

PERSHING COUNTY ECONOMIC DEVELOPMENT AND
CONSERVATION ACT

SEPTEMBER 28, 2017.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. BISHOP of Utah, from the Committee on Natural Resources,
submitted the following

R E P O R T

[To accompany H.R. 1107]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 1107) to promote conservation, improve public land management, and provide for sensible development in Pershing County, Nevada, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 1107 is to promote conservation, improve public land management, and provide for sensible development in Pershing County, Nevada.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 1107, the Pershing County Economic Development and Conservation Act, is the result of over a decade of negotiations between locally-elected officials, miners, conservationists, sportsmen, ranchers, and residents in Pershing County, Nevada. The bill consolidates over 300,000 acres of checkerboard federal land previously identified for disposal by the Bureau of Land Management (BLM); conveys land for mining and public purposes, including the transfer of a cemetery to the County; creates 136,072 acres of new wilderness areas; and releases roughly 48,600 acres of Wilderness Study Areas (WSA) to benefit conservation, recreation, and economic development in Pershing County, Nevada.

In Pershing County, 75% of the land is federally owned, with over 300,000 acres identified for disposal under the BLM's Winnemucca District Resource Management Plan. H.R. 1107 allows for the sale of up to 150,000 acres of checkerboard land previously identified for disposal by the BLM. The County will work jointly with BLM to identify high-priority land sales along the I-80 corridor, east of the Rye Patch State Recreation Area, near the Humboldt River Ranch and West Humboldt Range to resolve the federal-nonfederal checkerboard pattern of ownership throughout the County. The sale and transfer of lands will streamline BLM's management of the area and provide the County and State with additional revenues to jumpstart economic development.

H.R. 1107 includes several land conveyances for public purposes and to consolidate mining operations in Pershing County. Several local companies will have the ability to acquire land from the BLM where they already own mining claims, millsites, or tunnel sites. According to one local mining company, allowing the consolidation and expansion of mining operations will lead to "greater investments, additional development and production from these lands, and important for Pershing County—economic development and jobs."¹ The bill also conveys the Unionville Cemetery to Pershing County. Established in the 1870s, the 10-acre cemetery is still in use, although the BLM currently prohibits any additional burials. Transferring the land would ensure its continued use and allow residents of the County to bury their loved ones nearby.

Of the proceeds from the sale, 5% will go to the State for educational purposes and 10% will go to Pershing County. The remaining 85% of the proceeds will be deposited in the Pershing County Special Account and fund reimbursements for land sales; wildlife habitat conservation projects; reimbursements for County drought projects; wildfire pre-suppression and restoration projects; future acquisition of environmentally sensitive land or lands that secure recreational access for the public; and surveys related to wilderness designations.

H.R. 1107 also designates 136,072 acres of wilderness and releases approximately 48,600 acres of WSA. The new wilderness designations include 11,855 acres of the Mount Limbo WSA; 13,875 acres in North Sahwave; 24,900 acres in the Bluewing Mountains; 22,822 acres in the Selenite Mountains WSA; 14,942 acres in Fencemaker; 35,339 acres in Grandfathers encompassing the majority of two WSAs; and 12,339 acres known as Cain Mountain in the Augusta Mountain WSA. The bill also releases 48,600 acres of WSA studied since the early 2000s in Augusta Mountain, China Mountain, Mount Limbo, Selenite Mountains, and Tobin Range.

COMMITTEE ACTION

H.R. 1107 was introduced on February 16, 2017, by Congressman Mark E. Amodei (R-NV). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Federal Lands. On May 23, 2017, the Subcommittee held a hearing on the bill. On June 22, 2017, the Natural Resources Committee met to consider the bill. The Subcommittee was

¹ Coeur Mining, "Economic Development and Conservation Act Proposal—Pershing County, Nevada", 06/27/16.

discharged by unanimous consent. No amendments were offered, and the bill was ordered favorably reported to the House of Representatives by unanimous consent on June 27, 2017.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

COMPLIANCE WITH HOUSE RULE XIII AND CONGRESSIONAL BUDGET ACT

1. Cost of Legislation and the Congressional Budget Act. With respect to the requirements of clause 3(c)(2) and (3) of rule XIII of the Rules of the House of Representatives and sections 308(a) and 402 of the Congressional Budget Act of 1974, the Committee has received the following estimate for the bill from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 27, 2017.

Hon. ROB BISHOP,
*Chairman, Committee on Natural Resources,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1107, the Pershing County Economic Development and Conservation Act.

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

Sincerely,

KEITH HALL,
Director.

Enclosure.

H.R. 1107—Pershing County Economic Development and Conservation Act

H.R. 1107 would establish a process to sell or exchange up to 400,000 acres of federal land administered by the Bureau of Land Management (BLM) in Pershing County, Nevada, and also would designate 136,000 acres of other federal lands as wilderness.

The bill would require BLM to conduct a mass appraisal of the affected lands. Based on an analysis of information provided by the Department of the Interior's Office of Valuation Services, CBO estimates that conducting the appraisal would cost roughly \$1 million in 2019; that spending would be subject to the availability of appropriated funds.

Title I would direct BLM to work with Pershing County to jointly select parcels from roughly 300,000 acres of federal land that would be conveyed to the county through sale or exchange. Because BLM has already identified those lands for disposal, CBO expects that any lands conveyed in this region eventually will be conveyed under current law. Under the bill, the agency would only be required to sell lands valued at more than \$500 an acre. CBO expects

that lands valued at less than \$500 an acre would be exchanged. The bill would authorize the agency to spend any proceeds from the sale of land, which would increase direct spending; however, based on information from BLM regarding the amount of similar lands sold state-wide in Nevada over the last five years (between 1,000 and 3,000 acres) and the value of those lands (between \$100 and \$300 an acre), CBO estimates that any proceeds generated by the sale of the affected lands and the associated direct spending would be insignificant over the 2018–2027 period.

Title II would require BLM to offer mining claims covering roughly 100,000 acres in Pershing County for sale at fair market value. However, CBO expects that few individuals or firms would elect to purchase those lands because under current law they would have the option to patent their mining claims after 2017. Mineral patents allow individuals and firms to acquire title to hardrock minerals and the associated surface rights under a federal mining claim at below-market rates. Each year since 1994, the Congress has included provisions in annual appropriations acts that prohibit BLM from accepting or processing applications for mineral patents. Because patents are prohibited only in the year the appropriations acts are enacted, BLM will be authorized to issue mineral patents beginning in 2018; the Congress would have to extend that prohibition in subsequent legislation. CBO expects that individuals or firms seeking to acquire title to federal mining claims generally would opt for a patent rather than purchase the claims using the process established under the bill. Thus, CBO estimates that enacting that provision would have no significant budgetary effect.

Title III would designate 136,000 acres of federal land as wilderness. Designating federal land as wilderness could have an effect on the budget if the property generates receipts for the government and collection of those receipts would end under the wilderness designation. Because the bill would preserve existing grazing rights on the affected lands and CBO does not expect those lands to generate any other proceeds over the next 10 years, we estimate that enacting that provision would have no effect on the federal budget.

Because enacting H.R. 1107 would affect direct spending, pay-as-you-go procedures apply; however, CBO estimates that the net effect on direct spending would not be significant. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 1107 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 1107 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. The bill would benefit the governments of Pershing County, Nevada, and the State of Nevada by directing proceeds generated from federal land transactions to support environmental, land management, and education projects for those governments. Any costs incurred by public entities associated with land transactions would result from voluntary commitments.

The CBO staff contact for this estimate is Jeff LaFave. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

2. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective

of this bill is to promote conservation, improve public land management, and provide for sensible development in Pershing County, Nevada.

EARMARK STATEMENT

This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

COMPLIANCE WITH H. RES. 5

Directed Rule Making. This bill does not contain any directed rule makings.

Duplication of Existing Programs. This bill does not establish or reauthorize a program of the federal government known to be duplicative of another program. Such program was not included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139 or identified in the most recent Catalog of Federal Domestic Assistance published pursuant to the Federal Program Information Act (Public Law 95-220, as amended by Public Law 98-169) as relating to other programs.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.

