

Union Calendar No. 490

106TH CONGRESS
2^D SESSION

H. R. 2674

[Report No. 106-832]

Providing for conveyance of the Palmetto Bend project to the State of Texas.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 1999

Mr. PAUL introduced the following bill; which was referred to the Committee on Resources

SEPTEMBER 7, 2000

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on August 2, 1999]

A BILL

Providing for conveyance of the Palmetto Bend project to the State of Texas.

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 “Palmetto Bend Convey-*
5 *ance Act”.*

1 **SEC. 2. DEFINITIONS.**

2 *In this Act:*

3 (1) *PROJECT.*—*The term “Project” means the*
4 *Palmetto Bend Reclamation Project in the State of*
5 *Texas authorized under Public Law 90–562 (82 Stat.*
6 *999).*

7 (2) *SECRETARY.*—*The term “Secretary” means*
8 *the Secretary of the Interior.*

9 (3) *STATE.*—*The term “State” means the Texas*
10 *Water Development Board and Lavaca-Navidad*
11 *River Authority jointly, unless Lavaca-Navidad River*
12 *Authority has acquired the interests of the Texas*
13 *Water Development Board prior to the time of title*
14 *transfer, in which case “State” shall mean Lavaca-*
15 *Navidad River Authority.*

16 **SEC. 3. CONVEYANCE.**

17 (a) *IN GENERAL.*—*The Secretary shall, as soon as*
18 *practicable after the date of enactment of this Act and in*
19 *accordance with all applicable law, and subject to the condi-*
20 *tions set forth in sections 4 and 5, convey to the State all*
21 *right, title, and interest (excluding the mineral estate) in*
22 *and to the Project held by the United States.*

23 (b) *REPORT.*—*If the conveyance under section 3 has*
24 *not been completed within 1 year and 180 days after the*
25 *date of enactment of this Act, the Secretary shall submit*
26 *to the Committee on Resources of the House of Representa-*

1 *tives and the Committee on Energy and Natural Resources*
2 *of the Senate a report that describes—*

3 *(1) the status of the conveyance;*

4 *(2) any obstacles to completion of the convey-*
5 *ance; and*

6 *(3) the anticipated date for completion of the*
7 *conveyance.*

8 **SEC. 4. PAYMENT.**

9 *(a) IN GENERAL.—As a condition of the conveyance,*
10 *the State shall pay the Secretary the adjusted net present*
11 *value of current repayment obligations on the Project, cal-*
12 *culated 30 days prior to closing using a discount rate equal*
13 *to the average interest rate on 30-year United States Treas-*
14 *ury notes during the preceding calendar month, which fol-*
15 *lowing application of the State's August 1, 1999, payment,*
16 *is currently calculated to be \$45,082,675 using a discount*
17 *rate of 6.070 percent. The State shall also pay interest on*
18 *the adjusted net present value of current repayment obliga-*
19 *tions from the date of State's most recent annual payment*
20 *until closing at the interest rate for constant maturity*
21 *United States Treasury notes of an equivalent term.*

22 *(b) OBLIGATION EXTINGUISHED.—Upon payment by*
23 *the State under subsection (a), the obligation of the State*
24 *and the Bureau of Reclamation under the Bureau of Rec-*
25 *lamation Contract No. 14-06-500-1880, as amended shall*

1 *be extinguished. After completion of conveyance provided for*
2 *in section 3, the State shall assume full responsibility for*
3 *all aspects of operation, maintenance, and replacement of*
4 *the Project.*

5 (c) *ADDITIONAL COSTS.—The State shall bear the cost*
6 *of all boundary surveys, title searches, appraisals, and other*
7 *transaction costs for the conveyance.*

8 (d) *RECLAMATION FUND.—All funds paid by the State*
9 *to the Secretary under this section shall be credited to the*
10 *Reclamation Fund in the Treasury of the United States.*

11 **SEC. 5. FUTURE MANAGEMENT.**

12 (a) *IN GENERAL.—As a condition of the conveyance*
13 *under section 3, the State shall agree that the lands, water,*
14 *and facilities of the Project shall continue to be managed*
15 *and operated for the purposes for which the Project was*
16 *originally authorized; that is, to provide a dependable mu-*
17 *nicipal and industrial water supply, to conserve and de-*
18 *velop fish and wildlife resources, and to enhance rec-*
19 *reational opportunities. The State's agreement shall be re-*
20 *flected in the management agreement required by subsection*
21 *(b) of this section.*

22 (b) *FISH, WILDLIFE, AND RECREATION MANAGE-*
23 *MENT.—As a condition of conveyance under section 3, man-*
24 *agement decisions and actions affecting the public aspects*
25 *of the Project (namely, fish, wildlife, and recreation re-*

1 *sources) shall be conducted according to a management*
2 *agreement between all recipients of title to the Project and*
3 *the Texas Parks and Wildlife Department that has been ap-*
4 *proved by the Secretary and shall extend for the useful life*
5 *of the Project.*

6 *(c) EXISTING OBLIGATIONS.—The United States shall*
7 *assign to the State and the State shall accept all surface*
8 *use obligations of the United States associated with the*
9 *Project existing on the date of the conveyance including con-*
10 *tracts, easements, and any permits or license agreements.*

11 **SEC. 6. MANAGEMENT OF MINERAL ESTATE.**

12 *All mineral interests in the Project retained by the*
13 *United States shall be managed consistent with Federal law*
14 *and in a manner that will not interfere with the purposes*
15 *for which the Project was authorized.*

16 **SEC. 7. LIABILITY.**

17 *(a) IN GENERAL.—Effective on the date of conveyance*
18 *of the Project, the United States shall not be liable for dam-*
19 *ages of any kind arising out of any act, omission, or occur-*
20 *rence relating to the Project, except for damages caused by*
21 *acts of negligence committed prior to the date of conveyance*
22 *by—*

23 *(1) the United States; or*

24 *(2) an employee, agent, or contractor of the*
25 *United States.*

1 **(b) NO INCREASE IN LIABILITY.**—*Nothing in this Act*
2 *increases the liability of the United States beyond that pro-*
3 *vided for in the Federal Tort Claims Act (28 U.S.C. 2671*
4 *et seq.).*

5 **SEC. 8. FUTURE BENEFITS.**

6 *After purchase of the Project, the State shall not be*
7 *entitled to receive any benefits for the Project under Federal*
8 *reclamation law (the Act of June 17, 1902 (32 Stat. 388,*
9 *chapter 1093)), and Acts supplemental to and amendatory*
10 *of that Act (43 U.S.C. 371 et seq.).*

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