



Legislative Bulletin.....April 9, 2002

Contents:

- H.R. 3921**—Acquisition Streamlining Improvement Act
- H.Res. __**—Recognizing the Ellis Island Medal of Honor and commending the National Ethnic Coalition of Organizations
- H.Res. __**— Congratulating the people of Utah, the Salt Lake Organizing Committee and the athletes of the world for a successful and inspiring 2002 Olympic Winter Games
- H.R. 3848** — To provide funds for the construction of recreational and visitor facilities in Washington County, Utah, and for other purposes
- H.R. 2937**— To provide for the conveyance of certain public land in Clark County, Nevada, for use as a shooting range
- H. R. 3958**—To provide a mechanism for the settlement of claims of the State of Utah regarding portions of the Bear River Migratory Bird Refuge located on the shore of the Great Salt Lake, Utah
- H. R. 3480**—To promote Department of the Interior efforts to provide a scientific basis for the management of sediment and nutrient loss in the Upper Mississippi River Basin
- H.R. 1009** — Business Checking Freedom Act of 2001

H.R. 3921—Acquisition Streamlining Improvement Act (Burton)

Order of Business: The bill is scheduled to be considered on Tuesday, April 9th, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3921 would amend the Clinger–Cohen Act of 1996 (Public Law 104-106, Divisions D and E) to extend until January 1, 2005, a program applying streamlined, competition- and results-based procedures to the military and civilian government acquisition of certain commercial items and services worth up to \$5 million. This program is currently set to expire on January 1, 2003. The General Accounting Office (GAO) would be required to report to Congress by March 1, 2004, on the effectiveness of this program.

Some of the streamlined procedures in the program include:

- Raising the dollar thresholds for contracts that require the prior approval by higher-level agency officials;
- Reducing the public-notice requirements for more expensive contracts;
- Allowing a contracting officer to reasonably limit the number of proposals allowed to be submitted;
- Exempting the procurement of commercial items by a federal or defense agency from a requirement that certified cost or pricing data must accompany such stated price (unless specifically requested by a contracting officer); and
- Expanding the definition of “commercial items” so that more contracts may fall under the streamlined procedures.

Cost to Taxpayers: According to CBO, GAO has reported that federal agencies have not used the current test program for a significant portion of their commercial purchases. Therefore, CBO expects that an extension of this program would primarily affect the timing of purchases rather than their costs. CBO estimates that the new GAO report would cost about \$300,000 over the 2003-2004 period, assuming the availability of appropriated funds.

Does the Bill Create New Federal Programs or Rules?: The bill would extend an acquisition program in current law.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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H.Res. __—Recognizing the Ellis Island Medal of Honor and commending the National Ethnic Coalition of Organizations (Burton)

Order of Business: The resolution is scheduled to be considered on Tuesday, April 9th, under a motion to suspend the rules and pass the bill.

Summary: H.Res. __ would resolve that that the House of Representatives:

- “recognizes the Ellis Island Medal of Honor for acknowledging individuals who live exemplary lives as Americans; and
- “commends the National Ethnic Coalition of Organizations for its sponsorship of the Ellis Island Medal of Honor.”

Additional Background: According to the resolution, the National Ethnic Coalition of Organizations established the Ellis Island Medal of Honor in 1986 to honor individuals of various ethnic origins who have distinguished themselves through their contributions to the United States. Since 1986, NECO has awarded the Medal to over 1,500 people, including several U.S. presidents, senators, and representatives.

To review a complete list of recipients of the Ellis Island Medal of Honor between 1986 and 2000, go to this website: <http://www.neco.org/awards/recipients/index.html>

To review a list of the Medal recipients in 2001, go to this website: <http://www.neco.org/awards/recipients/recipients01.html>

According to NECO’s website, NECO serves as an umbrella group for 275 organizations that “span the spectrum of ethnic heritages, cultures and religions,” and with over five million family members is the largest organization of its kind in the United States. The coalition is designed to honor the immigrant experience and the roles that immigrants play in American society. A primary goal of NECO is “cultural unity,” according to the coalition’s website.

To nominate someone for this year's Ellis Island Medal of Honor, go to this website:
<http://www.neco.org/forms/nominate.html>

For more information on NECO, go to this website: <http://www.neco.org/>

Cost to Taxpayers: The resolution would authorize no expenditure.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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H.Res. __ — Congratulating the people of Utah, the Salt Lake Organizing Committee and the athletes of the world for a successful and inspiring 2002 Olympic Winter Games (Hansen)

Order of Business: The resolution is scheduled to be considered on Tuesday, April 9, under a motion to suspend the rules and pass the bill.

Summary: The resolution includes several findings noting that the 2002 Winter Olympics were the largest and “most successful ever” and commending the people of Utah and the Salt Lake Organizing Committee for their hospitality and hard work. The resolution also states that 2,535 athletes from 78 countries competed, with 211 athletes from the United States winning a record 34 Winter Olympics medals. In addition, the resolution recognizes the service of over 7,000 members of Federal, State, and local law enforcement and public safety agencies, and over 5,400 members of the Armed Services, to provide safety and security at the games.

The resolution concludes as follows:

“Resolved, That the House of Representatives congratulates the people of Utah, the Salt Lake Organizing Committee, the United States Olympic Team, and the athletes of the world for an outstanding and inspiring 2002 Olympic Winter Games, and thanks the thousands of law enforcement and public safety personnel, military servicemen and women, and volunteers who contributed so much to ensure the Winter Olympics were safe, secure, and friendly.”

Cost to Taxpayers: None.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: No committee report citing constitutional authority is available.

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H.R. 3848 — To provide funds for the construction of recreational and visitor facilities in Washington County, Utah, and for other purposes (Hansen)

Order of Business: The bill is scheduled to be considered on Tuesday, April 9, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3848 authorizes the Secretary of Interior, through the Bureau of Land Management, to grant to the State of Utah \$2.5 million for the development and construction of recreational and visitor facilities in the Sand Hollow Recreation Area located in Washington County, Utah.

Additional Background: The bill authorizes the expenditure of \$2.5 million in Bureau of Land Management funds to be mingled with \$5 million in state and local funds for the construction of facilities, which include two campgrounds, a full service marina, a group campground and four separate day-use pavilions.

The Sand Hollow Recreation Area is located just outside of St. George, UT, in Washington County, and is comprised of 20,000 acres of federal land. After the initial funding, it will be managed in a cooperative fashion by the BLM, Washington County Water Conservancy District and Utah State Division of State Parks.

Cost to Taxpayers: The bill authorizes the spending of \$2.5 million, subject to appropriations.

Does the Bill Create New Federal Programs or Rules?: Yes, the bill creates a new grant program in the Interior Department for one specific earmark: a recreation area in Utah.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

Staff Contact: Lisa Bos, lisa.bos@mail.house.gov, (202) 226-1630

H.R. 2937— To provide for the conveyance of certain public land in Clark County, Nevada, for use as a shooting range (Gibbons)

Order of Business: The bill will be considered under suspension of the rules on Tuesday, April 9, 2002.

Summary: H.R. 2937 would direct the Secretary of the Interior to convey “as soon as practicable” to Clark County, Nevada 2,880 acres of federal lands located within the county for use as a public shooting range. The Bureau of Land Management (BLM) currently manages those lands as a wilderness study area. The county plans to convert about 1,400 acres near Las Vegas, as a public rifle range for marksmanship training and competition. The remaining 1,480 acres would serve as a buffer zone for the west and south sides of the range.

In the bill’s three findings, it is noted that because of the population growth over the past few years in the Las Vegas area, many of the region’s traditional target shooting locations have been closed due to their proximity to populated areas. The bill would allow the land to be used by the public for “opportunities for education and recreation” and “a location for competitive events and marksmanship training.”

The committee approved an amendment offered by Rep. Gibbons that would clarify that Clark County, Nev., would be responsible for any land reclamation if the property reverts back to BLM control (if Clark County ceases to use the land for shooting) and that the county would be responsible for the administrative costs involved in the land transfer.

Cost to Taxpayers: CBO estimates that enacting H.R. 2937 would have no significant impact on the federal budget. According to the BLM, the lands to be conveyed currently generate no receipts, and the agency does not expect the lands to generate any receipts over the next 10 years. Enactment of this legislation would benefit Clark County by providing for the conveyance of federal land to the county at very little cost. To receive the land, the county would pay only the administrative costs of the transfer. According to CBO, these costs would be voluntary.

Does the Bill Create New Federal Programs or Rules: The bill returns 2,880 acres of federal lands in Nevada to the local county. According to the Congressional Research Service, the Federal Government owns **83.1%** of Nevada’s land.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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H. R. 3958—To provide a mechanism for the settlement of claims of the State of Utah regarding portions of the Bear River Migratory Bird Refuge located on the shore of the Great Salt Lake, Utah (Hansen)

RSC Note: On Dec. 5 of last year, the House passed by voice vote a bill (also sponsored by Rep. Hansen) The Bear River Migratory Bird Refuge Visitor Center Act (H.R. 3322), which authorized \$11.0 million for the Secretary of the Interior to construct the Education and Administrative Center at the Bear River Migratory Bird Refuge in Box Elder County, Utah. The RSC legislative bulletin for H.R. 3322 can be found at: <http://www.house.gov/burton/RSC/LB120401.PDF> Despite the similar names, the bills deal with separate issues.

Order of Business: The bill will be considered under suspension of the rules on Tuesday, April 9, 2002.

Summary: H.R. 3958 codifies a settlement agreement between the Interior Department and the state of Utah regarding ownership of 18,000 acres of land in the refuge, located on the shore of the Great Salt Lake. The settlement was reached last September, but it requires congressional approval. Under the settlement, the state would drop its claim to the disputed land, in exchange for a \$15 million federal reimbursement for land, oil, gas and mineral rights.

H.R. 3958 authorizes the appropriation of \$15 million, of which \$10 million shall be deposited into the “Wetlands and Habitat Protection Account.” Each year, the Executive Director of Utah’s Dept. of Natural Resources may withdraw the accrued interest to use for “wetland or **open space protection** in and near the Great Salt Lake” and/or “enhancement and acquisition of wildlife habitat in and near the Great Salt Lake” [emphasis added].

The remaining \$5 million must be used for “development, improvement, and expansion of motorized and non-motorized recreational trails on public and private lands in the state” with priority given to Lake trails and/or the “preservation, reclamation, enhancement, and conservation of streams” in Utah. The bill specifies that Utah’s Natural Resource Director shall seek to maximize funds “through coordination with nonprofit organizations” among other governmental entities.

Additional Background: In 1928, Congress created the 74,000-acre Bear River Migratory Bird Refuge as one of the first national wildlife refuges. Since 1928, the state and the federal government have disputed the ownership of 18,000 acres along the meander line.

According to the Congressional Research Service, the federal government owns **64.5%** of Utah’s land.

Cost to Taxpayers: The bill authorizes the appropriation of \$15 million and specifically lays out federal repayment amounts if Utah elects to bring suit against the US, despite this settlement.

Does the Bill Create New Federal Programs or Rules: The bill codifies a settlement agreement between DOI and Utah, which results in the federal government laying claim to 18,000 acres within the Bear River Migratory Bird Refuge.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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H. R. 3480—To promote Department of the Interior efforts to provide a scientific basis for the management of sediment and nutrient loss in the Upper Mississippi River Basin (*Kind*)

Order of Business: The bill will be considered under suspension of the rules on Tuesday, April 9, 2002.

Summary: H.R. 3480 establishes a new Interior Department monitoring network to monitor and study nutrients and sediments as part of the Upper Mississippi River Stewardship Initiative. This network will be carried out through the U.S. Geological Survey, which will be required to create an electronic data collection system to identify significant sources of sediment and nutrients in the Upper Mississippi River Basin. The computer modeling headquarters shall be located at the Upper Midwest Environmental Sciences Center in La Crosse, Wisconsin (district of the sponsor). No later than 90 days after enactment, the USGS shall publish information regarding sediment and nutrient levels and reduction projects in the River.

The bill also requires a comprehensive water resources assessment of the river basin by the National Academy of Sciences' National Resources Council (NRC) and creates a new annual reporting requirement for the USGS regarding the project.

To the “maximum extent practicable” the Interior Secretary shall inventory the existing monitoring efforts “of Federal, State, local, and nongovernmental entities for the purpose of creating a baseline understanding of overlap, data gaps and redundancies.” In other words, there are numerous existing programs studying the River Basin.

Cost to Taxpayers: The bill authorizes the appropriation of \$6.25 million a year to implement its provisions, plus \$650,000 for the NRC’s required report. CBO estimates that implementing **H.R. 3480 would cost \$31 million over the 2003-2007 period**, subject to appropriations. CBO assumes that most of these funds would be allocated for salaries and expenses related to developing, implementing, and maintaining the new monitoring network. The bill also includes a provision that the non-Federal sponsors of the monitoring network shall be responsible for not less than 25% of the cost of maintaining the network.

Does the Bill Create New Federal Programs or Rules: YES. The bill creates a new monitoring program, a new computer-modeling program, new reporting requirements, and a new study by the NRC.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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H.R. 1009 — Business Checking Freedom Act of 2001 (Toomey)

Order of Business: The bill is scheduled to be considered on Tuesday, April 9, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1009 amends the Federal Reserve Act, the Home Owners' Loan Act, and the Federal Deposit Insurance Act to repeal the current ban on paying interest on corporate checking accounts, with a two-year phase-in period.

The bill also eliminates the minimum statutory ratios that currently apply to those reserves, thereby giving the Federal Reserve Board greater flexibility in setting reserve requirements. To offset the revenue loss associated with allowing interest payments on reserve balances, the measure requires that the Federal Reserve remit from its surplus fund to the Treasury an amount equal to the estimated annual revenue loss. The bill also increases the number of allowable transfers from money-market deposit accounts to 24-per-month, from the current limit of six, enabling depository institutions to sweep funds between non-interest-bearing commercial checking accounts and interest-bearing accounts on a daily basis.

Additional Background: H.R. 1009 is similar to H.R. 974, passed by the House by voice vote on April 3, 2001 (see <http://www.house.gov/burton/RSC/lb43.PDF>). Some technical changes were made at the request of Federal Reserve Chairman Greenspan, including clarifying that interest-bearing commercial accounts are subject to reserve requirements, giving the Fed more flexibility in setting cash amounts that member banks are required to set aside in reserve, and ensuring equitable treatment under the bill for other financial institutions, including branches of foreign banks.

Bush Administration Position: Both the Federal Reserve and the Treasury Department testified on March 13, 2001 in support of permitting banks to pay interest on business checking accounts.

The Federal Reserve also supports the related provision in H.R. 1009 giving it greater flexibility in setting the required reserve ratios on transaction accounts.

Cost to Taxpayers: The Congressional Budget Office has previously estimated that paying interest on reserves held at Federal Reserve banks would reduce the profits of the Federal Reserve by on average \$100 million a year. Since the Federal Reserve remits its profits to the U.S. Treasury, any reduction in Federal Reserve profits would translate into a reduction in federal revenue. The bill, however, requires the Federal Reserve to offset any reduction in revenue to the federal government through the transfer of Federal Reserve surpluses to the Treasury for the next five years. CBO has estimated that at the end of five years, the Federal Reserve will seek to replenish its reserves and continue to operate at a lower profit.

The CBO estimate of H.R. 924, nearly identical to H.R. 1009, stated that over ten years, the bill would reduce federal revenues by \$1.1 billion. **However, the payment of interest on reserves will result in higher profits for depository institutions, which in turn may result in higher interest rates paid to bank customers on their deposits or the lowering of interest rates for loans.**

Does the Bill Create New Federal Programs or Rules? No, the bill repeals current restrictions related to the payment of interest for demand accounts held by banks and reserves held by the Federal Reserve.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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