

Statement for the Record
U.S. Department of the Interior
Subcommittee on Public Lands and Environmental Regulation
Committee on Natural Resources
U.S. House of Representatives

**H.R. 1170, Authorizing the Sale of Certain Federal Lands to the City of Fernley, Nevada,
July 19, 2013**

Thank you for inviting the Department of the Interior to provide testimony on H.R. 1170, which would direct the Bureau of Land Management (BLM) and the Bureau of Reclamation (BOR) to sell to the City of Fernley approximately 11,000 acres of Federal land within the city. The Department supports several of the goals of H.R. 1170; opposes exemption from existing laws; and suggests modifications to address potential cultural and natural resource issues as described below.

Background

The City of Fernley is a community of about 19,000 people in Lyon County, Nevada that is situated on Interstate 80 approximately 28 miles east of Reno. The City's proximity to the Reno-Sparks metropolitan area and location along major transportation routes has led to recent population and economic growth. Currently, the Fernley city limits encompass about 35 square miles, including surrounding agricultural areas. The Truckee Canal, part of the BOR's Newlands Irrigation Project, constructed in 1905, provides water to allow for ranching and farming.

It is the understanding of the Department that the City of Fernley is interested in acquiring Federal lands managed by the BLM and BOR within the City, as identified in this bill. Most of the BLM parcels that would be authorized for sale under this bill have been identified as suitable for disposal in BLM Resource Management Plans. Current uses of these lands include grazing, mining, a public airport lease, and a geothermal lease. The BOR lands proposed for sale in the legislation were withdrawn for the benefit of the Newlands Irrigation Project and conveyance of these would not impact continuing operations, with the caveat that existing rights-of-way will be preserved.

H.R. 1170

H.R. 1170 would direct the BLM and the BOR to sell to the City of Fernley, Nevada, at fair market value, all right, title, and interest to approximately 9,800 acres of BLM-managed lands and 1,155 acres of BOR-managed Federal land within the city limits. Under the bill, the sale would be subject to valid existing rights, in accordance with the Federal Land Policy and Management Act (FLPMA), and based on an appraisal conducted in accordance with nationally recognized appraisal standards. The Federal government owns both the surface and mineral estate in much of the parcels and the value of the mineral estate may be substantial.

While the Department generally supports the sale of lands to the City of Fernley, we have several concerns with the bill. As written, H.R. 1170 would exempt the land sales from the National Environmental Policy Act (NEPA), the Canal Act of 1890, the National Historic Preservation Act (NHPA), the Native American Graves Protection and Repatriation Act (NAGPRA), and other laws. The Department opposes exemption from these laws, which provide opportunities

for public engagement, mitigation, and identification of unknown or unforeseen issues. It is our understanding that there is a high potential for Native American cultural resources in the area, which require careful attention under NHPA and NAGPRA. Sites such as the Newlands Irrigation Project, which is on the National Register of Historic Places, and the California National Historic Trail may also require consideration. In addition, exemption of the transaction from the Canal Act could require additional land surveys, so we do not recommend exemption from this requirement.

H.R. 1170 would require the BLM and BOR to sell the identified lands to the City of Fernley within 180 days of the city's offer to purchase them. The Department recommends more flexibility to satisfy the requirements of the FLPMA and other applicable laws. Additionally, we encourage further dialogue related to potential tribal interest in some of the identified parcels in recognition of the Department's Native American general trust obligation.

The Department would like to work with the sponsor on some technical corrections to the bill, including amending the proposed legislation to correctly identify the structure referred to in Section 2(d)(1) as the "Truckee Canal". Additionally, corrections to the reference map are necessary. For example, H.R. 1170 currently references a legislative map titled "Proposed Fernley, Nevada Land Sales." It is the understanding of the BLM that the sponsor intends to change the reference to a map dated January 25, 2013. The more recent map informs the position of the Department on the legislation. The Department would be happy to work with the sponsor on corrections.

Conclusion

Thank you again for the opportunity to testify on H.R. 1170. The bill is important to the people of Fernley, and the Department looks forward to working with the sponsor and the Subcommittee on modifications so the agency can fully support the bill.