

Statement of Jack Garner
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Bureau of Reclamation

Before the
Subcommittee on Water and Power,
Committee on Resources
U.S. House of Representatives

On

H.R. 1564

The Yakima-Tieton Irrigation District Conveyance Act of 2005
September 27, 2005

Good morning, my name is Jack Garner. I am Acting Deputy Commissioner of Reclamation and Deputy Director of Operations for the Bureau of Reclamation.

I am pleased to provide the Department of the Interior's views on H.R. 1564, legislation to authorize the Secretary of the Interior to convey certain buildings and lands of the Yakima Project in Washington to the Yakima-Tieton Irrigation District. We support this legislation and thank the committee for considering it today.

The transfer proposed in H.R. 1564 is the culmination of a collaborative and cooperative process and should be a model for other districts and groups interested in title transfer.

What we experienced in this case, and what has made other title transfers successful, is that Reclamation and the non-Federal entities interested in title transfer followed a simple plan – identifying obstacles and dealing with them at the local or regional level before drafting legislation.

H.R. 1564 would authorize the title transfer of federally owned buildings and lands to the Yakima-Tieton Irrigation District. Reclamation and the Yakima-Tieton Irrigation District have worked collaboratively and efficiently to lay the groundwork for this title transfer. Thanks to the cooperative efforts of the District, the process has successfully addressed all the elements of Reclamation's policy framework that guides our title transfers.

One of the Administration's goals in title transfer is to protect the financial interest of the United States, that is, to make sure that the United States is no worse off financially following title transfer. In this case, the full costs of the lands, buildings and facilities to be transferred have already been repaid pursuant to the district's original repayment contract. All the lands to be transferred under this legislation were acquired by Reclamation when the project was built. Thus the original repayment contract incorporated their value together with the costs associated with the construction of the facilities and buildings. There are no ongoing revenue streams associated with

these lands and facilities, and the value of all the assets has been repaid. The district has fulfilled its repayment obligation under the contract and thus no payment is required.

On December 6, 2004, Reclamation and the District entered into a title transfer agreement for the federally owned facilities (Contract No. 5-07-10-L1658) which spells out the terms and conditions for this title transfer and which is the basis for the transfer of the facilities in the legislation. Subsequently, Reclamation worked with the District and with Representative Hastings on how to structure the legislation to authorize the implementation of the title transfer agreement.

We believe that this title transfer will give the District more local control of buildings that were constructed for their use. It will also eliminate the need for duplicative and unnecessary administrative obligations that exist for the District based on the fact that title to the buildings and associated properties is held by the United States. For example, the District currently has to seek approval for utility work, building improvements, and similar activities by virtue of the fact that the buildings and properties are Federally owned.

For Reclamation, the title transfer will obviate the periodic facility reviews and processing of paperwork that currently consumes significant staff time.

In summary, we support passage of H.R. 1564. It is a good bill, a good title transfer, and reflects a cooperative and cost effective process that will provide a benefit to the District and to Reclamation.

That concludes my testimony; I would be pleased to answer any questions.