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State government under this subtitle an amount equal to such reduction.

(7) **TRANSFER TO GENERAL FUND.**—An amount equal to the reduction in the entitlement of any State government which results from the application of this subsection (after any judicial review under section 143) shall be transferred from the Trust Fund to the general fund of the Treasury on the day on which such reduction becomes final.

SEC. 108. ENTITLEMENTS OF LOCAL GOVERNMENTS.

(a) **ALLOCATION AMONG COUNTY AREAS.**—The amount to be allocated to the units of local government within a State for any entitlement period shall be allocated among the county areas located in that State so that each county area will receive an amount which bears the same ratio to the total amount to be allocated to the units of local government within that State as—

(1) the population of that county area, multiplied by the general tax effort factor of that county area, multiplied by the relative income factor of that county area, bears to

(2) the sum of the products determined under paragraph (1) for all county areas within that State.

(b) **ALLOCATION TO COUNTY GOVERNMENTS, MUNICIPALITIES, TOWNSHIPS, ETC.**—

(1) **COUNTY GOVERNMENTS.**—The county government shall be allocated that portion of the amount allocated to the county area for the entitlement period under subsection (a) which bears the same ratio to such amount as the adjusted taxes of the county government bear to the adjusted taxes of the county government and all other units of local government located in the county area.

(2) **OTHER UNITS OF LOCAL GOVERNMENT.**—The amount remaining for allocation within a county area after the application of paragraph (1) shall be allocated among the units of local government (other than the county government and other than township governments) located in that county area so that each unit of local government will receive an amount which bears the same ratio to the total amount to be allocated to all such units as—

(A) the population of that local government, multiplied by the general tax effort factor of that local government, multiplied by the relative income factor of that local government, bears to

(B) the sum of the products determined under subparagraph (A) for all such units.

(3) **TOWNSHIP GOVERNMENTS.**—If the county area includes one or more township governments, then before applying paragraph (2)—

(A) there shall be set aside for allocation under subparagraph (B) to such township governments that portion of the amount allocated to the county area for the entitlement period which bears the same ratio to such amount as the sum of the adjusted taxes of all such township governments bears to the aggregate adjusted taxes of the county government, such township governments, and all other units of local government located in the county area, and

(B) that portion of each amount set aside under subparagraph (A) shall be allocated to each township government on the same basis as amounts are allocated to units of local government under paragraph (2).

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If this paragraph applies with respect to any county area for any entitlement period, the remaining portion allocated under paragraph (2) to the units of local government located in the county area (other than the county government and the township governments) shall be appropriately reduced to reflect the amounts set aside under subparagraph (A).

(4) **INDIAN TRIBES AND ALASKAN NATIVE VILLAGES.**—If within a county area there is an Indian tribe or Alaskan native village which has a recognized governing body which performs substantial governmental functions, then before applying paragraph (1) there shall be allocated to such tribe or village a portion of the amount allocated to the county area for the entitlement period which bears the same ratio to such amount as the population of that tribe or village within that county area bears to the population of that county area. If this paragraph applies with respect to any county area for any entitlement period, the amount to be allocated under paragraph (1) shall be appropriately reduced to reflect the amount allocated under the preceding sentence. If the entitlement of any such tribe or village is waived for any entitlement period by the governing body of that tribe or village, then the provisions of this paragraph shall not apply with respect to the amount of such entitlement for such period.

(5) **RULE FOR SMALL UNITS OF GOVERNMENT.**—If the Secretary determines that in any county area the data available for any entitlement period are not adequate for the application of the formulas set forth in paragraphs (2) and (3)(B) with respect to units of local government (other than a county government) with a population below a number (not more than 500) prescribed for that county area by the Secretary, he may apply paragraph (2) or (3)(B) by allocating for such entitlement period to each such unit located in that county area an amount which bears the same ratio to the total amount to be allocated under paragraph (2) or (3)(B) for such entitlement period as the population of such unit bears to the population of all units of local government in that county area to which allocations are made under such paragraph. If the preceding sentence applies with respect to any county area, the total amount to be allocated under paragraph (2) or (3)(B) to other units of local government in that county area for the entitlement period shall be appropriately reduced to reflect the amounts allocated under the preceding sentence.

(6) **ENTITLEMENT.**—

(A) **IN GENERAL.**—Except as otherwise provided in this paragraph, the entitlement of any unit of local government for any entitlement period shall be the amount allocated to such unit under this subsection (after taking into account any applicable modification under subsection (c)).

(B) **MAXIMUM AND MINIMUM PER CAPITA ENTITLEMENT.**—Subject to the provisions of subparagraphs (C) and (D), the per capita amount allocated to any county area or any unit of local government (other than a county government) within a State under this section for any entitlement period shall not be less than 20 percent, nor more than 145 percent, of two-thirds of the amount allocated to the State under section 106, divided by the population of that State.

(C) **LIMITATION.**—The amount allocated to any unit of local government under this section for any entitlement period shall not exceed 50 percent of the sum of (i) such government's

that the State maintain the level of transfers to the local governments, but under the House bill—

(1) the first period for which a reduction in entitlement could be made was the entitlement period beginning July 1, 1972, and

(2) the comparison for any entitlement period was made on the basis of the transfers during such period (rather than, as under the Senate amendment and the conference agreement, on the basis of the average of such transfers during the current entitlement period and the immediately preceding entitlement period).

New taxing authority.—Section 107(b)(3) of the conference agreement provides that if a State establishes to the satisfaction of the Secretary of the Treasury that after June 30, 1972, one or more local governments in such State have had conferred upon them new taxing authority then the aggregate amount of State transfers for the base period (the one-year period beginning July 1, 1971) is to be reduced by an amount equal to the larger of—

(1) the amount of the taxes collected by reason of the exercise of the new taxing authority by the local governments, or

(2) the amount of the loss of revenue to the State by reason of the new taxing authority being conferred on the local governments.

The substance of this provision is the same as the substance of section 104(d)(3) of the Senate amendment. There was no comparable provision in the House bill for new taxing power conferred on local governments.

Section 107(b)(3) of the conference agreement also makes it clear that for purposes of this provision no amount is to be treated as collected by a reason of the exercise of new taxing authority by local governments if the new taxing authority is an increase in the authorized rate of tax under a previously authorized kind of tax, unless the State is determined by the Secretary of the Treasury to have decreased a related State tax.

SEC. 108. ENTITLEMENTS OF LOCAL GOVERNMENTS.

Allocation among county areas.—Section 108(a) of the conference agreement provides for the allocation among the county areas of a State on the basis of the same three-factor formula which is used under section 106(b)(2) of the conference agreement as the first of the two alternative formulas for determining the allocations among the States. Thus, the amount allocated to a county area within a State is to bear the same ratio to the amount to be allocated among the units of local government within a State as—

(1) the population of that county area, multiplied by the general tax effort factor of that county area, and further multiplied by the relative income factor of that county area, bears to

(2) the sum of such products for all county areas within that State.

This is the formula for allocation among county areas contained in section 105(a) in the Senate amendment. Under the House bill (see section 103(b)) the allocations among the county areas were made on the same basis as the allocations among the States were made under the House bill. That is to say, amounts allocated among the States on the basis of population were allocated among the county areas on

the basis of population; amounts allocated among the States on the basis of urbanized population were allocated among the county areas on the basis of urbanized population; and amounts allocated among the States on the basis of population inversely weighted for per capita income were allocated among the county areas on the basis of population inversely weighted for per capita income.

Allocations to county governments.—Under section 108(b)(1) of the conference agreement, the county government's share of the county area's allocation is to be determined by the ratio which the adjusted taxes of the county government bear to the adjusted taxes of the county government and all other units of local government located in the county area. This is the same allocation formula as was used for county governments in the House bill (see section 103(c)(1)) and in the Senate amendment (see section 105(b)(1)).

Allocations to municipalities, etc.—Under section 108(b)(2) of the conference agreement, the allocations among the units of local government located in the county area (other than the county government and township governments) are to be made, out of amounts not allocated to the county government or to township governments, on the basis of the three-factor formula. That is to say, this allocation is to be made on the basis of population multiplied by general tax effort and multiplied again by the relative income factor.

This method of allocating among such units of local government is the method used in the Senate amendment (see section 105(b)(2)). Under the House bill (see section 103(c)(2)) the allocation among the units of local government (other than the county government) was made (1) on the basis of population, in the case of allocations to the county area based on population, (2) on the basis of population inversely weighted for per capita income, in the case of amounts allocated to the county area on that basis, and (3) in proportion to the amounts allocated to the unit under the two preceding methods, in the case of amounts allocated to the county area on the basis of urbanized population.

Allocations to township governments.—Under section 108(b)(3) of the conference agreement there is set aside for allocation to the township governments within any county area an amount based on the ratio which the adjusted taxes of the township governments bears to the adjusted taxes of the county government, the township governments, and all other units of local governments in the county area. This amount set aside for township governments is then divided among the township governments on the basis of the three-factor formula described above in connection with section 108(b)(2) of the conference agreement.

The substance of this provision is the same as section 105(b)(3) of the Senate amendment. Under the House bill (see section 103(c)(3)) the amount set aside for township governments was determined on the same basis as in the conference agreement (that is, on the basis of their respective adjusted taxes), but the amount so set aside was then divided among the township governments on the same basis as applied under the House bill in the case of divisions among municipalities.

Indian tribes and Alaskan native villages.—Section 108(b)(4) of the conference agreement contains a provision for allocating part of the county area allocation to the recognized governing body of an Indian tribe or Alaskan native village where that recognized governing body

performs substantial governmental functions. This allocation is to be made on the basis of population.

This provision is based on section 104(e) of the Senate amendment. Under the Senate amendment, one-fourth of one percent of the amount available for allocation among the States under section 104 of the Senate amendment was to be set aside for allocation and payment to Indian tribes, bands, groups, pueblos, communities, and Alaskan native villages which performed governmental functions. Under this provision, the Secretary of the Treasury was to prescribe regulations for dividing the funds, which regulations were to reflect the policies contained in subtitle A of the bill.

The House contained no provision comparable to section 108(b)(4) of the conference agreement.

Rule for small units of government.—Section 108(b)(5) of the conference agreement provides that if the Secretary of the Treasury determines that the data available with respect to units of local government with a population not in excess of 500 in any county area are not adequate for the application of the three-factor formula set forth in section 108(b)(2) of the conference agreement, he may allocate the amount available for allocation to such units solely on the basis of the ratio of their population to the population of the municipalities located in the county area. This authority applies equally to allocations under section 108(b)(3) among township governments, permitting a substitution of population for the three-factor formula where data as to township governments with population not in excess of 500 are inadequate.

Maximum and minimum per capita entitlement.—Section 108(b)(6) (B) of the conference agreement provides that, in general, the per capita amount allocated to any county area or to units of local government (other than a county government) within a State for any entitlement period is to be not less than 20 percent, and not more than 145 percent, of two-thirds of the per capita amount allocated to the State under section 106 of the conference agreement.

This provision for a maximum and minimum per capita entitlement is in substance the same as the provision contained in section 105(b)(4)(B) of the Senate amendment. There was no comparable provision in the House bill.

Optional formulas for allocations among county areas, municipalities, etc.—Section 108(c) of the conference agreement provides that a State may by law provide for the allocation of funds among county areas, or among units of local government (other than county governments)—

(1) on the basis of population multiplied by the general tax effort factor,

(2) on the basis of population multiplied by the relative income factor, or

(3) on the basis of a combination of these two factors.

Any such optional formula is to apply uniformly throughout the State and to apply for the remainder of the five-year program. Also, any such formula is to provide for allocating all of the amount to be allocated among the county areas of the State, or all of the amount to be allocated among the units of local government of the State (other than the county governments, and other than the Indian tribes and

the bill to submit a report to the Secretary of the Treasury, after the close of each entitlement period, setting forth the amounts and purposes for which funds received during the entitlement period have been spent or obligated. Such section also requires each State government and unit of local government which expects to receive funds under the bill for any entitlement period beginning on or after January 1, 1973, to submit a report to the Secretary of the Treasury, before the beginning of the entitlement period, setting forth the amounts and purposes for which it plans to spend or obligate the funds which it expects to receive.

Section 121 of the conference agreement also requires each State government and unit of local government to publish a copy of each report referred to in the preceding paragraph in a newspaper which is published within the State and has general circulation within the geographic area of the government making the report, and to advise the news media of the publication of these reports.

This provision, except for the beginning date, is the same as section 107 of the Senate amendment. The House bill did not contain any similar provision.

SEC. 122. NONDISCRIMINATION PROVISION.

Section 122 of the conference agreement provides that no person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or any activity funded in whole or in part with funds made available under the bill. This section is substantially the same as section 106 of the House bill and section 108 of the Senate amendment, except that the House bill applied only to local governments.

SEC. 123. MISCELLANEOUS PROVISIONS.

Section 123(a) of the conference agreement provides that, in order to qualify for any payment under the bill for any entitlement period beginning on or after January 1, 1973, a State government or unit of local government must establish, to the satisfaction of the Secretary of the Treasury, that it will—

- (1) establish a trust fund and deposit all payments received under the bill in that trust fund,
- (2) use amounts in its trust fund within such reasonable periods as may be provided in regulations,
- (3) in the case of a local government, use amounts in its trust fund only for priority expenditures,
- (4) expend amounts received under the bill only in accordance with the laws and procedures applicable to the expenditure of its own revenues,
- (5) use fiscal, accounting, and audit procedures conforming to guidelines established by the Secretary of the Treasury, provide access to and the right to examine books, documents, papers, or records required for purposes of reviewing compliance with the bill, and make reports (other than reports required by section 121) as the Secretary may reasonably require,
- (6) comply with the provisions of the Davis-Bacon Act in the case of construction projects 25 percent or more of the costs of which are paid out of funds received under the bill,



(7) pay wages to individuals whose wages are paid in full or in part out of funds received under the bill at rates which are no lower than the prevailing rates of pay for individuals employed in similar public occupations by the same employer, if, with respect to any category of employees, 25 percent or more of the wages paid to all employees of the government concerned in that category are paid from funds received under the bill, and

(8) in the case of the governing body of an Indian tribe or Alaskan native village, expend funds received under the bill for the benefit of members of that tribe or village residing in the county area from the allocation of which it received such funds.

The committee of conference expects that, insofar as possible, guidelines established by the Secretary of the Treasury with respect to fiscal, accounting, and audit procedures (see item (5) of this paragraph) will permit State and local governments to use the fiscal, accounting, and audit procedures used by them with respect to expenditures made from revenues derived from their own sources.

Section 105 of the House bill contained provisions similar to the items enumerated in the preceding paragraph, other than items (4) and (8), but the House bill applied only with respect to local governments. Section 110 of the Senate amendment contained provisions similar to the items enumerated in the preceding paragraph, other than items (3) and (8).

Section 123(b) of the conference agreement authorizes the Secretary of the Treasury to withhold payments from any State government or unit of local government which he determines has failed to comply substantially with any provision of subsection (a) or any regulation prescribed thereunder until such time as he is satisfied that appropriate corrective action has been taken and there will no longer be any failure to comply. This provision is substantially the same as section 105(b) of the House bill and section 110(b) of the Senate amendment, except that the House bill applied only with respect to local governments.

Section 123(c) of the conference agreement directs the Secretary of the Treasury to provide for such accounting and auditing procedures, evaluations, and reviews as may be necessary to insure that expenditures of funds received under the bill comply fully with the requirements of the bill. Such section also directs the Comptroller General of the United States to make such reviews of the work as done by the Secretary, State governments, and units of local government as may be necessary for the Congress to evaluate compliance and operations under the bill. This section is substantially the same as section 105(c) of the House bill and section 110(c) of the Senate amendment, except that the House bill applied only with respect to local governments.

Amendment Numbered 2: The bill as passed by the House provided that if a law is enacted imposing a tax on income earned in the District of Columbia by nonresidents of the District, then the entitlements of the District of Columbia under the bill are to be reduced by an amount equal to the net collections from such tax. Senate amendment numbered 2 eliminated this provision.

The House recedes with amendments. Under the conference agreement, this provision of the House bill is restored but is not to apply if the District of Columbia enters into agreements with both Maryland

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tions of lands so withdrawn or reserved which the Secretary of the Interior, with the concurrence of the Administrator, determines are not suitable for return to the public domain for disposition under the general public-land laws because such lands are substantially changed in character by improvements or otherwise; (2) naval vessels of the following categories: Battleships, cruisers, aircraft carriers, destroyers, and submarines; and (3) records of the Federal Government.

(e) The term "excess property" means any property under the control of any Federal agency which is not required for its needs and the discharge of its responsibilities, as determined by the head thereof.

(f) The term "foreign excess property" means any excess property located outside the States of the Union, the District of Columbia, Puerto Rico, and the Virgin Islands.

(g) The term "surplus property" means any excess property not required for the needs and the discharge of the responsibilities of all Federal agencies, as determined by the Administrator.

(h) The term "care and handling" includes completing, repairing, converting, rehabilitating, operating, preserving, protecting, insuring, packing, storing, handling, conserving, and transporting excess and surplus property, and, in the case of property which is dangerous to public health or safety, destroying or rendering innocuous such property.

(i) The term "person" includes any corporation, partnership, firm, association, trust, estate, or other entity.

(j) The term "nonpersonal services" means such contractual services, other than personal and professional services, as the Administrator shall designate.

(k) The term "contractor inventory" means (1) any property acquired by and in the possession of a contractor or subcontractor under a contract pursuant to the terms of which title is vested in the Government, and in excess of the amounts needed to complete full performance under the entire contract; and (2) any property which the Government is obligated or has the option to take over under any type of contract as a result either of any changes in the specifications or plans thereunder or of the termination of such contract (or subcontract thereunder), prior to completion of the work, for the convenience or at the option of the Government.

(l) The term "motor vehicle" means any vehicle, self-propelled or drawn by mechanical power, designed and operated principally for highway transportation of property or passengers, exclusive of any vehicle designed or used for military field training, combat, or tactical purposes, or used principally within the confines of a regularly established military post, camp, or depot, and any vehicle regularly used by an agency in the performance of investigative,

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; Sept. 5, 1950, c. -781, 72 Stat. 936.

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Section effective July out under section 471

ory. For legislative e of Act Sept. 5, 1950, Cong.Service, p. 3547. 85-781, 1953 U.S.Code ra, p. 3975.

Public Contracts.

Library References

United States 57, 58.

C.J.S. United States §§ 74, 75, 79.

Notes of Decisions

Generally 1
Regulations 2
State authority 3

1. Generally

A low bid for transportation and acces- sorial services relative to the storage of household effects which quoted firm prices as required by the invitation but provided that quotations on intrastate shipments were conditioned on approval of the State Public Service Commission properly was rejected as unresponsive to the terms of the invitation. 1950, 36 Comp.Gen. 213.

2. Regulations

Provisions of this section authorizing the Administrator of the General Services Administration to prescribe policies and methods of procurement of personal prop-

erty and nonpersonal services, including related functions such as contracting, such as are advantageous to the govern- ment in terms of economy, efficiency or service include authority to issue regu- lations authorizing federal agencies to declare ineligible for contract awards firms or individuals debarred by other federal agencies. *Arthur Vennerl Co. v. Housing Authority of City of Paterson*, 1959, 149 A.2d 228, 29 N.J. 392.

3. State authority

Provision that General Services Admin- istrator may seek before state agency preferential treatment for federal ship- ments does not require that state fixed rates govern unless he can get them changed. *U. S. v. Georgia Public Service Commission*, Ga.1963, 83 S.Ct. 397, 371 U.S. 285, 9 L.Ed.2d 317.

§ 482. Clarification of status of Architect of the Capitol under this chapter

The term "the Senate and the House of Representatives", as used in the Federal Property and Administrative Services Act of 1949, shall be construed to include the Architect of the Capitol and any activities under his direction, and any of the services authorized by said Act shall (as far as practicable) be made available to the Architect of the Capitol, upon his request.

Oct. 26, 1949, c. 737, 63 Stat. 920.

Historical Note

References in Text. The Federal Prop- erty and Administrative Services Act, re- ferred to in text, is Act June 30, 1949, c. 288, 63 Stat. 378. Titles I-IV and VI- VIII thereof are classified to this chap- ter and chapter 16 of this title, and chapter 4 of Title 41, Public Contracts. Title V thereof was classified to former chapter 11 of Title 44, Public Printing and Documents, but was repealed by Pub.L. 90-620, § 3, Oct. 22, 1968, 82 Stat.

1309. The subject matter of such former Title V is now covered by chapters 21, 25, 27, 29, and 31 of Title 44.

Codification. Section was not enacted as a part of the Federal Property and Administrative Services Act of 1949.

Legislative History. For legislative history and purpose of Act Oct. 26, 1949, see 1949 U.S.Code Cong.Service, p. 2276.

§ 483. Property utilization—Policies and methods

(a) In order to minimize expenditures for property, the Adminis- trator shall prescribe policies and methods to promote the maximum

cies, and he shall g Federal agencies 56(f) of this title. ctor of the Bureau urchase for such imbursement shall the Administrator, t proceeds are re- or whenever either organizational unit n Control Act or is his title; and that to be suitable for neral Services Ad- d by the Adminis- cordance with sec-

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Abandonment, destruction or donation of property

(h) The Administrator may authorize the abandonment, destruction, or donation to public bodies of property which has no commercial value or of which the estimated cost of continued care and handling would exceed the estimated proceeds from its sale.

June 30, 1949, c. 288, Title II, § 202, 63 Stat. 384; July 12, 1952, c. 703, § 1(f)-(h), 66 Stat. 593.

Historical Note

References in Text. The Government Corporation Control Act, referred to in the text of subsection (a), is Act Dec. 6, 1945, c. 557, 59 Stat. 597, which is classified to chapter 14 of Title 31, Money and Finance.

1952 Amendment. Subsec. (a). Act July 12, 1952, § 1(f), permitted better utilization of excess property by other Federal agencies which have need for such property, and provided more flexible methods of transfer.

Subsec. (c). Act July 12, 1952, § 1(g), added in clause (2) "and to organizations specified in section 756(f) of this title."

Subsecs. (d)-(f). Act July 12, 1952, § 1 (h), repealed subsecs. (d)-(f).

Change of Name. The National Military Establishment was changed to the Department of Defense by Act Aug. 10, 1949, c. 412, § 12(a), 63 Stat. 591.

Effective Date. Section effective July 1, 1949, see note set out under section 471 of this title.

Lease and Assignment of Building Space; Management; Exceptions. All

functions with respect to acquiring space in buildings by lease, all functions with respect to assigning and reassigning space in buildings for use by agencies (including both space acquired by lease and space in Government-owned buildings), and all functions with respect to the operation, maintenance, and custody of office buildings owned by the Government and of office buildings or parts thereof acquired by lease, including those post-office buildings which, as determined by the Director of the Bureau of the Budget, are not used predominantly for post-office purposes, were, with certain exceptions, transferred from the respective agencies in which theretofore vested to the Administrator of General Services by sections 1 and 2 of 1950 Reorg. Plan No. 18, eff. July 1, 1950, 15 F.R. 3177, 64 Stat. 1270, set out in the Appendix to Title 5, Government Organization and Employees. For delegation of such transferred functions to other personnel of the General Services Administration, or to the heads and personnel of other agencies, and for transfer of personnel, property, records and funds, see sections 3 and 4 of such Plan.

Library References

United States 57, 58.

C.J.S. United States §§ 74, 75, 79.

§ 483a. Transfer of vessels between Departments

Vessels under the jurisdiction of the Department of Commerce, the Department of the Army, the Department of the Air Force, or the Department of the Navy may be transferred or otherwise made available without reimbursement to any of such agencies upon the request of the head of one agency and the approval of the agency having jurisdiction of the vessels concerned.

Pub.L. 90-580, Title V, § 516, Oct. 17, 1968, 82 Stat. 1132.

is usable and needed for civil defense purposes in the State, and until the Federal Civil Defense Administrator has determined that such State agency has conformed to minimum standards of operation prescribed by the Federal Civil Defense Administrator for the disposal of surplus property. The provisions of sections 2253(c), (e), 2257, and 2281(b) of Appendix to Title 50 shall apply to the performance by the Federal Civil Defense Administrator of his responsibilities under this section.

(5) The Secretary of Health, Education, and Welfare and the Federal Civil Defense Administrator may impose reasonable terms, conditions, reservations, and restrictions upon the use of any single item of personal property donated under paragraph (3) or paragraph (4), respectively, of this subsection which has an acquisition cost of \$2,500 or more.

(6) The term "State", as used in this subsection, includes the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States.

(7) The term "public library", as used in this subsection, means a library that serves free all residents of a community, district, State, or region, and receives its financial support in whole or in part from public funds.

Disposals by Secretary of Health, Education, and Welfare

(k) (1) Under such regulations as he may prescribe, the Administrator is authorized, in his discretion, to assign to the Secretary of Health, Education, and Welfare for disposal such surplus real property, including buildings, fixtures, and equipment situated thereon, as is recommended by the Secretary of Health, Education, and Welfare as being needed for school, classroom, or other educational use, or for use in the protection of public health, including research.

(A) Subject to the disapproval of the Administrator within thirty days after notice to him by the Secretary of Health, Education, and Welfare of a proposed transfer of property for school, classroom, or other educational use, the Secretary of Health, Education, and Welfare, through such officers or employees of the Department of Health, Education, and Welfare as he may designate, may sell or lease such real property, including buildings, fixtures, and equipment situated thereon, for educational purposes to the States and their political subdivisions and instrumentalities, and tax-supported educational institutions, and to other nonprofit educational institutions which have been held exempt from taxation under section 101(6) of Title 26.

(B) Subject to the disapproval of the Administrator within thirty days after notice to him by the Secretary of Health, Education, and Welfare of a proposed transfer of property for public-health use, the Secretary of Health, Education, and Welfare, through such officers or employees of the Department of Health,

Education, and such real progress, to the mentalities, and hospitals or other which have been (6) of Title 26

(C) In fixing the amount of the tax imposed by paragraph (a), the Commissioner shall take into consideration the effect of the tax to be imposed on the income of the taxpayer and the income of the State, and the effect of the tax to be imposed on the income of the United States.

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(2) Subject to the provisions of the preceding section, the Commission may, after giving notice to the person concerned, suspend or terminate the licence of any person who is found to be guilty of any of the following offences—

(A) The Secretary may transfer such officers or employees, and Welfare Fund transferred pursuant to the amendments, and in other divisions, and in other nonprofit or other educational

(B) the Secretary of the Service, or such officer or employee of the Service, and Welfare, transferred pursuant to the provisions of the Act, amended, and in the divisions and in the institutions, and operated for the purpose of (including research and

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Education, and Welfare as he may designate, may sell or lease such real property for public-health purposes, including research, to the States and their political subdivisions and instrumentalities, and to tax-supported medical institutions, and to hospitals or other similar institutions not operated for profit which have been held exempt from taxation under section 101 (6) of Title 26.

(C) In fixing the sale or lease value of property to be disposed of under subparagraph (A) and subparagraph (B) of this paragraph, the Secretary of Health, Education, and Welfare shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any such State, political subdivision, instrumentality, or institution.

(D) "States" as used in this subsection includes the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States.

(2) Subject to the disapproval of the Administrator within thirty days after notice to him of any action to be taken under this subsection—

(A) The Secretary of Health, Education, and Welfare, through such officers or employees of the Department of Health, Education, and Welfare as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions, and instrumentalities thereof, and tax-supported and other nonprofit educational institutions for school, classroom, or other educational use;

(B) the Secretary of Health, Education, and Welfare, through such officer or employees of the Department of Health, Education, and Welfare as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions and instrumentalities thereof, tax-supported medical institutions, and to hospitals and other similar institutions not operated for profit, for use in the protection of public health (including research);

(C) the Secretary of the Interior, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions, and instrumentalities thereof, and municipalities for use as a public park, public recreational area, or historic monument for the benefit of the public;

(D) the Secretary of Defense, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions, and tax-supported instrumen-

talities thereof for use in the training and maintenance of civilian components of the armed forces; or

(E) the Federal Civil Defense Administrator, in the case of property transferred pursuant to this Act to civil defense organizations of the States or political subdivisions or instrumentalities thereof which are established by or pursuant to State law,

is authorized and directed—

(i) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

(ii) to reform, correct, or amend any such instrument by the execution of a corrective, reformatory or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

(iii) to (I) grant releases from any of the terms, conditions, reservations and restrictions contained in, and (II) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by, any instrument by which such transfer was made, if he determines that the property so transferred no longer serves the purpose for which it was transferred, or that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: *Provided*, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he shall deem necessary to protect or advance the interests of the United States.

Donations to American Red Cross

(I) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate to the American National Red Cross, for charitable purposes, such property, which was processed, produced, or donated by the American National Red Cross, as shall have been determined to be surplus property.

Possession of abandoned or unclaimed property on Government premises; disposal; claims by former owners

(m) The Administrator is authorized to take possession of abandoned and other unclaimed property on premises owned or leased by the Government, to determine when title thereto vested in the United States, and to utilize, transfer or otherwise dispose of such property. Former owners of such property upon proper claim filed within three years from the date of vesting of title in the United States shall be paid the proceeds realized from the disposition of such property or, if the property is used or transferred, the fair value therefor as of the time title was vested in the United States as determined by the Administrator, less in either case the costs incident to the care and handling of such property as determined by the Administrator.

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(n) For the purposes (j) and (k) of this section, and Welfare, the head of any Federal agency is authorized to enter into property distribution agreements with the State (1) of subsections (j) and (k) of this section may provide for payment or reimbursement of the State for making available such cooperative arrangements as may be imposed upon the State, or the Director of the State plus property which is used in any State for defense, or for research (j) (3) or (j) (4) of this section. The Administrator is authorized to determine by the State necessary to, or with the agency in performing such duties. Upon a determination is necessary to, plus property made available, title thereto vested in the State.

Quarterly report to Congress

(o) The Secretary of the Senate during each calendar year shall submit a report to the Senate of Representatives (1) showing the amount of property under subsection (j) of this section (k) during the year, and possession of such property shall be made with respect to the first calendar quarter of each year.

June 30, 1949, c. 288, § 4, 64 Stat. 579; July 8, 1953, c. 399, 67 Stat. 3, 1955, c. 130, §§ 1,

July 12, 1974

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H.R. 8958, Indian land bill

Mr. Rommel

Provisions of the Bill

H.R. 8958 would "... amend the Federal Property and Administrative Services Act of 1949 to provide for the disposal of certain excess and surplus Federal property to the Secretary of the Interior for the benefit of any group, band, or tribe of Indians."

Section 1 of the bill would require, that any Federal excess real property located on an Indian reservation be transferred to the Secretary of the Interior to be used for the benefit of the Indians of that reservation. The property would be held in trust. Reimbursement would be authorized, but not required, only if the U.S. compensated the Indians for it when they acquired title to the land. The amount of any such reimbursement would be either (1) the amount originally paid for it by the U.S. or (2) the fair market value of the property, minus any past, present, or future benefit which accrues to the U.S. from the Indians' use of the land.

Section 2 of the bill would give the Administration of GSA discretionary authority to transfer surplus property on or off a reservation to the Secretary of Interior to be held in trust for the use and benefit of Indians which show a need for such land. No reimbursement is provided for. The land would revert to GSA if Interior determines that it is no longer being used for the purpose for which it was transferred.

GSA Views

GSA recommends that Sec. 1 be amended to require the transfer of surplus rather than excess property located on a reservation. Excess property is that which is not needed by the agency which controls it, whereas surplus property

is that which is not needed by any Federal agency. GSA points out that land formerly used as an Indian school by Interior may be excess for Interior, but could be used by HEW for a hospital.

GSA opposes Sec. 2 because it singles out Indians for special benefits not accorded to other groups. Under the Property Act, the purpose for which surplus property would be used rather than a category of persons, currently is the controlling factor in the transfer of such land to a group.

HEW Views

HEW has no objection to Sec. 1, but opposes Sec. 2 because it singles out Indians for preferential treatment without considering other worthwhile uses for the land by other groups or local communities.

Interior Views

Interior supports Sec. 1 in general but suggests some amendments:

- 1) the bill should apply only to Federally recognized tribes. They suggest adding a section which would define the term "Indian tribe"
- 2) the transfer of such property should be done only upon a request of the tribe, concurred in by the Secretary of the Interior. A suggested amendment is included.
- 3) the reimbursement provisions should be amended. One suggested amendment would be to remove the phrase requiring that the fair market value of the land be reduced by any benefits which "... may accrue from the use of such property by such group, band, or tribe." An alternative amendment would provide for a decision on reimbursement by the Indian Claims Commission.

Interior also suggests amendments to Sec. 2, but does believe that the flexibility to transfer lands not on reservations should be included:



- 1) for lands adjacent to a reservation ("contiguous" suggested by McKittrick in lieu of adjacent"), the lands would be held in trust by the Secretary of Interior. There would be no provision for the land reverting to GSA
- 2) for lands away from a reservation, the land would be held in fee and would provide for reverting to GSA if no longer used for the purpose for which it was transferred. Only GSA would make these decisions, with no provisions for a role by Interior.



RECOMMENDATIONS: I would recommend that the following actions be taken on the various suggested amendments:

<u>SECTION 1</u>	<u>LRD</u>	<u>FPD</u>	<u>NRD</u>	<u>GSA</u>	<u>HEW</u>	<u>INTERIOR</u>
1. GSA - should be surplus rather than excess property	Yes			Yes	NC	NC
2. Interior - Federally recognized tribes only	YES			NC	NC	Yes
3. Interior - only upon (a) the request of a tribe	Yes			NC	NC	Yes
(b) Sec. of Interior concurrence	No			NC	NC	Yes
4. Interior - amend the reimbursement provisions by						
(a) not counting future UE benefits &	Yes			NC	NC	Yes
(b) counting <u>all</u> past and present US benefits, not just those from Indians	No			NC	NC	Yes
or						
(c) decision on reimbursement made by the Indian Claims Commission	No			NC	NC	Yes
<u>SECTION 2</u>						
1. GSA - delete the section	No			Yes	Yes	No
2. HEW - consider other purposes before making a decision	Yes			NC	Yes	NC
3. Interior - (a) Adjacent lands held in trust	NC			Delete	Delete	Yes
(b) Nonadjacent lands held in fee	NC			Delete	Delete	Yes

DISPOSAL OF EXCESS PROPERTY LOCATED WITHIN INDIAN RESERVATIONS

AUGUST 23, 1974.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. HOLIFIELD, from the Committee on Government Operations,
submitted the following

REPORT

[To accompany H.R. 8958]

The Committee on Government Operations, to whom was referred the bill (H.R. 8958) to amend the Federal Property and Administrative Services Act of 1949 to provide for the disposal of certain excess and surplus Federal property to the Secretary of the Interior for the benefit of any group, band, or tribe of Indians, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 2, beginning in line 3, strike out "Notwithstanding the provisions of the second paragraph of section 602 of this Act, the Administrator," and insert in lieu thereof "The Administrator".

Page 2, line 6, after "transfer" insert "without compensation".

Page 2, line 8, immediately after "Indians" and before the period insert "which is recognized as eligible for services by the Bureau of Indian Affairs".

Page 2, beginning in line 11, strike out "The Secretary" and all that follows down through line 14 on page 3.

PURPOSE

The purpose of H.R. 8958 is to authorize the Administrator of the General Services Administration to transfer to the Department of the Interior property situated within Indian reservations, determined to be excess to the needs of Federal agencies, to be held in trust for the benefit of the Indian tribes occupying the reservation.

HEARING

On July 16, 1974, the Committee, through its Government Activities Subcommittee, held a hearing on H.R. 8958. Following that hearing,

the Subcommittee proposed amendments to H.R. 8958 and reported it to the Full Committee. Witnesses appearing at the hearing included representatives of various Indian tribes, the Assistant Commissioner of Real Property for the General Services Administration, and the Honorable Lloyd Meeds, author of the legislation. The Department of the Interior submitted a statement in favor of the bill, as amended.

COMMITTEE VOTE

H.R. 8958 was unanimously approved by voice vote at a meeting of the Full Committee on August 15, 1974, a quorum being present.

EXPLANATION OF AMENDMENTS

The first amendment is technical in nature. It deletes the words "Notwithstanding the provisions of the second paragraph of section 602 of this Act." It is not known why this language was included in the bill as introduced. Deletion will eliminate any confusion in interpretation or adverse construction of the bill's intent and purpose.

Amendment two provides that excess property shall be transferred to the Interior Department for the use by Indian tribes "without compensation." Since the land in question will remain in Federal hands, it does not seem appropriate to exact a charge for its use from the tribes. The fact that many tribes have only limited financial resources also contributed to the committee's belief that they should not be charged for land located within their own reservations. In some instances, at least, the exactment of a charge would prevent a tribe without adequate resources from obtaining needed property. This would clearly defeat efforts to institute self-sufficiency in Indian tribes.

The third amendment is inserted in order to make certain that only those Indian tribes become eligible for Federal excess property which are recognized by the Secretary of the Interior as being eligible for special programs and services provided by the Department of the Interior. The proposed language is that traditionally used to define a Federally-recognized Indian tribe.

The fourth and final amendment accomplishes two purposes. One is merely supportive of amendment two. H.R. 8958, as introduced, authorized the Secretary of the Interior to require reimbursement from an Indian tribe for excess property transferred to Interior in trust for the tribe. The bill provided alternative formulae for computing the amount of reimbursement. Since the committee determined that excess real property should be transferred to Interior for tribal use without reimbursement, as discussed in connection with amendment two, all language relating to reimbursement should be deleted.

The other part of amendment four deletes section 2 of H.R. 8958, as introduced. That section would have authorized GSA to transfer to the Department of the Interior, without reimbursement, Federal surplus property to be used by Indian tribes. This provision is not limited to property located within a reservation.

Surplus real property, in contrast to excess real property, is Federal property which, after being screened by every Federal agency, has been found to be without further need by any Federal agency. Its disposal thereafter may be by one of several routes, including donation to

a State or local public agency for health, education, or conservation purposes, or sale to a State or local public body, generally for a continued public use. Property acquired in neither of the above ways may be purchased by other sources through competitive or negotiated sale.

Such property can represent fairly large acreage and can be located in widely distributed parts of the United States and territories, generally without any relationship to the location of an Indian reservation. Enactment of section 2 could give Indian tribes the right to obtain Federal surplus property in preference to others who may have an equal or greater need for such property. Under this provision, Indian tribes would be singled out for special treatment. The committee was concerned about extending such treatment to any group of people and about determining priorities of eligibility for donable property.

Similarly, the committee questions whether enactment of section 2 would have the effect of placing Indian tribes in a preferred category compared to States, municipalities or other public bodies. A preferred category would result because section 2 provided for the transfer of surplus property without reimbursement. State and local governments are not entitled to such treatment, but must pay fair market value for the property they obtain under these provisions. If section 2 were amended to require reimbursement, the tribes would be treated on the same basis as other governmental bodies. While this might be a desirable solution, the committee lacked sufficient information to make a determination at this time. Also, a determination of this nature should be made by the committees having primary jurisdiction over Indian tribes.

DISCUSSION

Under existing law, Indians residing on reservations are governed under a trustee arrangement administered by the Secretary of the Interior through the Bureau of Indian Affairs. In recent years, a policy has been developing to turn increasing control of their lives over to the Indians themselves, as administered through tribal organizations.

This growing involvement has extended to the initiation of, among others, self-supporting economic endeavors, health services, educational programs, housing projects, and cultural activities. Federal financial and technical assistance is very much a part of such development efforts, but there is a definite move to restore to the Indian tribes greater control over their own affairs.

This program, however, has been retarded in some instances, at least, by a lack of certain types of resources. Testimony by representatives of Indian tribes before the Subcommittee pointed out that the limited land under Indian Control has been a restricting factor in the development and progress of some tribes. Even though a tribe may receive a Federal grant to operate a health, education, or economic program, for example, it may be unable to obtain the use of necessary land or facilities to support a program's operation, even though available land or facilities exist within the reservation.

This situation can occur because of the nature of Federal property laws. Under existing law, government-owned land within an Indian reservation may become excess to the needs of the Federal agency using

such land. The property is reported excess to the General Services Administration, which, in turn, "screens" the property through other agencies of the Federal government to see if they have a need for it. If not, the property becomes surplus and can be sold to non-Federal users.

Under present law, the Indian tribe within whose reservation the property is located has no preferential rights in obtaining the property. If the Indian tribe wishes to obtain the land, a request must be processed by the Department of the Interior, as trustee for the tribe. Interior has discretion to make a request for the land. GSA, in turn, weighs the request of Interior against those of other Federal agencies. If it determines that Interior's priority is greatest, it will transfer the property to Interior if OMB agrees. If, however, GSA decides upon a different priority, or if Interior does not make a request in behalf of the Indian tribe, or if OMB does not approve the transfer, the tribe will not obtain the land or facilities. Such a case was, in fact, testified to at the Subcommittee hearings wherein a tribe requested the use of excess Federal property situated within its reservation to support job training and health programs, but was turned down by GSA because OMB objected. The reasons for the rejection do not seem to be supportable on the record; but, nevertheless, the tribe has not been able to obtain the property.

In order to overcome such an impasse in the future and in order to enable Indians to realize the benefits of modern life while retaining their special historical character and identity, H.R. 8958 has been reported unanimously by the Full Committee to require GSA to transfer to the Secretary of the Interior for the benefit of the Indians any land and facilities located within a reservation when such land or facilities are reported excess.

As the Department of the Interior aptly stated in its statement submitted to the Subcommittee: "Tribal governments are in a position to determine the best possible use of the land located within their reservations." In the view of the committee, no other applicant would appear to have as great a right of possession of land located within a reservation as the Indians located thereon. For that reason, whenever property within a reservation becomes excess to other Federal needs, H.R. 8958 makes it mandatory that GSA convey such land to the Department of the Interior to be held in trust by it for such use as the Indian tribe located on the reservation believes best.

There may be situations where another Federal agency, such as the Department of Health, Education, and Welfare, may wish to obtain such excess property to support the operation of a health, education, or job training program, believing it worthy, there is little doubt the tribe will willingly devote the necessary land and facilities for its operations.

The exact amount of land that might eventually be transferred to Indian tribes under this legislation is not known because the demands of Federal agencies for such property obviously changes. It is not contemplated, however, that large amounts of property will be involved. Currently, the Department of the Interior¹ has identified the

¹ See letter from Department of Interior to the Chairman of the Government Operations Committee, July 15, 1974, included in the agency reports below.

following property within reservations as being excess to the needs of various government agencies:

Reservation	Size (acres)	Agency—Remarks
Flathead, Mont.	82.875	BIA—Town sites, agency reserve, powers and reservoir reserves.
Blackfeet, Mont.	3	BIA—Used by tribe.
Fort. Belknap, Mont.	7.5	BIA—Former schools.
Jemez Pueblo, N. Mex.	1	BIA—Excess to adjacent school.
Isleta Pueblo, N. Mex.	1.59	BIA—Former school.
Cochiti Pueblo, N. Mex.	3.208	Do.
Acoma Pueblo, N. Mex.	2.5	Do.
Nambe Pueblo, N. Mex.	2.32	Do.
Tulalip, Wash.	87	GSA—Surplus, former Army radio station.
Kootenai, Idaho	12.5	BIA—Former school and village.
Grand Portage, Minn.	75.15	BIA—Fire tower.
Nett Lake, Minn.	5	Do.
La du Flambeau, Wis.	40	BIA—Excess to present fire tower.
Bad River, Wis.	40	Do.
Lummi, Wash.	214	GSA—Former Naval station.

ESTIMATE OF COST OF LEGISLATION

Enactment of H.R. 8958 will not result in additional costs. It could result in reducing receipts from the sale of surplus government property by an amount equal to the excess property within an Indian reservation that is retained in Federal government ownership. This should not be treated as a cost to the government, however, as the property would continue to be government-owned.

AGENCY REPORTS

Reports on H.R. 8958 have been furnished by (1) the Department of the Interior, and (2) the Department of Health, Education, and Welfare. The reports are as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 15, 1974.

HON. CHET HOLIFIELD,
Chairman, Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department on H.R. 8958, a bill "to amend the Federal Property and Administrative Services Act of 1949 to provide for the disposal of certain excess and surplus Federal property to the Secretary of the Interior for the benefit of any group, band, or tribe of Indians."

We recommend enactment of this bill, if amended as suggested herein.

H.R. 8958 contains two amendments to the Federal Property and Administrative Services Act. The first, in section 1 of the bill, would amend section 202(a) so as to require the General Services Administrator to institute procedures necessary to transfer to the Secretary of the Interior Federal real property "excess" to the needs of the Federal agency controlling such property if it is within an Indian reservation. The Secretary would hold property so transferred in trust for the tribe within whose reservation the property was located. The Secre-

tary could require reimbursement for property held in trust in this manner only if the tribe had been paid for it when the United States acquired title.

The Federal tracts to which section 1 would apply are generally utilized by the Bureau of Indian Affairs for Indian services and thus are for the most part under the jurisdiction of this Department. When such lands become excess to the Department's needs, often we or the affected tribe seek legislation to transfer the beneficial interest to the tribe. (Examples of such recent transfers may be found in Public Law 92-435 and Public Law 92-411). Thus, section 1 would have the result of making legislation unnecessary in these cases. Attached is a list of Federal parcels which might be transferred to trust status after enactment of this bill. We note that in addition to the Federal Property and Administrative Services Act of 1949, provisions relating to the disposal of real property and improvements thereto no longer needed by the Bureau of Indian Affairs are set out in statutes codified in sections 292, 293, 294 and 443a of Title 25, United States Code. These statutes would not be affected by H.R. 8958.

Indian tribal governments perform many governmental and economic development activities which are financially assisted by the United States because of its special relationship with the tribes. In addition, tribal governments are in a position to determine the best possible use of the land located within their reservations. Therefore, we consider the authorization of land transfers in section 1 to be in the national interest. However, we defer to the General Services Administration as to whether such transfer should be mandatory or discretionary with the Administrator.

We believe, however, that the amendment in section 1 may be intended to—and should—apply only to federally recognized tribes. To make this clear, we recommend that the term "Indian tribe" be used throughout the bill and that the following new section, which would amend the definitional sections of the Act, be added to the bill:

"Section 3 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 472) is amended by adding a new subsection (m), as follows:

"(m) The term 'Indian tribe' means the governing body of an Indian tribe, band, nation, pueblo, colony, rancheria, or community (including Alaska native village as defined in the Alaska Native Claims Settlement Act (85 Stat. 688), recognized as eligible for the special programs and services provided by the Secretary of the Interior for Indians because of their status as Indians."

We also note that section 1 does not provide for the eventuality of a tribe's not wanting the beneficial interest in excess real property on its reservation. We believe that all transfer of such property into trust status should be set in motion by tribal request. We also believe that the Secretary of the Interior should be made a concurring party to such requests, for he would be ultimately responsible for carrying out duties and obligations imposed by statute and the trust status with respect to the new tribal trust land. We recommend that the amendment in section 1 be modified to reflect these considerations.

The last sentence of section 1 provides for the determination of the amount to be reimbursed by a tribe which had been compensated when land to be restored to it was acquired by the United States. The amount

which the tribe may be required to pay is the lesser of "(1) the original compensation paid by the United States or (2) the fair market value of such property, after deducting any benefit which has accrued or may accrue to the United States from the use of such property by such group, band, or tribe * * *".

The provision is consistent with the Federal interest in tribal government activities, but it would be difficult to anticipate with precision the benefits which may accrue from the land's use in the future. In addition, the language excludes consideration of any benefit realized by the Federal Government other than from use by the tribe. We recommend that, rather than provide for reimbursement, the bill include the following provision, which is in line with provisions which have generally been standard in the individual land transfer bills mentioned above:

"The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050; 25 U.S.C. 70a), the extent to which the value of the beneficial interest in real property conveyed pursuant to this section should or should not be set off against any claim against the United States determined by the Commission."

Section 2 of H.R. 8958 would grant discretionary authority to the General Services Administration to transfer real property surplus to the needs of all Federal agencies to the Secretary of the Interior to be held in trust for the benefit and use of any Indian group, band, tribe, or organization which has demonstrated to the Secretary that it needs such surplus property in order to operate any program for the benefit of such group, band, tribe or organization. The property would revert to the General Services Administrator when no longer being used for the purposes for which it was transferred. We defer to the General Services Administration concerning this provision.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

ROYSTON C. HUGHES,
Assistant Secretary of the Interior.

Enclosure.

FEDERAL REAL PROPERTY WITHIN RESERVATIONS AND IDENTIFIED AS EXCESS TO AGENCIES NEEDS

Reservation	Size (acres)	Agency, remarks
Flathead, Mont.	82.875	BIA—Town sites, agency reserve, powers and reservoir reserves.
Blackfeet, Mont.	3	BIA—Used by tribe.
Fort Belknap, Mont.	7.5	BIA—Former schools.
Jemez Pueblo, N. Mex.	1	BIA—Excess to adjacent school.
Isleta Pueblo, N. Mex.	1.59	BIA—Former school.
Cochiti Pueblo, N. Mex.	3.208	Do.
Acoma Pueblo, N. Mex.	2.5	Do.
Nambe Pueblo, N. Mex.	2.32	Do.
Tulalip, Wash.	87	GSA—Surplus, former Army radio station.
Kootenai, Idaho	12.5	BIA—Former school and village.
Grand Portage, Minn.	75.15	BIA—Fire tower.
Nett Lake, Minn.	5	Do.
Lac du Flambeau, Wis.	40	BIA—Excess to present fire tower.
Bad River, Wis.	40	Do.
Lummi, Wash.	214	GSA—Former Naval station.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., August 15, 1974.

HON. CHET HOLIFIELD,
Chairman, Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request of June 28, 1973, for a report on H.R. 8958, a bill "to amend the Federal Property and Administrative Services Act of 1949 to provide for the disposal of certain excess and surplus Federal property to the Secretary of the Interior for the benefit of any group, band, or tribe of Indians."

The bill would amend Section 202(a) of the Federal Property and Administrative Services Act of 1949, as amended, to permit the Administrator of General Services to transfer to the Secretary of the Interior excess real property located within the reservation of any group, band, or tribe of Indians, to be held in trust by the Secretary for the benefit and use of the group, band, or tribe of Indians, within whose reservation such excess real property is located.

The bill would also amend Section 203(k) of the Act by adding paragraph (5) to permit the Administrator to transfer to the Secretary of the Interior surplus real property, including buildings, fixtures, and equipment situated thereon, to be held in trust by the Secretary for the benefit and use of any group, band, tribe, or organization of Indians which has demonstrated to the Secretary that they need such surplus land in order to operate any program for the benefit of the group, band, tribe, or organization.

This Department does not object to the transfer of excess real property within an Indian reservation to the Secretary of the Interior for the use of the reservation's group, band, or tribe of Indians, because such use would appear to be appropriate. We defer to GSA as to whether that transfer should be mandatory or discretionary. However, we do not believe that Section 203(k) of the Act should be amended to provide for the transfer of surplus real property, wherever situated, to the Secretary of the Interior for any unspecified use by any group, band, tribe, or organization of Indians. This would create a priority for Indian use notwithstanding other worthwhile uses such as health or educational use by the local communities near which the property is situated.

It should be noted that the reference on lines 3 and 4, page 2 of the bill to the second paragraph of Section 602 of the Federal Property and Administrative Services Act is inappropriate, as Section 602(b) refers only to the superseding of an Executive Order of 1933 and of two sections of a law concerned with the disposal of government records.

We would therefore recommend that the bill not be enacted in its present form.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES
ACT OF 1949

* * * * *

PROPERTY UTILIZATION

SEC. 202. (a) **[In]** (1) *Subject to the provisions of paragraph (2) of this subsection, in order to minimize expenditures for property, the Administrator shall prescribe policies and methods to promote the maximum utilization of excess property by executive agencies, and he shall provide for the transfer of excess property among Federal agencies and to the organizations specified in section 109(f). The Administrator, with the approval of the Director of the Bureau of the Budget, shall prescribe the extent of reimbursement for such transfers of excess property: *Provided*, That reimbursement shall be required of the fair value, as determined by the Administrator, of any excess property transferred whenever net proceeds are requested pursuant to section 204(b) or whenever either the transferor or the transferee agency (or the organizational unit affected) is subject to the Government Corporation Control Act (59 Stat. 597, 31 U. S. C. 841) or is an organization specified in section 109(f); and that excess property determined by the Administrator to be suitable for distribution through the supply centers of the General Services Administration shall be retransferred as prices fixed by the Administrator with due regard to prices established in accordance with section 109(b).*

(2) *The Administrator shall prescribe such procedures as may be necessary in order to transfer without compensation to the Secretary of the Interior excess real property located within the reservation of any group, band, or tribe of Indians which is recognized as eligible for services by the Bureau of Indian Affairs. Such excess real property shall be held in trust by the Secretary for the benefit and use of the group, band, or tribe of Indians, within whose reservation such excess real property is located.*

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Office of the White House Press Secretary

THE WHITE HOUSE

The President today announced the transfer of an additional 21 parcels of land in 14 states for park and recreation use under the Legacy of Parks program. This program, which is under the direction of the Federal Property Council, was inaugurated in March 1971 with the first cost-free transfer of \$1.1 million worth of Federal property to the County of Nassau, New York.

The 21 properties total 2,493.25 acres and have an estimated market value of \$15,055,000. According to the Federal Property Council, these 21 new properties will serve a population of approximately 13,500,000. Today's announcement brings to 461 the number of Legacy of Parks properties in all 50 states, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and the District of Columbia.

Included in the 21 properties are one in Arkansas, California, Colorado, Florida, Kentucky, New York, North Carolina, Pennsylvania, Washington and Wisconsin; two in Maryland and New Jersey; three in Illinois; and four in Virginia.

LEGACY OF PARKS PROPERTIES

<u>Name, Location and Recipient</u>	<u>Approximate Acres</u>	<u>Estimated Value</u>
Walnut Ridge Magnetic Station Walnut Ridge, Arkansas Recipient: City of Pocahontas	11	\$ 35,000
Presidio of Monterey Monterey, California Recipient: City of Monterey	42.25	1,140,000
Pueblo Army Depot Pueblo, Colorado Recipient: State of Colorado (Division of Parks and Recreation)	360	11,000
Federal Aviation Administration "H" Marker Key West, Florida Recipient: Monroe County	1	50,000
Portion of Nike Site C-70 Naperville, Illinois Recipient: City of Naperville	14	75,000
Proposed Naval Housing Site Arlington Heights, Illinois Recipient: Village of Arlington Heights	51	2,100,000
Bushnell Bin Site Bushnell, McDonough County, Illinois Recipient: City of Bushnell	4	2,000

(MORE)

<u>Name, Location and Recipient</u>	<u>Approximate Acres</u>	<u>Estimated Value</u>
Lock and Dam No. 4 Green River, Butler County, Kentucky Recipient: County of Butler	9	\$ 25,000
Washington Aqueduct, Seneca Quarry Site Montgomery County, Maryland Recipient: Department of the Interior (National Park Service)	50	50,000
Agricultural Research Center Beltsville, Maryland Recipient: Maryland National Capital Park and Planning Commission	15	150,000
Charles Wood Area, Fort Monmouth New Shrewsbury, New Jersey Recipient: Borough of New Shrewsbury	17	265,000
Fort Dix Ocean County, New Jersey Recipient: State of New Jersey	291	320,000
Hancock Field, Installation No. 4605 Town of Cicero, New York Recipient: Town of Cicero	12	93,000
Veterans Administration Hospital Fayetteville, Cumberland County, North Carolina Recipient: Cumberland County Board of Commissioners	29	25,000
New Cumberland Army Depot York County, Pennsylvania Recipient: Township of Fairview	112	35,000
Cape Charles Air Force Station Northampton County, Virginia Recipient: Northampton County	60	30,000
Federal Reformatory Petersburg, Virginia Recipient: City of Hopewell	4	4,000
Fort Lee Fort Lee, Virginia Recipient: County of Prince George	32	290,000
Naval Research Laboratory, Hybla Valley Site Fairfax County, Virginia Recipient: County of Fairfax	1,262	10,000,000
Orchard Heights Pit Site Kitsap County, Washington Recipient: Kitsap County Park Department	14	55,000
U.S. Disciplinary Barracks Milwaukee, Wisconsin Recipient: City of Milwaukee	103	300,000
TOTALS -- 21 properties	2,493.25	\$15,055,000

(MORE)



CUMULATIVE TOTALS FOR LEGACY OF PARKS

461 Properties in 50 States, District of Columbia, Commonwealth of
Puerto Rico, Virgin Islands, Guam

66,562 Approximate Acreage

\$188,463,676 Estimated Market Value

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