

Calendar No. 594

111TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ 111-308

GOLD HILL-WAKAMATSU PRESERVATION ACT

SEPTEMBER 27, 2010.—Ordered to be printed

Mr. BINGAMAN, from the Committee on Energy and Natural Resources, submitted the following

R E P O R T

[To accompany S. 1596]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 1596) to authorize the Secretary of the Interior to acquire the Gold Hill Ranch in Coloma, California, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Gold Hill-Wakamatsu Preservation Act”.

SEC. 2. DEFINITIONS.

In this Act:

(1) **GOLD HILL RANCH.**—The term “Gold Hill Ranch” means the approximately 272 acres of land located in Coloma, California, as generally depicted on the map entitled “Gold Hill-Wakamatsu Site” and dated May 7, 2009.

(2) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

SEC. 3. GOLD HILL RANCH.

(a) **ACQUISITION.**—The Secretary may acquire the Gold Hill Ranch, including any interest in the Gold Hill Ranch, by purchase from a willing seller with donated or appropriated funds, donation, or exchange.

(b) **MANAGEMENT.**—The Secretary shall manage any land or interest in land acquired under subsection (a) in accordance with—

(1) this Act;

(2) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); and

(3) any other applicable laws.

(c) **COOPERATIVE AGREEMENT.**—

(1) **IN GENERAL.**—The Secretary may enter into a cooperative agreement with public or nonprofit entities to interpret the history of the Wakamatsu Tea and Silk Farm Colony and related pioneer history associated with Japanese immi-

gration to the area, including the history of traditional Japanese crops and farming practices and the contribution of those practices to the agricultural economy of the State of California.

(2) INCLUSIONS.—The cooperative agreement referred to in paragraph (1) may include provisions for the design and development of a visitor center to further public education and interpretation of the Gold Hill Ranch.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

PURPOSE

The purpose of S. 1596 is to authorize the Secretary of the Interior to acquire the Gold Hill Ranch in Coloma, California.

BACKGROUND AND NEED

The Gold Hill Ranch in Coloma, California was the location of the Wakamatsu Tea and Silk Colony from 1869 to 1871, the first Japanese settlement in the United States. The 272-acre ranch was established by 22 Japanese samurai colonists who fled the turmoil of the Meiji Restoration following the overthrow of the Tokugawa Shogunate. The colonists sought to establish a silk farming community at Gold Hill Ranch and planted mulberry trees, rice, bamboo, and tea plants they had brought with them. The colony helped bridge Japanese and American cultures, contributed to California's agricultural economy, and established California as a gateway for Pacific immigration into the United States.

Many of the original structures on the site remain intact, including a farmhouse, numerous artifacts, and the grave of Okei, one of the young Japanese colonists who has become a popular historical figure for Japanese Americans. The site also contains woodland and wetland habitat, hiking trails, and picnic areas. The American River Conservancy and Wakamatsu Gold Hill Colony Foundations currently lease and manage the site for visitors, and have secured \$2.5 million in grants and donations to leverage any federal investment in its preservation. The property is held by private landowners who would like to sell it as soon as possible.

The property was recognized as a state historic site in 1969, and was listed on the National Register of Historic Places in 2010.

LEGISLATIVE HISTORY

S. 1596 was introduced by Senator Boxer on August 6, 2009. Senator Inouye is a cosponsor. The Subcommittee on National Parks held a hearing on the bill on May 19, 2010.

The Committee considered S. 1596 at its business meeting on July 22, 2010, at which time it rejected an amendment offered by Senator Murkowski to prohibit the use of Federal funds to acquire lands from willing sellers for the Gold Hill Ranch. At its business meeting on August 5, 2010, the Committee on Energy and Natural Resources ordered the bill favorably reported with an amendment in the nature of a substitute.

COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on August 5, 2010, by a voice vote of a quorum present, recommends that the Senate pass S. 1596, if amended as described herein.

COMMITTEE AMENDMENT

During its consideration of S. 1596, the Committee adopted an amendment in the nature of a substitute. The amendment strikes the findings section, makes technical changes to the language describing the Gold Hill Ranch, and makes several conforming changes to make the bill consistent with other land acquisition authorizations. The amendment is explained in detail in the section-by-section analysis below.

SECTION-BY-SECTION ANALYSIS

Section 1 contains the short title, the “Gold Hill-Wakamatsu Preservation Act”.

Section 2 defines key terms used in the bill.

Section 3(a) authorizes the Secretary of the Interior (Secretary) to acquire interests in Gold Hill Ranch by purchase from willing sellers with donated or appropriated funds, or by donation or exchange.

Subsection (b) directs the Secretary to manage the lands in accordance with this Act, the Federal Land Policy and Management Act, and other applicable laws.

Subsection (c) authorizes the Secretary to enter into a cooperative agreement with public or non-profit entities in order to interpret the history of the site and includes provisions for the design and development of a visitor center.

Section 4 authorizes such sums as are necessary.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of costs of this measure has been provided by the Congressional Budget Office:

S. 1596—Gold Hill-Wakamatsu Preservation Act

Summary: S. 1596 would direct the Bureau of Land Management (BLM) to acquire about 272 acres of land in California and enter into an agreement to interpret the history of the Wakamatsu Tea and Silk Farm Company. That agreement would include the option of utilizing a visitor center. Based on information from BLM, CBO estimates that implementing the legislation would cost \$13 million over the 2011–2015 period, assuming appropriation of the necessary amounts. Enacting S. 1596 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 1596 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—					
	2011	2012	2013	2014	2015	2011–2015
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	5	2	2	2	2	13
Estimated Outlays	4	3	2	2	2	13

Basis of estimate: For this estimate, CBO assumes that the bill will be enacted near the beginning of fiscal year 2011.

S. 1596 would direct BLM to acquire the Gold Hill Ranch in California (about 272 acres) by purchase, using appropriated or donated funds, or exchange. Based on estimates of nearby land values obtained from the agency, CBO estimates that acquiring the Gold Hill Ranch would cost about \$3 million in 2011, assuming appropriation of the necessary amounts.

The legislation also would direct BLM to enter into an agreement with a public or nonprofit entity to interpret the history of the Wakamatsu Tea and Silk Farm Company. CBO expects that agreement would include use of existing structures as a visitor center in lieu of new construction. Based on information from the agency, CBO estimates that the visitor center would cost \$10 million over the 2011–2015 period, including \$8 million for ongoing operations and \$2 million for retrofitting existing structures. Those costs also would be subject to the availability of appropriated funds.

Pay As You Go considerations: None.

Intergovernmental and private-sector impact: S. 1596 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal Costs: Daniel Hoople; Impact on State, Local, and Tribal Governments: Melissa Merrell; Impact on the Private Sector: Amy Petz.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 1596.

The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 1596, as ordered reported.

CONGRESSIONALLY DIRECTED SPENDING

S. 1596, as ordered reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

EXECUTIVE COMMUNICATIONS

The views of the Department of the Interior were included in testimony received by the Committee at a hearing on S. 1596 on May 19, 2010, which is printed below:

STATEMENT FOR THE RECORD, BUREAU OF LAND
MANAGEMENT, DEPARTMENT OF THE INTERIOR

Thank you for the invitation to present testimony on S. 1596, the Gold Hill-Wakamatsu Preservation Act, which would authorize the Secretary of the Interior to acquire the Gold Hill Ranch from willing sellers using non-federal contributions and appropriated funds to preserve it as a site of historical and cultural value. Preservation of cultural and historical resources is a priority for the Department of the Interior and the Bureau of Land Management (BLM). We support the goals but note that BLM can make this acquisition under its existing authorities, and we would like to work with the sponsor and the Committee to clarify S. 1596.

BACKGROUND

The Wakamatsu Colony is an early settlement site of great cultural significance to the Japanese-American community. It is the oldest known cultural site in North America associated with Japanese immigration. The colony was founded in 1869 by 20 immigrants from Aizu-Wakamatsu, Japan. These colonists fled Japan during the political upheaval that accompanied the Meiji Restoration. The colonists purchased land at Gold Hill in western El Dorado County, California, and established a tea and silk plantation. The colony operated for two years, after which the land—known as the Gold Hill Ranch—was acquired by its current owners, the Veerkamp family. The Veerkamps now desire to sell the property; however, they recognize its historic and cultural significance and hope to sell it to a governmental entity.

The 272-acre site includes a home from the 1860s that was occupied by the colonists, the mulberry trees they planted, and the grave of Okei Ito. Her grave is thought to be the oldest Japanese immigrant grave in North America. Adjacent to the site is the Gold Trail Elementary School, which since 1980 has maintained a sister-school relationship with Higashiyama Elementary School in Aizu Wakamatsu. The school property hosts a monument dedicated by then-Governor Ronald Reagan that established the Wakamatsu Tea and Silk Farm Colony as California Registered Historical Landmark Number 815.

Several Japanese-American civic and cultural groups and others have written to the BLM to express their support for preservation and restoration of the Wakamatsu Colony site. The Gold Hill region is an historic California gold rush landscape that is urbanizing rapidly, so preservation would prevent the loss of an important pioneering site. Members of that community, including the Japanese American Citizens League, Representative Doris Matsui and California State Assemblyman Alan Nakanishi, are working with the American River Conservancy (a local land trust) to raise the funds needed to purchase the site. Their goal is to establish an endowment that would fund

future restoration, interpretive operations, and maintenance of the site. Citing the BLM's highly successful management of other nearby acquired lands, local Japanese-American community organizations and the American River Conservancy are advocating that the BLM take title to the property.

Acquisition of the Gold Hill Ranch would be consistent with the goals of the BLM's Sierra Resource Management Plan. The BLM's nearby Mother Lode Field Office already manages several acquired properties for their historical and conservation values, including the historic Chung Wah Chinese cemetery about 15 miles to the west of the Ranch, which was donated to BLM by the Chinese-American community in 2007, and the Pine Hill Preserve, a rare plant preserve totaling 4,000 acres across dozens of parcels about 5 miles southwest of the Ranch.

S. 1596

S. 1596 would authorize the Secretary of the Interior, acting through the BLM, to acquire the Gold Hill Ranch from willing sellers using non-federal contributions and appropriated funds to preserve it as a site of historical and cultural value. The BLM supports the goals of the bill, and acknowledges the efforts to date by the private sector to raise funds for the acquisition. BLM notes that it can make the acquisition under its existing authorities, subject to budget priorities and the availability of appropriations. However, this project did not rank high enough in the BLM's annual national ranking process for inclusion in the land acquisition priority lists for the 2010 and 2011 budgets. The legislation is also unclear as to the purposes for which the use of appropriated funds is authorized, and the BLM would like to work with the sponsor and the Committee to clarify this provision.

The bill does not waive a fair market value determination. Therefore an appraisal by the Department of the Interior's Office of Valuation Services would be required before acquisition. Based on the experience of the BLM and American River Conservancy with land values in this area, the \$3,290,000 limit identified in S. 1596 for the cost of acquisition appears to be reasonable. We would note, however, that it is BLM policy to engage in fair market valuations for its acquisitions, disposals, and exchanges.

We appreciate provisions in section 4(d) that give the Secretary discretion regarding development of a visitor center and direct that private funds or State grants be used to the maximum extent practicable to leverage the cost of constructing the visitor center and conducting restoration activities. This provides an excellent opportunity for expression of community support for preservation and restoration of this site.

CONCLUSION

Thank you for the opportunity to present testimony in support of the goals of S. 1596, and we look forward to

working with the sponsor and the Committee to clarify the legislation.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the Act S. 1596, as ordered reported.

