Statement of Michael Nedd, Assistant Director Minerals, Realty and Resource Protection Bureau of Land Management before the House Committee on Natural Resources Subcommittee on National Parks, Forests and Public Lands H.R. 1311, the Nevada Cancer Institute Expansion Act October 23, 2007

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to testify on H.R. 1311, the Nevada Cancer Institute Expansion Act. H.R. 1311 would convey without consideration approximately 80 acres of public lands (the "Alta-Hualapai" site) to the City of Las Vegas, Nevada, for the development of a cancer treatment facility, an adjoining park, a flood control project, a water pumping facility, and other commercial projects. While the BLM supports the goals of H.R. 1311, we cannot support the bill unless there are major clarifications and modifications to make it consistent with our existing conveyance authorities and standard BLM practices.

The 80 acres proposed for conveyance under H.R. 1311 are part of a larger parcel of land totaling 320 acres that was patented to the City in 1963 under the Recreation and Public Purposes Act (R&PP). The Federal government retains a reversionary interest in these lands if they are not used for the specific purposes for which they were transferred. A significant portion of this parcel of land was developed as the Angel Park Golf Course, however, the 80 acres proposed for conveyance under this bill remain undeveloped.

H.R. 1311 provides that the City may convey without consideration portions of these lands to the Nevada Cancer Institute for the development of a new treatment facility and to the Las Vegas Valley Water District for the development of the pumping facility. The United States would retain a reversionary interest only for the portions the City conveys.

The bill also provides that if the City conveys portions of the site for the other purposes specified in section 3(a) of the bill that it must receive not less than fair market value and that the revenues received from the sales of these lands be distributed according to the formula outlined in Section 4(e)(1) of the Southern Nevada Public Land Management Act (SNPLMA), which allows for 85 percent of the proceeds from the land sales to be deposited in the special account established under SNPLMA; 10 percent paid directly to the Southern Nevada Water Authority; and 5 percent paid directly to the State of Nevada for use in the state's general education program. It is unclear whether or not the development of an adjacent park and the flood control project would involve the City selling the land.

While BLM is generally supportive of the intentions of H.R. 1311, we believe that the bill should be modified to ensure that the conveyances outlined in Section 3(a) guarantee a fair return to the public and are consistent with existing conveyance authorities. Where

the conveyances are for public purposes, they should be done consistent with the R&PP Act. As you know, the R&PP Act provides for conveyances at less than fair market value in certain circumstances. For example, the provisions in the R&PP Act provide for a 50 percent reduction in value of conveyances to non-profit entities, such as the Nevada Cancer Institute. However, the Administration recognizes that there may, indeed, be circumstances in which the public benefits of a proposed transfer outweigh financial considerations.

For the portions of land that are intended to be used for the development of commercial projects, we recommend that H.R. 1311 be amended to direct the BLM to sell the identified lands at auction or through a modified competitive sale and consistent with SNPLMA. In contrast, the bill, as drafted, would require that the Secretary convey the property to the City of Las Vegas, which, in turn, could convey it for "not less than fair market value." Such an amendment would eliminate the unnecessary step of conveying the land to the City, would ensure a fair return to the public, and would be consistent with standard BLM practices.

It is also possible that the specified uses identified in Section 3(a), such as the flood control project and the water pumping facility, can be administratively accomplished through the granting of rights-of-ways. The BLM would be happy to work with the City, the Flood Control District, and others in this effort.

We look forward to working with Congresswoman Berkley and the Subcommittee to address the issues we have raised. Thank you for the opportunity to testify on H.R. 1311. I will be happy to answer any questions.