

105TH CONGRESS
2D SESSION

S. 2555

To deauthorize the Blunt Reservoir feature of the Oahe Irrigation Project, South Dakota, and direct the Secretary of the Interior to convey certain parcels of land acquired for the reservoir to the Commission of Schools and Public Lands of the State of South Dakota, on the condition that the current preferential leaseholders shall have an option to purchase the parcels from the Commission.

IN THE SENATE OF THE UNITED STATES

OCTOBER 6 (legislative day, OCTOBER 2), 1998

Mr. DASCHLE introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To deauthorize the Blunt Reservoir feature of the Oahe Irrigation Project, South Dakota, and direct the Secretary of the Interior to convey certain parcels of land acquired for the reservoir to the Commission of Schools and Public Lands of the State of South Dakota, on the condition that the current preferential leaseholders shall have an option to purchase the parcels from the Commission.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. DEAUTHORIZATION OF THE BLUNT RESERVOIR**
 2 **FEATURE OF THE OAHE IRRIGATION**
 3 **PROJECT, SOUTH DAKOTA; CONVEYANCE.**

4 (a) DEFINITIONS.—In this section:

5 (1) BLUNT RESERVOIR FEATURE.—The term
 6 “Blunt Reservoir feature” means the Blunt Res-
 7ervoir feature of the Oahe Irrigation Project author-
 8ized by section 9 of the Act of December 22, 1944
 9 (58 Stat. 891, chapter 665), as part of the Pick-
 10 Sloan Missouri River Basin Program.

11 (2) COMMISSION.—The term “Commission”
 12 means the Commission of Schools and Public Lands
 13 of the State of South Dakota.

14 (3) PREFERENTIAL LEASEHOLDER.—The term
 15 “preferential leaseholder” means a leaseholder of a
 16 parcel of land who is—

17 (A) the person from whom the Secretary
 18 purchased the parcel for use in connection with
 19 the Blunt Reservoir feature;

20 (B) the original operator of the parcel at
 21 the time of acquisition; or

22 (C) a descendant of a person described in
 23 subparagraph (A) or (B).

24 (4) PREFERENTIAL LEASE PARCEL.—The term
 25 “preferential lease parcel” means a parcel of land
 26 that—

1 (A) was purchased by the Secretary for use
2 in connection with the Blunt Reservoir feature;
3 and

4 (B) is under lease to a preferential lease-
5 holder as of the date of enactment of this Act.

6 (5) SECRETARY.—The term “Secretary” means
7 the Secretary of the Interior, acting through the
8 Commissioner of Reclamation.

9 (b) DEAUTHORIZATION.—The Blunt Reservoir fea-
10 ture is deauthorized.

11 (c) CONVEYANCE.—The Secretary shall convey all of
12 the preferential lease parcels to the Commission, without
13 consideration, on the condition that the Commission honor
14 the purchase option provided to preferential leaseholders
15 under subsection (d).

16 (d) PURCHASE OPTION.—

17 (1) IN GENERAL.—A preferential leaseholder
18 shall have an option to purchase from the Commis-
19 sion the preferential lease parcel that is the subject
20 of the lease.

21 (2) TERMS.—A preferential leaseholder may
22 elect to purchase a parcel on 1 of the following
23 terms:

24 (A) Cash purchase for the amount that is
25 equal to—

1 (i) the value of the parcel determined
 2 under paragraph (4); minus

3 (ii) 10 percent of that value.

4 (B) Installment purchase, with 20 percent
 5 of the value of the parcel determined under
 6 paragraph (4) to be paid on the date of pur-
 7 chase and the remainder to be paid over 30
 8 years at 3 percent annual interest.

9 (3) OPTION EXERCISE PERIOD.—

10 (A) IN GENERAL.—A preferential lease-
 11 holder shall have until the date that is 10 years
 12 after the date of the conveyance under sub-
 13 section (c) to exercise the option under para-
 14 graph (1).

15 (B) CONTINUATION OF LEASES.—Until the
 16 date specified in subparagraph (A), a pref-
 17 erential leaseholder shall be entitled to continue
 18 to lease from the Commission, under the same
 19 terms and conditions as under the lease as in
 20 effect as of the date of conveyance, the parcel
 21 leased by the preferential leaseholder.

22 (4) VALUATION.—

23 (A) IN GENERAL.—The value of a pref-
 24 erential lease parcel shall be determined to be,
 25 at the election of the preferential leaseholder—

1 (i) the amount that is equal to 110
 2 percent of the amount that is equal to—

3 (I) the number of acres of the
 4 preferential lease parcel; multiplied by

5 (II) the amount of the per-acre
 6 assessment of adjacent parcels made
 7 by the Director of Equalization of the
 8 county in which the preferential lease
 9 parcel is situated; or

10 (ii) the amount of a valuation of the
 11 preferential lease parcel for agricultural
 12 use made by an independent appraiser.

13 (B) COST OF APPRAISAL.—If a preferential
 14 leaseholder elects to use the method of valu-
 15 ation described in subparagraph (A)(ii), the
 16 cost of the valuation shall be paid by the pref-
 17 erential leaseholder.

18 (e) CONVEYANCE OF NONPREFERENTIALLY LEASED
 19 PARCELS.—The Secretary shall convey to the South Da-
 20 kota Department of Game, Fish, and Parks the Blunt
 21 Reservoir parcels that are leased on a nonpreferential
 22 basis. These lands shall be used by the South Dakota De-
 23 partment of Game, Fish, and Parks for the purpose of

- 1 mitigating the wildlife habitat that was lost as a result
- 2 of the development of the Pick-Sloan project.

