

**Statement of Robert W. Johnson
Commissioner, Bureau of Reclamation
U.S. Department of the Interior
Before the
Subcommittee on Water and Power,
Committee on Natural Resources
U.S. House of Representatives
On
H.R. 2085
To Authorize the Secretary of the Interior to Convey Title to
Certain Lands and Facilities of the McGee Creek Project**

September 18, 2007

Madam Chairwoman and members of the Subcommittee, I am Robert W. Johnson, Commissioner for the Bureau of Reclamation. I am pleased to appear before this Subcommittee to provide testimony on H.R. 2085, legislation to authorize the Secretary of the Interior to convey certain lands and facilities of the McGee Creek Project in Oklahoma to the McGee Creek Authority. The Administration supports this bill and we thank the committee for considering it today.

The Department of the Interior has an active title transfer program and supports transferring ownership of certain Reclamation project facilities to non-Federal entities. Initial discussions on this transfer began in 1997, and Reclamation and the McGee Creek Authority have been working collaboratively to lay the groundwork for this title transfer since that time. Reclamation and the Authority entered into a Memorandum of Agreement (MOA) in 1998 for the purpose of defining the activities and responsibilities necessary to move forward with the proposed transfer. Before the transfer could be finalized and the necessary legislation could be proposed, the agreement expired in September 2002. In 2006, the Authority again expressed interest in the transfer and in April of that year, a new MOA was executed.

Through cooperative efforts with the Authority, all elements required by Reclamation for title transfer have been successfully addressed for the McGee Creek project. The Authority has provided funding for Reclamation to complete the necessary environmental, legal, and historic preservation documentation for this transfer, including a Final Environmental Assessment and Finding of No Significant Impact, concurrence from the State Historic Preservation Officer, a hazardous materials clearance, and conveyance documents.

The costs of the lands, buildings and facilities to be transferred have already been repaid pursuant to the Authority's original repayment contract. All of the lands to be transferred were acquired by Reclamation when the project was built and the original repayment contract incorporated acquisition costs together with the costs associated with the construction of the project facilities and associated easements, lands and buildings. There are no ongoing revenue streams associated with these lands and facilities. As such, no additional payment for this transfer is required.

In addition, this title transfer protects the financial interest of the United States. Transferring title to these facilities will reduce a number of administrative burdens on Reclamation including periodic facility reviews that are currently required because it is a Reclamation owned facility, and the processing of paperwork that currently consumes significant staff time. It will also ensure that long term responsibility for the operation, maintenance, management, and regulation, as well as liability, for the transferred lands and facilities will rest with the Authority.

Again, we support passage of H.R. 2085 and thank the subcommittee for holding this hearing. It reflects a cooperative and cost effective process that will provide a benefit to the Authority and Reclamation.

This concludes my testimony and I would be pleased to answer any questions.