

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 5, 1968.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate.

DEAR MR. CHAIRMAN: In response to your request of April 4, 1967, here is our report on S. 1401, "To amend title I of the Land and Water Conservation Fund Act of 1965, and for other purposes."

S. 1401 would amend the Land and Water Conservation Fund Act of 1965 to provide for other sources of revenue and to authorize contract obligation of monies from the Fund for acquisition purposes. Revenues received during the period from July 1, 1967, to July 1, 1972, (1) from the Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.), as amended, (2) under the Outer Continental Shelf Lands Act of 1953 (43 U.S.C. 1331 et seq.), as amended, and (3) from the National Forests and disposed of pursuant to the provisions of 16 U.S.C. 499, would be deposited in the Land and Water Conservation Fund to the extent they would otherwise be deposited into the miscellaneous receipts.

S. 1401 would also provide that for the fiscal years 1968 and 1969, the head of the Department concerned could execute contracts for the acquisition of lands, waters, and interests therein which would obligate monies authorized to be appropriated from the Fund. The aggregate amount of such obligations could not exceed \$30,000,000 for each of the two fiscal years. The execution of such contracts would be subject to limitations prescribed by the Secretary of the Interior. Furthermore, such contracts could be entered into only with respect to acquisitions otherwise authorized by Federal law. We are, of course, aware of the fact that contract authorizations are normally not favored by the Appropriations Committees and the Bureau of the Budget, but that exceptions have been made. The availability of such authority would provide a desirable means of combating price escalation and of promptly supplying recreation land acquisition needs. We would expect to participate in the development of the limitations to be prescribed by the Secretary of the Interior on the execution of the acquisition contracts if this authority is provided.

Section 2 of S. 1401 would authorize the Secretary of the Interior, with respect to any property acquired by him within a unit of the National Park System or miscellaneous areas, to convey a freehold or leasehold interest therein. This section also includes further provisions governing such conveyances and exchanges of property or interests therein within the National Parks or miscellaneous areas in which exchanges are authorized. Proceeds from conveyances of freehold or leasehold interests or by exchange would be credited to the Land and Water Conservation Fund.

We are well aware of the existing backlog and urgency of recreation land acquisition in both Federal and State outdoor recreation programs. Action is needed quickly to provide adequate funds in the Land and Water Conservation Fund for prompt acquisition of lands to meet the growing demands for outdoor recreation and to avoid the increased costs and inhibiting effects of rapidly escalating land prices.

The Department of the Interior, in its report to the Committee, has recommended several amendments to Section 1(a) of S. 1401. Those amendments would (1) set the level of funding for the Land and Water Conservation Fund at \$200 million annually for the next 5 years; (2) utilize a portion of the more than adequate receipts available under the Outer Continental Shelf Lands Act of 1953, as amended; and (3) repeal the authorization in Section 4(b) of the Land and Water Conservation Fund Act for advance appropriations to the Fund from the Treasury.

Section 1(a) of S. 1401 would require that, along with revenues from other sources, National Forest receipts would be deposited in the Land and Water Conservation Fund to the extent they would otherwise be deposited into the miscellaneous receipts of the Treasury. With limited exceptions, 35 percent of the receipts from the sale of products and other users of the National Forests is shared with the counties in which the National Forests are situated, or otherwise disposed of for special purposes pursuant to existing law. We do not recommend further earmarking of National Forest receipts. We concur in Interior's recommendation that these receipts not be used to augment the fund.

Other of Interior's recommended amendments will make it clear that the exchange provisions in Section 2(b) apply only to areas and lands under the jurisdiction of the Secretary of the Interior. This should be done.