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SOUTHERN NEVADA LIMITED TRANSITION AREA ACT

APRIL 10, 2008.—Ordered to be printed

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

R E P O R T

[To accompany S. 1377]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 1377) to direct the Secretary of the Interior to convey to the City of Henderson, Nevada, certain Federal land located in the City, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of S. 1377 is to direct the Secretary of the Interior to convey approximately 502 acres of land administered by the Bureau of Land Management to the City of Henderson, Nevada, without consideration, to allow the city to sell or lease the land for economic development adjacent to the Henderson Executive Airport.

BACKGROUND AND NEED

Located just outside Las Vegas, the City of Henderson, Nevada is one of the fastest growing communities in the nation. The city currently has an estimated population of approximately 250,000, and has now passed Reno as Nevada's second largest city.

To help address this rapid growth, S. 1377 would direct the Secretary of the Interior to convey to the city approximately 502 acres of BLM land adjacent to the Henderson Executive Airport, to allow the city to use the land for economic development.

The lands to be conveyed under S. 1377 are already within the boundary of lands directed for sale under the Southern Nevada Public Land Management Act (Public Law 105-263). Under that law, lands are sold by the BLM at public auction, with the sale pro-

ceeds distributed among the BLM for activities in Nevada, the Southern Nevada Water Authority, and the State of Nevada's general education fund.

S. 1377 supersedes the Southern Nevada Public Land Management Act by requiring that the auctioned land only be used for non-residential purposes, to ensure that future development is compatible with the nearby airport. Proceeds from the sale would be distributed in accordance with the formula in that Act.

LEGISLATIVE HISTORY

S. 1377 was introduced by Senators Reid and Ensign on May 14, 2007. (S. Hrg. 110–216.) During the 109th Congress, the Committee considered similar legislation, S. 1056. The Subcommittee on Public Lands and Forests held a hearing on S. 1056 on March 29, 2006 (S. Hrg. 109–444).

The Subcommittee on Public Lands and Forests held a hearing on S. 1377 on September 20, 2007. At its business meeting on January 30, 2008, the Committee on Energy and Natural Resources ordered S. 1377 favorably reported without amendment.

COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on January 31, 2007, by a voice vote of a quorum present, recommends that the Senate pass S. 1377.

SECTION-BY-SECTION ANALYSIS

Section 1 contains the short title, the “Southern Nevada Limited Transition Area Act.”

Section 2 defines key terms used in the bill.

Section 3(a) provides that notwithstanding the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), on request of the City of Henderson, Nevada (City), the Secretary of the Interior shall convey to the City all right, title, and interest of the United States to the land identified on the referenced map as the “Transition Area.” The conveyance shall be without consideration.

Subsection (b) states that the City may convey and portion of the conveyed land for purposes of non-residential development. Any lands conveyed must be through a competitive bidding process and shall be for not less than fair market value. Proceeds from the sale of the land are to be distributed in accordance with section 4(e) of the Southern Nevada Public Land Management Act of 1998.

Subsection (c) provides that the City may elect to retain parcels of the lands conveyed under this Act for public recreation or other public purposes consistent with the Recreation and Public Purposes Act (43 U.S.C. 869 et seq.).

Subsection (d) requires the City to plan the Transition Area in accordance with Federal law relating to airport noise compatibility planning.

Subsection (e) contains a reversionary clause that provides that if any land within the Transition Area is not used for non-residential purposes or local park or recreation purposes within 20 years after the date of enactment of this Act, the land shall revert to the Secretary (at the discretion of the Secretary).

COST AND BUDGETARY CONSIDERATIONS

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

S. 1377—Southern Nevada Limited Transition Area Act

S. 1377 would direct the Bureau of Land Management (BLM) to convey about 500 acres of federal land (“transition area”) in southern Nevada to the city of Henderson. CBO estimates that implementing this bill would have no net effect on the federal budget. Enacting S. 1377 would reduce offsetting receipts and associated direct spending, but CBO estimates that such reductions would offset each other. Enacting the bill would not affect revenues.

The bill would require BLM to convey to Henderson, without consideration, all right, title, and interest in the transition area at the request of the city. (Under existing law, BLM is scheduled to sell the transition area within the next few years and spend its portion of the proceeds for projects in Nevada.) The city would be permitted to sell the property at fair market value and 85 percent of any proceeds would be distributed to the federal government (in accordance with the receipt-sharing formula specified in the Southern Nevada Public Land Management Act of 1998.)

Assuming that the city would receive the transition area in the next year, sell that property in 2009 or 2010, and give 85 percent of the proceeds to BLM, CBO expects that the agency would receive an estimated \$150 million from sales proceeds in 2009 or 2010 and spend that amount over the next several years as it would have if it had sold the property itself. CBO estimates that enacting S. 1377 would thus have no net impact on the federal budget.

S. 1377 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would benefit the city of Henderson by authorizing the conveyance of land without consideration.

The CBO staff contact for this estimate is Deborah Reis. This 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. 1377. 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. 1377, as ordered reported.

CONGRESSIONALLY DIRECTED SPENDING

S. 1377, as 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 provided by the Bureau of Land Management at the September 20, 2007 Subcommittee hearing on S. 1377 follows:

STATEMENT OF MICHAEL NEDD, ASSISTANT DIRECTOR, MINERALS, REALTY AND RESOURCE PROTECTION, BUREAU OF LAND MANAGEMENT

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to testify on S. 1377, the Southern Nevada Limited Transition Act. S. 1377 would convey without consideration approximately 502 acres of BLM public lands, defined in the bill as the “transition area,” to the City of Henderson, Nevada, for economic development adjacent to the Henderson Executive Airport. The BLM recognizes the extensive residential growth occurring in the City of Henderson and understands the need for the City to plan land use in such a way that development around the Henderson Executive Airport is compatible with the nature of airport operations. During consideration of similar legislation in the 109th Congress (S. 1056), we raised several concerns. The BLM greatly appreciates the work of the sponsors of the bill to address those concerns, as reflected in the text of S. 1377. We support S. 1377 as introduced.

S. 1377 establishes development areas around the Henderson Executive Airport similar to the Airport Environs Overlay District—otherwise known as the McCarran Airport Cooperative Management Area (CMA)—established by the Southern Nevada Public Lands Management Act (SNPLMA), Public Law 105–263, that ensures compatible development around McCarran Airport. The public lands proposed for conveyance in S. 1377 are directly west and south of the Henderson Executive Airport, which is east of Interstate 15 and north of the Sloan Canyon National Conservation Area. These lands are within the disposal boundary established in SNPLMA and have been identified for disposal by the BLM as part of SNPLMA’s land disposal process.

S. 1377 directs the City of Henderson to plan and manage the lands for nonresidential development, and requires that any development comport with noise compatibility requirements defined in section 47504 of title 49, United States Code. The bill permits the City of Henderson to sell any portions of the conveyed lands for nonresidential development through a competitive bidding process, but for not less than fair market value, and subject to the noise compatibility requirements. The City of Henderson may also elect to retain parcels for recreation or other public purposes consistent with the Recreation and Public Purposes Act.

The revenue generated from any sales of the lands by the City of Henderson would be distributed consistent with the provisions of Section 4(e)(1) of SNPLMA, which allow for the deposit of 85 percent of the proceeds from land

sales into the Special Account; 10 percent paid directly to the Southern Nevada Water Authority; and 5 percent paid directly to the State of Nevada for use in the general education program of the State.

Again, thank you for the opportunity to work with the sponsors of this bill in addressing our various concerns, including modifications relative to the terms and conditions of future land sales by the City of Henderson; the revisionary language; and the revised map. We support S. 1377 and efforts to appropriately plan for development around the Henderson Executive Airport.

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. 1377, as ordered reported.

