUREAU PAYMENTS.—In
15 the case of a project with respect to which the Bu-
16 reau of Reclamation is obligated to pay a portion of
17 maintenance and operating expenses or payments in
18 lieu of taxes, the purchase price of the project shall
19 be discounted by an amount equal to the anticipated
20 payment by the Bureau of Reclamation for the next
21 50 years.

22 (4) DISCOUNT FOR NON-FEDERAL COSTS.—If a
23 purchaser assumes the responsibility for non-Federal
24 mitigation costs of a project, the purchase price of

1 the project shall be discounted to reflect the addi-
2 tional obligations undertaken or costs incurred.

3 (c) CONVEYANCE OF LAND AND IMPROVEMENTS.—

4 When the purchase price is paid for a project, the Sec-
5 retary shall convey to the purchaser all right, title, and
6 interest of the United States to all land and all improve-
7 ments to the project. An interest may be retained by the
8 United States to the extent that the interest is retained
9 under subsection (g).

10 (d) OPERATION AND MAINTENANCE.—The purchaser
11 shall assume all responsibility and liability for operation
12 and maintenance of a purchased project.

13 (e) DELIVERY OF PROJECTS.—The United States
14 shall provide for the performance of work reasonably nec-
15 essary to provide for the delivery of a project, including
16 all facilities and property, in a reasonably safe and func-
17 tional condition and in accordance with good maintenance
18 standards.

19 (f) FEDERAL RECLAMATION LAW REQUIREMENTS
20 AND BENEFITS.—On full payment of the purchase price
21 required under this section and the transfer of a project—

22 (1) the purchaser shall be relieved from compli-
23 ance with the acreage limitation and other require-
24 ments of Federal reclamation laws with respect to
25 the project; and

1 (2) a project beneficiary shall not be eligible to
2 receive benefits available under Federal reclamation
3 laws, unless otherwise authorized by law, with re-
4 spect to a project.

5 (g) RESPONSIBILITY AND LIABILITY FOR
6 PROJECT.—On completion of the purchase of a project,
7 the purchaser shall—

8 (1) assume sole responsibility and liability for
9 the project purchased as of the date of conveyance
10 of title; and

11 (2) hold the United States harmless and indem-
12 nify the United States against all claims of damage;
13 except to the extent any title or aspect of project oper-
14 ations has been retained by the United States.

15 (h) NONREIMBURSABLE COSTS.—On completion of
16 the purchase of a project, the purchaser shall assume re-
17 sponsibility for continued implementation of all non-
18 reimbursable costs of the project originally authorized by
19 law.

20 (i) EFFECT ON CERTAIN FEDERAL PROGRAMS.—A
21 program of the National Park Service or the Army Corps
22 of Engineers associated with a project shall not be affected
23 by the transfer of a project.

1 **SEC. 4. PROJECTS AND PURCHASE PRICE.**

2 The Secretary shall offer to enter into an agreement
3 with a purchaser under section 3 for the purchase of—

4 (1) the Canadian River reclamation project,
5 Texas, authorized by the Act of December 29, 1950
6 (64 Stat. 1124, chapter 1183; 43 U.S.C. 600b et
7 seq.), for \$21,187,881, except that title to portions
8 of the project owned by the National Park Service,
9 and portions required for flood control operation by
10 the Army Corp of Engineers, shall not be trans-
11 ferred;

12 (2) the Palmetto Bend Federal reclamation
13 project, Texas, authorized by Public Law 90–562
14 (43 U.S.C. 616gggg note), for \$33,923,245; and

15 (3) the Nueces River project, Texas, authorized
16 by title X of Public Law 93–493 (43 U.S.C. 600g
17 note), for \$30,715,367.

18 **SEC. 5. RELATIONSHIP TO OTHER LAW.**

19 (a) NEPA.—The assumption of Federal non-
20 reimbursable responsibility for a project by a purchaser
21 shall be considered to comply with the National Environ-
22 mental Policy Act of 1969 (42 U.S.C. 4321 et seq.). Re-
23 view of the project purchase shall not be required pursuant
24 to the Act.

1 (b) REPAYMENT OF CONSTRUCTION CHARGES.—Sec-
2 tion 213(c) of the Reclamation Reform Act of 1982 (43
3 U.S.C. 390mm(c)) shall not apply to a project.

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