

Statement of Congresswoman Eleanor Holmes Norton
House Resources Subcommittee Hearing on National Parks
Concerning H.R. 3699, the Federal and District of Columbia Government Real Property Act of 2005

Thursday, November 3, 2005

Thank you, Mr. Chairman, for kindly agreeing to hold this hearing, which is of great importance to the District of Columbia. My primary purpose this morning is to introduce Mayor Tony Williams, who will offer the major testimony today. I want to take a few minutes to briefly explain the origins of the bill before the Subcommittee today and the urgent conditions that led the Bush administration, Government Reform Committee Chair Tom Davis, me, and the District of Columbia, to work together to produce H.R. 3699. We want to thank the Bush administration, especially OMB Director Josh Bolton and his staff, who initiated the effort that resulted in today's bill to respond partially to the District's federally imposed structural deficit.

We are particularly indebted to Government Reform Chairman Tom Davis, who is the author and chief sponsor of H.R. 3699. I am pleased to co-sponsor this bill along with other members of both parties. Chairman Richard Pombo and Chairman Davis, I believe, have had fruitful and amicable discussions concerning H.R. 3699. We were concerned, therefore, when this committee's reconciliation bill last week included the District of Columbia parcels. We request reconsideration in light of the testimony you will hear today.

The bill has been drawn in consultation with the National Park Service, which supports the transfer of the parcels now under its jurisdiction to the District of Columbia as part of a swap for lands desired by the Park Service but owned by the District. The most important of the parcels before you is Poplar Point, a strip of land never developed by the Park Service as a park. The District proposes to make a genuine park out of 70% of this parcel. The federal government has never used the parcels in the bill, and has no intention of doing so. At the same time, the District is unable to get value from this strategically located land in the city.

This bill has the specific and urgent purpose to compensate the District for some of the costs responsible for a federally imposed structural imbalance. The GAO reported that the structural imbalance results from the federal removal from the tax rolls of more than 40% of the District's land for federal and other purposes; uncompensated services provided by the District to 200,000 federal employees, and a federal ban on taxation of commuters, although most travel from the suburbs to federal jobs here; and the District's responsibility for several state costs, although the city is not a state and lacks the broad tax base of a state. This bill provides partial in-kind compensation for the federally imposed structural imbalance documented in a 2004 GAO report to be "between \$470 million and up to more than \$1.1 billion."

Achieving maximum use of available sites located in the nation's capital, where the federal government owns and occupies the most valuable land, is essential to maintaining the financial stability of the District of Columbia. The District of Columbia faced a serious financial crisis that necessitated an outside control board during the last decade. According to the city's Chief Financial Officer, the costs to the District to cover the federally imposed structural deficit are unsustainable. We appreciate that the Bush administration has taken steps through this bill to begin to face this serious burden placed on the city entirely by federal mandates. We ask this subcommittee to do its part in helping to meet this federal responsibility.

I am very pleased to introduce Mayor Anthony Williams. Mayor Williams enjoys great respect from Members of both parties in the House and Senate for his work in bringing the District to new levels of financial health and very significant improvements in city services that have earned the city and the Mayor himself an admirable national reputation.