

106TH CONGRESS
2^D SESSION

S. 1474

AN ACT

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 Con-
5 veyance 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
6 Stat. 999).

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

9 (3) STATE.—The term “State” means the State
10 of Texas, acting through the Texas Water Develop-
11 ment Board or the Lavaca-Navidad River Authority
12 or both.

13 **SEC. 3. CONVEYANCE.**

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

20 (b) REPORT.—If the conveyance under Section 3 has
21 not been completed within 1 year and 180 days after the
22 date of enactment of this Act, the Secretary shall submit
23 to the Committee on Resources of the House of Represent-
24 atives and the Committee on Energy and Natural Re-
25 sources of the Senate a report that describes—

26 (1) the status of the conveyance;

1 (2) any obstacles to completion of the convey-
2 ance; and

3 (3) the anticipated date for completion of the
4 conveyance.

5 **SEC. 4. PAYMENT.**

6 (a) **IN GENERAL.**—As a condition of the conveyance,
7 the State shall pay the Secretary the adjusted net present
8 value of current repayment obligations on the Project, cal-
9 culated 30 days prior to closing using a discount rate
10 equal to the average interest rate on 30-year United
11 States Treasury notes during the proceeding calendar
12 month, which following application of the State’s August
13 1, 1999 payment, was, as of October 1999, calculated to
14 be \$45,082,675 using a discount rate of 6.070 percent.
15 The State shall also pay interest on the adjusted net
16 present value of current repayment obligations from the
17 date of the State’s most recent annual payment until clos-
18 ing at the interest rate for constant maturity United
19 States Treasury notes of an equivalent term.

20 (b) **OBLIGATION EXTINGUISHED.**—Upon payment by
21 the State under subsection (a), the obligation of the State
22 and the Bureau of Reclamation under the Bureau of Rec-
23 lamation Contract No. 14–06–500–1880, as amended
24 shall be extinguished. After completion of conveyance pro-
25 vided for in Section 3, the State shall assume full responsi-

1 bility for all aspects of operation, maintenance and re-
2 placement of the Project.

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

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

10 **SEC. 5. FUTURE MANAGEMENT.**

11 (a) **IN GENERAL.**—As a condition of the conveyance
12 under section 3, the State shall agree that the lands,
13 water, and facilities of the Project shall continue to be
14 managed and operated for the purposes for which the
15 Project was originally authorized; that is, to provide a de-
16 dependable municipal and industrial water supply, to con-
17 serve and develop fish and wildlife resources, and to en-
18 hance recreational opportunities. In future management of
19 the Project, the State shall, consistent with other project
20 purposes and the provision of dependable municipal and
21 industrial water supply:

22 (1) provide full public access to the Project's
23 lands, subject to reasonable restrictions for purposes
24 of Project security, public safety, and natural re-
25 source protection;

1 (2) not sell or otherwise dispose of the lands
2 conveyed under Section 3;

3 (3) prohibit private or exclusive uses of lands
4 conveyed under Section 3;

5 (4) maintain and manage the Project's fish and
6 wildlife resource and habitat for the benefit and en-
7 hancement of those resources;

8 (5) maintain and manage the Project's existing
9 recreational facilities and assets, including open
10 space, for the benefit of the general public;

11 (6) not charge the public recreational use fees
12 that are more than is customary and reasonable.

13 (b) FISH, WILDLIFE, AND RECREATION MANAGE-
14 MENT.—As a condition of conveyance under Section 3,
15 management decisions and actions affecting the public as-
16 pects of the Project (namely, fish, wildlife, and recreation
17 resources) shall be conducted according to a management
18 agreement between all recipients of title to the Project and
19 the Texas Parks and Wildlife Department that has been
20 approved by the Secretary and shall extend for the useful
21 life of the Project.

22 (c) EXISTING OBLIGATIONS.—The United States
23 shall assign to the State and the State shall accept all
24 surface use obligations of the United States associated
25 with the Project existing on the date of the conveyance

1 including contracts, easements, and any permits or license
2 agreements.

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

4 All mineral interests in the Project retained by the
5 United States shall be managed consistent with Federal
6 Law and in a manner that will not interfere with the pur-
7 poses for which the Project was authorized.

8 **SEC. 7. LIABILITY.**

9 (a) IN GENERAL.—Effective on the date of convey-
10 ance of the Project, the United States shall be liable for
11 damages of any kind arising out of any act, omission, or
12 occurrence relating to the Project, except for damages
13 caused by acts of negligence committed prior to the date
14 of conveyance by—

15 (1) the United States; or

16 (2) an employee, agent, or contractor of the
17 United States.

18 (b) NO INCREASE IN LIABILITY.—Nothing in this
19 Act increases the liability of the United States beyond that
20 provided for in the Federal Tort Claims Act, (28 U.S.C.
21 2671 et seq.).

22 **SEC. 8. FUTURE BENEFITS.**

23 (a) DEAUTHORIZATION.—Effective on the date of
24 conveyance of the Project, the Project conveyed under this
25 Act shall be deauthorized.

1 (b) NO RECLAMATION BENEFITS.—After deauthor-
2 ization of the Project under subsection (a), the State shall
3 not be entitled to receive any benefits for the Project
4 under Federal reclamation law (the Act of June 17, 1902
5 (32 Stat. 388, chapter 1093), and Acts supplemental to
6 and amendatory of that Act (43 U.S.C. 371 et seq.).

 Passed the Senate October 13 (legislative day, Sep-
tember 22), 2000.

Attest:

Secretary.

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