

## Calendar No. 261

108TH CONGRESS }  
1st Session }

SENATE

{ REPORT  
{ 108-137

---

### COCONINO AND TONTO NATIONAL FORESTS IN ARIZONA

---

AUGUST 26, 2003.—Ordered to be printed

Filed under authority of the order of the Senate of July 29 (legislative day, July 21),  
2003

---

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

### R E P O R T

[To accompany H.R. 622]

The Committee on Energy and Natural Resources, to which was referred the Act (H.R. 622) to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the Act, as amended, do pass.

The amendments are as follows:

1. On page 3, line 23, insert “(43 U.S.C. 1701 et seq.)” after “1976”.
2. On page 4, line 17, insert “LAND” after “NON-FEDERAL”.
3. On page 5, line 6, insert “and” before “17”.
4. On page 5, line 17, strike “of the” and insert “of”.
5. On page 5, line 22, insert “(43 U.S.C. 1716(b))” after “FLPMA”.
6. On page 7, line 3, strike “a map” and insert “the map”.
7. On page 10, line 1, insert “NATIONAL” before “PARK”.
8. On page 10, line 3, strike “3(d)(1)” and insert “3(b)(1)”.

#### PURPOSE OF THE MEASURE

The purpose of H.R. 622 is to provide for the exchange of approximately 330 acres of National Forest System lands in the Coconino and Tonto National Forests in Arizona for 760 acres of private land.

## BACKGROUND AND NEED

This bill directs the Secretary of Agriculture to perform two land exchanges:

The Montezuma Castle Land Exchange involves exchanging 222 acres of Federal land for 157 acres of private land to protect riparian areas along Beaver Creek. This area is within the view-shed for the Montezuma National Monument. The exchange will also transfer Double Cabin Park to Federal ownership.

The Diamond Point Land Exchange will transfer 108 acres of National Forest System land to the Diamond Point Summer Home Association in exchange for 495 acres of private land that will greatly increase the management efficiency and enhance the public access, use, and enjoyment of the surrounding National Forest System lands. The National Forest System lands have been occupied by the association's 45 residential cabins since the 1950's the Tonto National Forest Plan specifically recommends conveyance of the land to the cabin owners.

## LEGISLATIVE HISTORY

H.R. 622 passed the House of Representatives on April 1, 2003. The Subcommittee on Public Lands and Forests held a hearing on H.R. 622 on June 12, 2003. The Committee favorably reported H.R. 622, on a voice vote, with amendments, on July 23, 2003. During the 107th Congress, a similar bill, H.R. 4919, was reported by the House Committee on Resources (H. Rept. 107-674) and was passed by the House of Representatives on September 24, 2002.

## COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on July 23, 2003, by a voice vote of a quorum present, recommends that the Senate pass H.R. 622, if amended as described herein.

## COMMITTEE AMENDMENTS

The Committee on Energy and Natural Resources adopted technical and clarifying amendments that corrected a number of citations and clarified that the National Park Service would be receiving some of the private lands to be acquired by the Federal government in the exchange.

## SECTION-BY-SECTION ANALYSIS

Section 1 provides the findings and purpose of the bill.

Section 2 provides definitions used in the bill.

Section 3 directs the Secretary of Agriculture to convey, after receiving a binding offer from the Montezuma Castle Land Exchange Joint Venture (MCJV), 222 acres of Federal lands within the Tonto National Forest to MCJV. In exchange, the Secretary will receive 157 acres of private lands adjacent to the Montezuma National Monument and 108 acres of land in the Double Cabin Park in the Coconino National Forest.

In addition, this section requires the exchange to be of equal value.

Section 4 directs the Secretary of Agriculture to convey, after receiving a binding offer from the Diamond Point Summer Homes As-

sociation (DPSHA), approximately 108 acres of Federal lands on the Tonto National Forest in exchange for 495 acres of land known as the Diamond Point—Q ranch parcels.

In addition, this section requires the exchange to be of equal value.

Subsection (e) directs the Secretary of Agriculture, upon execution of the exchange to terminate all special use cabin permits on the Federal lands.

Section 5 directs the Secretary to execute the exchanges no later than 6 months after MCJV and DPSHA have tendered their respective binding offers. It directs that the Secretary perform necessary land surveys and pre-exchange clearances, but that the cost of performing the work be paid by MCJV and DPSHA for their relevant properties, except for costs of such work that the Secretary is required, or elects, to have performed by employees of the Department of Agriculture.

Subsection (c) requires the Secretary of Agriculture to convey the Federal lands subject to valid existing rights, including easements, rights-of-way, utility lines, and other valid encumbrances, as of the date of conveyance.

Subsection (d) states that the lands acquired pursuant to this Act, become part of the Tonto or Coconino National Forest as appropriate. This section further states that the lands shall be administered in accordance with the laws, rules, and regulations generally applicable to the National Forest System, including being made available for livestock grazing if determined appropriate by the Secretary.

Subsection (e) directs the Secretary of the Agriculture to transfer the administrative jurisdiction of the MCJV lands to the National Park Service to be permanently administered by the Secretary of the Interior as part of the Montezuma Castle National Monument.

#### COST AND BUDGETARY CONSIDERATIONS

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

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, July 31, 2003.*

Hon. PETE V. DOMENICI,  
*Chairman, Committee on Energy and Natural Resources,*  
*U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 622, an act to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Megan Carroll.

Sincerely,

ROBERT A. SUNSHINE  
(For Douglas Holtz-Eakin, Director).

Enclosure.

*H.R. 622—An act to provide for the exchange of certain lands in the Coconino and Tonto National Forests in Arizona, and for other purposes*

CBO estimates that enacting H.R. 622 would not significantly affect the federal budget. The act would affect direct spending (including offsetting receipts), but we estimate that any net change in direct spending would be insignificant. H.R. 622 contains no inter-governmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant impact on the budgets of state, local, or tribal governments.

H.R. 622 would authorize the Secretary of Agriculture to convey to two private parties about 330 acres of federal lands in Arizona in exchange for roughly 760 acres of other lands owned by those parties. If those lands are not equal in value, the Secretary could make or accept cash equalization payments. The act would authorize the Secretary to spend any receipts from such payments to acquire nonfederal lands in Arizona.

CBO estimates that enactment of H.R. 622 would result in an insignificant increase in direct spending. According to the agency, the federal lands to be conveyed currently generate offsetting receipts (a credit against direct spending) from special use permits totaling less than \$20,000 a year. Those receipts would be forgone if H.R. 622 is enacted. Based on information from the agency, we estimate that any cash equalization payments received under H.R. 622 would total less than \$500,000. We also estimate that the agency would spend receipts from such payments in the same year they are received and that any resulting net change in direct spending would be negligible.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Peter H. Fontaine, 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 H.R. 622. 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 H.R. 622, as ordered reported.

#### EXECUTIVE COMMUNICATIONS

The Committee on Energy and Natural Resources has requested legislative reports from the Department of Agriculture and the Office of Management and Budget setting forth Executive agency recommendations on H.R. 622. These reports had not been received at the time the report on H.R. 622 was filed. When the reports become available, the Chairman will request that they be printed in the Congressional Record for the advice of the Senate. The testimony provided by the United States Forest Service at the Subcommittee hearing follows:

STATEMENT OF TOM THOMPSON, DEPUTY CHIEF, NATIONAL  
FOREST SYSTEM, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

H.R. 622 directs the Secretary to exchange approximately 108 acres of National Forest System land within the Tonto National Forest, northeast of Payson, Arizona and currently occupied by 45 residential cabins under special use permits, for 495 acres of non-federal land (known as the Q Ranch) within the Tonto National Forest, east of Young, Arizona. This exchange is identified in the bill as the Diamond Point/Q Ranch Land Exchange.

The bill also directs the Secretary to exchange approximately 222 acres of National Forest System land within the Tonto National Forest adjacent to the Town of Payson near the municipal airport for roughly 157 acres of private land (owned by Montezuma Castle Land Exchange Joint Venture) adjacent to the Montezuma Castle National Monument and nearly 108 acres of private land known as Double Cabin Park Lands. Both of the private parcels are within the Coconino National Forest boundary.

H.R. 622 requires that the values of the non-Federal and Federal land to be exchanged be equal or equalized, as determined by the Secretary through an appraisal by a qualified appraiser and performed in conformance with the Uniform Appraisal Standards for Federal Land Acquisitions and Federal Land Policy and Management Act of 1976.

The bill requires the Secretary to execute the Montezuma Castle and Diamond Point land exchanges within 6 months after receipt of an offer from the private landowners, unless the Secretary and the private landowners mutually agree to extend such deadline.

The Department supports the concept of exchanging the National Forest System lands, which were identified in H.R. 622; however, we would like to work with the Committee regarding the priorities for deleting Federal properties from the exchange to ensure that a manageable land ownership pattern remains.

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 Act, H.R. 622, as ordered reported.