



Valles Caldera Trust  
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Date: November 11, 2009

File Code: ADMIN 6

The Honorable Jeff Bingaman  
The Honorable Tom Udall  
United States Senate  
Washington, D.C. 20510

Dear Senators Bingaman and Udall,

We would like to follow-up on the latest report by the Government Accountability Office regarding the Valles Caldera National Preserve: *Valles Caldera: the Trust has made progress but faces significant challenges to achieve goals of the Preservation Act* [GAO-10-84]. The report noted the many administrative and land management challenges faced by the Trust since its establishment, and the report was also critical of some of our management shortcomings. While we may not agree with all the criticisms, we believe that GAO has done a service in highlighting our problems. The GAO recommended that the Trust work with the relevant congressional committees to seek legislative remedies to the legal challenges we face. *Id.* at p. 31. This letter is to initiate that recommended work with your Committee.

We believe significant progress has been made in achieving the management objectives of the Valles Caldera Preservation Act since the Trust undertook management. No one could have anticipated the scope of some of the management challenges we face. The costs associated with upkeep and repair of infrastructure alone are substantial, and the needs continue to grow. Establishing the personnel, financial, and management policies and procedures of a government corporation has been time consuming and expensive. And finally, establishing and implementing management goals and objectives to meet the law's conflicting mandates of conservation, multiple use utilization, and financial self sufficiency have proved daunting. Nonetheless, the Trust has not been a failure. Indeed, given the numerous legal and fiscal constraints, we believe great progress has been made.

It is time to be candid and realize that, as currently written, the Valles Caldera Preservation Act is unworkable. The notion that a government corporation could, within a 15 year period, become financially self supporting on a limited resource base was naïve at best. Aside from the on-the-ground management needs, we have had to essentially replicate the administrative functions of a federal agency at considerable cost.

The Trustees believe that, with appropriate amendments to the Act, we can show that this test of this unique public land management regime is viable. If action is taken soon by the

Congress, we should have a good idea of whether this will work by 2015. However, without legislative relief, we believe the prospects of success to be limited. Unfortunately, there are many who want us to fail and are already lobbying the Congress to turn the Preserve over to the National Park Service. Not only would this squander the years of work devoted by the many working for and with the Trust, but it would waste an opportunity to test an alternative management for federal resources. Nine years after the acquisition of the Baca Ranch is too soon to throw in the towel.

The amendments we propose for your consideration are highlighted on the attached copy of the Act showing proposed insertions and deletions. The most important proposal is to eliminate the requirement for financial self sufficiency. The Preserve does not have the income generating capacity to allow the Trust to be self sufficient without substantially impairing the very resources we are charged with preserving. Eliminating the financial self sufficiency requirement will allow us to focus on those programs that are most compatible with resource protection and the expectations of the public. In lieu of financial sustainability, we propose reasonable cost recovery as the best mechanism for realizing a more limited financial return.

Other amendments we propose are relatively simple and will mainly clarify ambiguities or authorities that have hampered our administration, including the following:

- The power to acquire property for administrative purposes outside the Preserve.
- The power to utilize funding from the Federal Financing Bank.
- Clarifying that the United States will assume the liabilities of the Trust for tort and similar claims in the same manner as for other federal land management agencies thereby eliminating the need and substantial cost of private insurance.
- Allowing appointments to the Board of Trustees by the Secretary of Agriculture rather than the President thereby speeding up the process, and allowing the continuation of board members in service pending reappointment or appointment of a successor.
- Clarification of the Trust's authority to undertake new construction.

We believe these amendments would provide a basis for a true test of the viability of the Valles Caldera Trust. At the end of the test, the Congress and the public can ask the salient questions: Does management by the Trust afford the same degree of resource protection as would be afforded by the Forest Service or Park Service? Is management carried out more efficiently and with less controversy? Are administrative costs comparable with analogous federal agency management? Is the Preserve serving local needs for resource utilization, yet meeting national needs for resource conservation?

Congress can always exercise its prerogative to impose different management on the Preserve. However, given the right tools including a revised legal mandate and reasonable

appropriations, we believe the Trust can meet expectations. A lot of dedicated professionals and volunteers have devoted themselves to the Preserve, and they deserve a chance to succeed. We look forward to working with the Committee on these issues.

Sincerely,



Gary D. Bratcher  
Executive Director  
Valles Caldera Trust

cc: **Congressman Ben Ray Lujan**  
New Mexico Third Congressional District  
**Corbin L. Newman, Jr., Regional Director**  
Southwest Region  
**Michelle D'Arcy, Landscape Architect, RLA**  
PMP National Park Service, Intermountain Region



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## The Valles Caldera Preservation Act

Public Law 106-248; 16 U.S.C. 698v, *et seq.*

### AMENDMENTS PROPOSED BY THE VALLES CALDERA TRUST

**Section 101. Short Title.** This title may be cited as the “Valles Caldera Preservation Act”.

**Section 102. Findings and purposes.** [16 U.S.C. § 698v].

**(a) Findings**

Congress finds that—

(1) the Baca ranch comprises most of the Valles Caldera in central New Mexico, and constitutes a unique land mass, with significant scientific, cultural, historic, recreational, ecological, wildlife, fisheries, and productive values;

(2) the Valles Caldera is a large resurgent lava dome with potential geothermal activity;

(3) the land comprising the Baca ranch was originally granted to the heirs of Don Luis Maria Cabeza de Vaca in 1860;

(4) historical evidence, in the form of old logging camps and other artifacts, and the history of territorial New Mexico indicate the importance of this land over many generations for domesticated livestock production and timber supply;

(5) the careful husbandry of the Baca ranch by the current owners, including selective timbering, limited grazing and hunting, and the use of prescribed fire, have preserved a mix of healthy range and timber land with significant species diversity, thereby serving as a model for sustainable land development and use;

(6) the Baca ranch’s natural beauty and abundant resources, and its proximity to large municipal populations, could provide numerous recreational opportunities for hiking, fishing, camping, cross-country skiing, and hunting;

(7) the Forest Service documented the scenic and natural values of the Baca ranch in its 1993 study entitled “Report on the Study of the Baca Location No. 1, Santa Fe National Forest, New Mexico”, as directed by Public Law 101-556;

(8) the Baca ranch can be protected for current and future generations by continued operation as a working ranch under a unique management regime ~~which would protect the land and resource values of the property and surrounding ecosystem while allowing and providing for the ranch to eventually become financially self-sustaining;~~

(9) the current owners have indicated that they wish to sell the Baca ranch, creating an opportunity for Federal acquisition and public access and enjoyment of these lands;

(10) certain features on the Baca ranch have historical and religious significance to Native Americans which can be preserved and protected through Federal acquisition of the property;

(11) the unique nature of the Valles Caldera and the potential uses of its resources with different resulting impacts warrants a management regime uniquely capable of developing an operational program for appropriate preservation and development of the land and resources of the Baca ranch in the interest of the public;

(12) an experimental management regime should be provided by the establishment of a Trust capable of using new methods of public land management that may prove to be cost-effective and environmentally sensitive; and

(13) the Secretary may promote more efficient management of the Valles Caldera and the watershed of the Santa Clara Creek through the assignment of purchase rights of such watershed to the Pueblo of Santa Clara.

**(b) Purposes.** The purposes of this title are—

(1) to authorize Federal acquisition of the Baca ranch;

(2) to protect and preserve for future generations the scientific, scenic, historic, and natural values of the Baca ranch, including rivers and ecosystems and archaeological, geological, and cultural resources;

(3) to provide opportunities for public recreation;

(4) to establish a demonstration area for an experimental management regime adapted to this unique property which incorporates elements of public and private administration in order to promote ~~long term financial sustainability~~ reasonable cost recovery consistent with the other purposes enumerated in this subsection; and

(5) to provide for sustained yield management of Baca ranch for timber production and domesticated livestock grazing insofar as is consistent with the other purposes stated herein.

### **Section 103. Definitions [16 U.S.C. § 698v-1]**

In this title:

(1) **Baca ranch.** The term “Baca ranch” means the lands and facilities described in section 104(a).

(2) **Board of Trustees.** The terms “Board of Trustees” and “Board” mean the Board of Trustees as described in section 107.

(3) **Committees of Congress.** The term “Committees of Congress” means the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

(4) ~~**Financially self-sustaining.** The term “financially self-sustaining” means management and operating expenditures equal to or less than proceeds derived from fees and other receipts for resource use and development and interest on invested funds. Management and operating expenditures shall include Trustee expenses, salaries and benefits of staff, administrative and operating expenses, improvements to and maintenance of lands and facilities of the Preserve, and other similar expenses. Funds appropriated to the Trust by Congress, either directly or through the Secretary, for the purposes of this title shall not be considered.~~

(54) **Multiple use and sustained yield.** The term “multiple use and sustained yield” has the combined meaning of the terms “multiple use” and “sustained yield of the several products and services”, as defined under the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 531).

(65) **Preserve.** The term “Preserve” means the Valles Caldera National Preserve established under section 105.

(76) **Secretary.** Except where otherwise provided, the term “Secretary” means the Secretary of Agriculture.

(87) **Trust.** The term “Trust” means the Valles Caldera Trust established under section 106.

## **Section 104. Acquisition of Lands. [16 U.S.C. § 698v-2].**

### **(a) Acquisition of Baca ranch**

(1) **In general.** In compliance with the Act of June 15, 1926 (16 U.S.C. 471a), the Secretary is authorized to acquire all or part of the rights, title, and interests in and to approximately 94,761 acres of the Baca ranch, comprising the lands, facilities, and structures referred to as the Baca Location No. 1, and generally depicted on a plat entitled “Independent Resurvey of the Baca Location No. 1”, made by L.A. Osterhoudt, W.V. Hall, and Charles W. Devendorf, U.S. Cadastral Engineers, June 30, 1920–August 24, 1921, under special instructions for Group No. 107 dated February 12, 1920, in New Mexico.

(2) **Source of funds.** The acquisition under paragraph (1) may be made by purchase through appropriated or donated funds, by exchange, by contribution, or by donation of land. Funds appropriated to the Secretary from the Land and Water Conservation Fund shall be available for this purpose.

(3) **Basis of sale.** The acquisition under paragraph (1) shall be based on an appraisal done in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions and—

(A) in the case of purchase, such purchase shall be on a willing seller basis for no more than the fair market value of the land or interests therein acquired; and

(B) in the case of exchange, such exchange shall be for lands, or interests therein, of equal value, in conformity with the existing exchange authorities of the Secretary.

#### **(4) Deed**

The conveyance of the offered lands to the United States under this subsection shall be by general warranty or other deed acceptable to the Secretary and in conformity with applicable title standards of the Attorney General.

(b) **Addition of land to Bandelier National Monument.** Upon acquisition of the Baca ranch under subsection (a) of this section, the Secretary of the Interior shall assume administrative jurisdiction over those lands within the boundaries of the Bandelier National Monument as modified under section 3 of Public Law 105-376 (112 Stat. 3389).

### **(c) Plat and maps.**

(1) **Plat and maps prevail.** In case of any conflict between a plat or a map and acreages, the plat or map shall prevail.

**(f) Boundaries of the Baca ranch.** For purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-9) of this title, the boundaries of the Baca ranch shall be treated as if they were National Forest boundaries existing as of January 1, 1965.

**(g) Pueblo of Santa Clara.**

**(1) In general.** The Secretary may assign to the Pueblo of Santa Clara rights to acquire for fair market value portions of the Baca ranch. The portion that may be assigned shall be determined by mutual agreement between the Pueblo and the Secretary based on optimal management considerations for the Preserve including manageable land line locations, public access, and retention of scenic and natural values. All appraisals shall be done in conformity with the Uniform Appraisal Standards for Federal Land Acquisition.

**(2) Status of land acquired.** As of the date of acquisition, the fee title lands, and any mineral estate underlying such lands, acquired under this subsection by the Pueblo of Santa Clara are deemed transferred into trust in the name of the United States for the benefit of the Pueblo of Santa Clara and such lands and mineral estate are declared to be part of the existing Santa Clara Indian Reservation.

**(3) Mineral estate.** Any mineral estate acquired by the United States pursuant to subsection (e) of this section underlying fee title lands acquired by the Pueblo of Santa Clara shall not be developed without the consent of the Secretary of the Interior and the Pueblo of Santa Clara.

**(4) Savings.** Any reservations, easements, and covenants contained in an assignment agreement entered into under paragraph (1) shall not be affected by the acquisition of the Baca ranch by the United States, the assumption of management by the Valles Caldera Trust, or the lands acquired by the Pueblo being taken into trust.

**Section 105. The Valles Caldera National Preserve. [16 U.S.C. § 698v-3].**

**(a) Establishment.** Upon the date of acquisition of the Baca ranch under section 104(a), there is hereby established the Valles Caldera National Preserve as a unit of the National Forest System which shall include all Federal lands and interests in land acquired under sections 104(a) and 104(g), except those lands and interests in land administered or held in trust by the Secretary of the Interior under sections 104(b) and 104(g), and shall be managed in accordance with the purposes and requirements of this title.

**(b) Purposes.** The purposes for which the Preserve is established are to protect and preserve the scientific, scenic, geologic, watershed, fish, wildlife, historic, cultural, and recreational values of the Preserve, and to provide for multiple use and sustained yield of renewable resources within the Preserve, consistent with this title.

**(c) Management authority.** Except for the powers of the Secretary enumerated in this title, the Preserve shall be managed by the Valles Caldera Trust established by section 106.

**(d) Eligibility for payment in lieu of taxes.** Lands acquired by the United States under section 104(a) shall constitute entitlement lands for purposes of the Payment in Lieu of Taxes Act (31 U.S.C. 6901-6904).

**(e) Withdrawals.**

**(1) In general.** Upon acquisition of all interests in minerals within the boundaries of the Baca ranch under section 104(e), subject to valid existing rights, the lands comprising the Preserve are thereby withdrawn from disposition under all laws pertaining to mineral leasing, including geothermal leasing.

**(2) Materials for roads and facilities.** Nothing in this title shall preclude the Secretary, prior to assumption of management of the Preserve by the Trust, and the Trust thereafter, from allowing the utilization of common varieties of mineral materials such as sand, stone, and gravel as necessary for construction and maintenance of roads and facilities within the Preserve.

**(f) Fish and game.** Nothing in this title shall be construed as affecting the responsibilities of the State of New Mexico with respect to fish and wildlife, including the regulation of hunting, fishing, and trapping within the Preserve, except that the Trust may, in consultation with the Secretary and the State of New Mexico, designate zones where and establish periods when no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, the protection of nongame species and their habitats, or public use and enjoyment.

**(g) Redondo Peak.**

**(1) In general.** For the purposes of preserving the natural, cultural, religious, and historic resources on Redondo Peak upon acquisition of the Baca ranch under section 104(a), except as provided in paragraph (2), within the area of Redondo Peak above 10,000 feet in elevation—

- (A)** no roads, structures, or facilities shall be constructed; and
- (B)** no motorized access shall be allowed.

**(2) Exceptions**

Nothing in this subsection shall preclude—

- (A)** the use and maintenance of roads and trails existing as of July 25, 2000;
- (B)** the construction, use and maintenance of new trails, and the relocation of existing roads, if located to avoid Native American religious and cultural sites; and
- (C)** motorized access necessary to administer the area by the Trust (including measures required in emergencies involving the health or safety of persons within the area).

**Section 106. The Valles Caldera Trust [16 U.S.C. § 698v-4].**

**(a) Establishment.** There is hereby established a wholly owned government corporation known as the Valles Caldera Trust which is empowered to conduct business in the State of New Mexico and elsewhere in the United States in furtherance of its corporate purposes.

**(b) Corporate purposes.** The purposes of the Trust are—

- (1)** to provide management and administrative services for the Preserve;
- (2)** to establish and implement management policies which will best achieve the purposes and requirements of this title;
- (3)** to receive and collect funds from private and public sources and to make dispositions in support of the management and administration of the Preserve; and

(4) to cooperate with Federal, State, and local governmental units, and with Indian tribes and Pueblos, to further the purposes for which the Preserve was established.

(c) **Necessary powers.** The Trust shall have all necessary and proper powers for the exercise of the authorities vested in it, including the power to acquire property in New Mexico deemed necessary or desirable for administration of the Preserve, and the power to contract with and borrow funds from the Federal Financing Bank.

**(d) Staff**

(1) **In general.** The Trust is authorized to appoint and fix the compensation and duties of an executive director and such other officers and employees as it deems necessary without regard to the provisions of title 5 governing appointments in the competitive service, and may pay them without regard to the provisions of chapter 51, and subchapter III of chapter 53, title 5, relating to classification and General Schedule pay rates. No employee of the Trust shall be paid at a rate in excess of that payable to the Supervisor of the Santa Fe National Forest or the Superintendent of the Bandelier National Monument, whichever is greater.

**(2) Federal employees.**

(A) **In general.** Except as provided in this title, employees of the Trust shall be Federal employees as defined by title 5 and shall be subject to all rights and obligations applicable thereto.

(B) **Use of Federal employees.** At the request of the Trust, the employees of any Federal agency may be provided for implementation of this title. Such employees detailed to the Trust for more than 30 days shall be provided on a reimbursable basis.

**(e) Government Corporation.**

(1) **In general.** The Trust shall be a Government Corporation subject to chapter 91 of title 31, United States Code, (commonly referred to as the Government Corporation Control Act). Financial statements of the Trust shall be audited annually in accordance with section 9105 of title 31, United States Code.

(2) **Reports.** Not later than January 15 of each year, the Trust shall submit to the Secretary and the Committees of Congress a comprehensive and detailed report of its operations, activities, and accomplishments for the prior year including information on the status of ecological, cultural, and financial resources being managed by the Trust, and benefits provided by the Preserve to local communities. The report shall also include a section that describes the Trust's goals for the current year.

**(3) Annual budget.**

(A) **In general.** The Trust shall prepare an annual budget ~~with the goal of achieving a financially self-sustaining operation within 15 full fiscal years after the date of acquisition of the Baca ranch under section 104(a).~~ with one goal being the optimization of cost recovery through reasonable fees for the occupancy and use of the Preserve.

(B) **Budget request.** The Secretary shall provide necessary assistance (including detailees as necessary) to the Trust for the timely formulation and submission of the annual budget request for appropriations, as authorized under section 111(a) of this title, to support the administration, operation, and maintenance of the Preserve.

(4) **Obligations and expenditures.** Subject to the laws applicable to Government corporations, the Trust shall determine—

(A) the character of, and the necessity for, any obligations and expenditures of the Trust; and  
(B) the manner in which obligations and expenditures shall be incurred, allowed, and paid.

**(f) Taxes.** The Trust and all properties administered by the Trust shall be exempt from all taxes and special assessments of every kind by the State of New Mexico, and its political subdivisions including the counties of Sandoval and Rio Arriba.

**(g) Donations.** The members of the Board of Trustees, the executive director, and one additional employee of the Trust in an executive position designated by the Board of Trustees or the executive director may solicit and accept donations of funds, property, supplies, or services from individuals, foundations, corporations, and other private or public entities for the purposes of carrying out its duties. The Secretary, prior to assumption of management of the Preserve by the Trust, and the Trust thereafter, may accept donations from such entities notwithstanding that such donors may conduct business with the Department of Agriculture or any other department or agency of the United States.

**(h) Proceeds**

**(1) In general.** Notwithstanding sections 1341 and 3302 of title 31, United States Code, all monies received from donations under subsection (g) of this section, from claims, judgments, or settlements arising from activities occurring on the Baca Ranch or the Preserve after October 27, 1999, or from the management of the Preserve shall be retained and shall be available, without further appropriation, for the administration, preservation, restoration, operation and maintenance, improvement, repair, and related expenses incurred with respect to properties under its management jurisdiction.

**(2) Fund.** There is hereby established in the Treasury of the United States a special interest bearing fund entitled "Valles Caldera Fund" which shall be available, without further appropriation for any purpose consistent with the purposes of this title. At the option of the Trust, or the Secretary in accordance with section 110, the Secretary of the Treasury shall invest excess monies of the Trust in such account, which shall bear interest at rates determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturity.

**(i) Restrictions on disposition of receipts.** Any funds received by the Trust, or the Secretary in accordance with section 109(b), from the management of the Preserve shall not be subject to partial distribution to the State under—

(1) the Act of May 23, 1908, entitled "an Act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and nine" (35 Stat. 260, chapter 192; 16 U.S.C. 500);

(2) section 13 of the Act of March 1, 1911 (36 Stat. 963, chapter 186; 16 U.S.C. 500); or

(3) any other law.

**(j) Suits.** The Trust may sue and be sued in its own name to the same extent as the Federal Government. For purposes of such suits, the residence of the Trust shall be the State of New

Mexico. The Trust shall be represented by the Attorney General in any litigation arising out of the activities of the Trust, except that the Trust may retain private attorneys to provide advice and counsel. The United States shall assume liabilities for judgments against the Trust and its employees to the same extent as liabilities incurred by actions of the Forest Service and its employees.

**(k) Bylaws.** The Trust shall adopt necessary bylaws to govern its activities.

**(l) Insurance and bond.** The Trust shall require that all holders of leases from, or parties in contract with, the Trust that are authorized to occupy, use, or develop properties under the management jurisdiction of the Trust, procure proper insurance against any loss in connection with such properties, or activities authorized in such lease or contract, as is reasonable and customary.

**(m) Name and insignia.** The Trust shall have the sole and exclusive right to use the words "Valles Caldera Trust", and any seal, emblem, or other insignia adopted by the Board of Trustees. Without express written authority of the Trust, no person may use the words "Valles Caldera Trust" as the name under which that person shall do or purport to do business, for the purpose of trade, or by way of advertisement, or in any manner that may falsely suggest any connection with the Trust.

#### **Section 107. Board of Trustees [16 U.S.C. § 698v-5].**

**(a) In general.** The Trust shall be governed by a 9-member Board of Trustees consisting of the following:

**(1) Voting trustees**

The voting Trustees shall be—

**(A)** the Supervisor of the Santa Fe National Forest, United States Forest Service;

**(B)** the Superintendent of the Bandelier National Monument, National Park

Service; and

**(C)** seven individuals, appointed by the ~~President~~ Secretary, in consultation with the congressional delegation from the State of New Mexico. The seven individuals shall have specific expertise or represent an organization or government entity as follows—

**(i)** one trustee shall have expertise in aspects of domesticated livestock management, production, and marketing, including range management and livestock business management;

**(ii)** one trustee shall have expertise in the management of game and nongame wildlife and fish populations, including hunting, fishing, and other recreational activities;

**(iii)** one trustee shall have expertise in the sustainable management of forest lands for commodity and noncommodity purposes;

**(iv)** one trustee shall be active in a nonprofit conservation organization concerned with the activities of the Forest Service;

**(v)** one trustee shall have expertise in financial management, budget and program analysis, and small business operations;

(vi) one trustee shall have expertise in the cultural and natural history of the region; and

(vii) one trustee shall be active in State or local government in New Mexico, with expertise in the customs of the local area.

(2) **Qualifications.** Of the trustees appointed by the ~~President~~ Secretary—

(A) none shall be employees of the Federal Government; and

(B) at least five shall be residents of the State of New Mexico.

(b) **Initial appointments.** The President shall make the initial appointments to the Board of Trustees within 90 days after acquisition of the Baca ranch under section 104(a).

(c) **Terms.**

(1) **In general.** Appointed trustees shall each serve a term of 4 years, except that of the trustees first appointed, four shall serve for a term of 4 years, and three shall serve for a term of 2 years.

(2) **Vacancies.** Any vacancy among the appointed trustees shall be filled in the same manner in which the original appointment was made, and any trustee appointed to fill a vacancy shall serve for the remainder of that term for which his or her predecessor was appointed.

(3) **Limitations.** No appointed trustee may serve more than 8 years in consecutive terms.

(4) **Continuation in service.** The Board of Trustees may permit a trustee whose term has expired to continue in service until said trustee is either reappointed or upon appointment of a replacement.

(d) **Quorum.** A majority of trustees shall constitute a quorum of the Board for the conduct of business.

(e) **Organization and compensation.**

(1) **In general.** The Board shall organize itself in such a manner as it deems most appropriate to effectively carry out the activities of the Trust.

(2) **Compensation of trustees.** Except as provided in paragraph (3), trustees shall serve without pay, but may be reimbursed from the funds of the Trust for the actual and necessary travel and subsistence expenses incurred by them in the performance of their duties.

(3) **Chair**

(A) **Selection.** Trustees shall select a chair from the membership of the Board.

(B) **Compensation.** On request of the chair, the chair may be compensated at a rate determined by the Board of Trustees, but not to exceed the daily equivalent of the annual rate of pay for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) in which the chair is engaged in the performance of duties of the Board of Trustees.

(C) **Maximum rate of pay.** The total amount of compensation paid to the chair for a fiscal year under subparagraph (B) shall not exceed 25 percent of the annual rate of pay for level IV of the Executive Schedule under section 5315 of title 5.

(f) **Liability of trustees.** Appointed trustees shall not be considered Federal employees by virtue of their membership on the Board, except for purposes of the Federal Tort Claims Act, the Ethics in Government Act, and the provisions of chapter 11 of title 18.

**(g) Meetings.**

**(1) Location and timing of meetings.** The Board shall meet in sessions open to the public at least three times per year in New Mexico. Upon a majority vote made in open session, and a public statement of the reasons therefore, the Board may close any other meetings to the public: Provided, That any final decision of the Board to adopt or amend the comprehensive management program under section 108(d) or to approve any activity related to the management of the land or resources of the Preserve shall be made in open public session.

**(2) Public information.** In addition to other requirements of applicable law, the Board shall establish procedures for providing appropriate public information and periodic opportunities for public comment regarding the management of the Preserve.

**Section 108. Resource Management. [16 U.S.C. § 698v-6].**

**(a) Assumption of management.** The Trust shall assume all authority provided by this title to manage the Preserve upon a determination by the Secretary, which to the maximum extent practicable shall be made within 60 days after the appointment of the Board, that—

- (1) the Board is duly appointed, and able to conduct business; and
- (2) provision has been made for essential management services.

**(b) Management responsibilities.** Upon assumption of management of the Preserve under subsection (a) of this section, the Trust shall manage the land and resources of the Preserve and the use thereof including, but not limited to such activities as—

- (1) administration of the operations of the Preserve;
- (2) preservation and development of the land and resources of the Preserve;
- (3) interpretation of the Preserve and its history for the public;
- (4) management of public use and occupancy of the Preserve; and
- (5) maintenance, rehabilitation, repair, construction and improvement of property within

the Preserve.

**(c) Authorities**

**(1) In general.** The Trust shall develop programs and activities at the Preserve, and shall have the authority to negotiate directly and enter into such agreements, leases, contracts and other arrangements with any person, firm, association, organization, corporation or governmental entity, including without limitation, entities of Federal, State, and local governments, and consultation with Indian tribes and Pueblos, as are necessary and appropriate to carry out its authorized activities or fulfill the purposes of this title. Any such agreements may be entered into without regard to section 1302 of title 40.

**(2) Procedures.** The Trust shall establish procedures for entering into lease agreements and other agreements for the use and occupancy of facilities of the Preserve. The procedures shall ensure reasonable competition, and set guidelines for determining reasonable fees, terms, and conditions for such agreements.

**(3) Limitations**

**(A) In general.** The Trust may not dispose of any real property in, or convey any water rights appurtenant to the Preserve.

**(B) Maximum duration.** The Trust may not convey any easement, or enter into any contract, lease, or other agreement related to use and occupancy of property within the Preserve for a period greater than 10 years.

**(C) Termination.** The easement, contract, lease, or other agreement shall provide that, upon termination of the Trust, such easement, contract, lease or agreement is terminated.

**(D) Exclusions.** For the purposes of this paragraph, the disposal of real property does not include the sale or other disposal of forage, forest products, or marketable renewable resources.

**(4) Application of procurement laws.**

**(A) In general.** Notwithstanding any other provision of law, Federal laws and regulations governing procurement by Federal agencies shall not apply to the Trust, with the exception of laws and regulations related to Federal Government contracts governing health and safety requirements, wage rates, and civil rights.

**(B) Procedures.** The Trust, in consultation with the Administrator of Federal Procurement Policy, Office of Management and Budget, shall establish and adopt procedures applicable to the Trust's procurement of goods and services, including the award of contracts on the basis of contractor qualifications, price, commercially reasonable buying practices, and reasonable competition.

**(d) Management program.** Within two years after assumption of management responsibilities for the Preserve, the Trust shall, in accordance with subsection (f) of this section, develop a comprehensive program for the management of lands, resources, and facilities within the Preserve to carry out the purposes under section 105(b). To the extent consistent with such purposes, such program shall provide for—

(1) operation of the Preserve as a working ranch, consistent with paragraphs (2) through (4);

(2) the protection and preservation of the scientific, scenic, geologic, watershed, fish, wildlife, historic, cultural and recreational values of the Preserve;

(3) multiple use and sustained yield of renewable resources within the Preserve;

(4) public use of and access to the Preserve for recreation;

(5) renewable resource utilization and management alternatives that, to the extent practicable—

(A) benefit local communities and small businesses;

(B) enhance coordination of management objectives with those on surrounding National Forest System land; and

(C) provide cost savings to the Trust through the exchange of services, including but not limited to labor and maintenance of facilities, for resources or services provided by the Trust; and

(6) optimizing the generation of income based on existing market conditions, to the extent that it does not unreasonably diminish the long-term scenic and natural values of the area, or the multiple use and sustained yield capability of the land.

**(e) Public use and recreation**

**(1) In general.** The Trust shall give thorough consideration to the provision of appropriate opportunities for public use and recreation that are consistent with the other purposes

under section 105(b). The Trust is expressly authorized to construct and upgrade roads and bridges, and provide other facilities for activities including, but not limited to camping and picnicking, hiking, and cross country skiing. Roads, trails, bridges, and recreational facilities constructed within the Preserve shall meet public safety standards applicable to units of the National Forest System and the State of New Mexico.

**(2) Fees.** Notwithstanding any other provision of law, the Trust is authorized to assess reasonable fees for admission to, and the use and occupancy of, the Preserve: Provided, That admission fees and any fees assessed for recreational activities shall be implemented only after public notice and a period of not less than 60 days for public comment.

**(3) Public access.** Upon the acquisition of the Baca ranch under section 104(a), and after an interim planning period of no more than two years, the public shall have reasonable access to the Preserve for recreation purposes. The Secretary, prior to assumption of management of the Preserve by the Trust, and the Trust thereafter, may reasonably limit the number and types of recreational admissions to the Preserve, or any part thereof, based on the capability of the land, resources, and facilities. The use of reservation or lottery systems is expressly authorized to implement this paragraph.

**(f) Applicable laws**

**(1) In general.** The Trust, and the Secretary in accordance with section 109(b), shall administer the Preserve in conformity with this title and all laws pertaining to the National Forest System, except the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended (16 U.S.C. 1600 et seq.).

**(2) Environmental laws.** The Trust shall be deemed a Federal agency for the purposes of compliance with Federal environmental laws.

**(3) Criminal laws.** All criminal laws relating to Federal property shall apply to the same extent as on adjacent units of the National Forest System.

**(4) Reports on applicable rules and regulations.** The Trust may submit to the Secretary and the Committees of Congress a compilation of applicable rules and regulations which in the view of the Trust are inappropriate, incompatible with this title, or unduly burdensome.

**(5) Consultation with tribes and Pueblos.** The Trust is authorized and directed to cooperate and consult with Indian tribes and Pueblos on management policies and practices for the Preserve which may affect them. The Trust is authorized to allow the use of lands within the Preserve for religious and cultural uses by Native Americans and, in so doing, may set aside places and times of exclusive use consistent with the American Indian Religious Freedom Act [42 U.S.C. 1996, 1996a] and other applicable statutes.

**(6) No administrative appeal.** The administrative appeals regulations of the Secretary shall not apply to activities of the Trust and decisions of the Board.

**(g) Law enforcement and fire management.**

**(1) Law enforcement**

**(A) In general.** The Secretary shall provide law enforcement services under a cooperative agreement with the Trust to the extent generally authorized in other units of the National Forest System.

**(B) Federal agency.** The Trust shall be deemed a Federal agency for purposes of the law enforcement authorities of the Secretary (within the meaning of 16 USC 559g).

**(2) Fire management**

**(A) Non-reimbursable services.**

(i) Development of plan The Secretary shall, in consultation with the Trust, develop a plan to carry out fire preparedness, suppression, and emergency rehabilitation services on the Preserve.

(ii) Consistency with management program The plan shall be consistent with the management program developed pursuant to subsection (d) of this section.

(iii) Cooperative agreement To the extent generally authorized at other units of the National Forest System, the Secretary shall provide the services to be carried out pursuant to the plan under a cooperative agreement entered into between the Secretary and the Trust.

**(B) Reimbursable services.** To the extent generally authorized at other units of the National Forest System, the Secretary may provide presuppression and nonemergency rehabilitation and restoration services for the Trust at any time on a reimbursable basis.

**Section 109. Authorities of the Secretary [16 U.S.C. § 698v-7].**

**(a) In general.** Notwithstanding the assumption of management of the Preserve by the Trust, the Secretary is authorized to—

(1) issue any rights-of-way, as defined in the Federal Land Policy and Management Act of 1976 [43 U.S.C. 1701 et seq.], of over 10 years duration, in cooperation with the Trust, including, but not limited to, road and utility rights-of-way, and communication sites;

(2) issue orders under and enforce prohibitions generally applicable on other units of the National Forest System, in cooperation with the Trust;

(3) exercise the authorities of the Secretary under the Wild and Scenic Rivers Act (16 U.S.C. 1278, et seq.) and the Federal Power Act (16 U.S.C. 797, et seq.), in cooperation with the Trust;

(4) acquire the mineral rights referred to in section 104(e);

(5) provide law enforcement and fire management services under section 108(g);

(6) at the request of the Trust, exchange land or interests in land within the Preserve under laws generally applicable to other units of the National Forest System, or otherwise dispose of land or interests in land within the Preserve under Public Law 97-465 (16 U.S.C. 521c through 521i);

(7) in consultation with the Trust, refer civil and criminal cases pertaining to the Preserve to the Department of Justice for prosecution;

(8) retain title to and control over fossils and archaeological artifacts found within the Preserve;

(9) at the request of the Trust, construct and operate a visitors' center in or near the Preserve, subject to the availability of appropriated funds;

(10) conduct the assessment of the Trust's performance, and, if the Secretary determines it necessary, recommend to Congress the termination of the Trust, under section 110(b)(2); and

(11) conduct such other activities for which express authorization is provided to the Secretary by this title.

**(b) Interim management**

**(1) In general.** The Secretary shall manage the Preserve in accordance with this title during the interim period from the date of acquisition of the Baca ranch under section 104(a) to the date of assumption of management of the Preserve by the Trust under section 108. The Secretary may enter into any agreement, lease, contract, or other arrangement on the same basis as the Trust under section 108(c)(1): Provided, That any agreement, lease, contract, or other arrangement entered into by the Secretary shall not exceed two years in duration unless expressly extended by the Trust upon its assumption of management of the Preserve.

**(2) Use of the fund.** All monies received by the Secretary from the management of the Preserve during the interim period under paragraph (1) shall be deposited into the "Valles Caldera Fund" established under section 106(h)(2), and such monies in the fund shall be available to the Secretary, without further appropriation, for the purpose of managing the Preserve in accordance with the responsibilities and authorities provided to the Trust under section 108.

**(c) Secretarial authority.** The Secretary retains the authority to suspend any decision of the Board with respect to the management of the Preserve if he finds that the decision is clearly inconsistent with this title. Such authority shall only be exercised personally by the Secretary, and may not be delegated. Any exercise of this authority shall be in writing to the Board, and notification of the decision shall be given to the Committees of Congress. Any suspended decision shall be referred back to the Board for reconsideration.

**(d) Access.** The Secretary shall at all times have access to the Preserve for administrative purposes.

**Section 110. Termination of the Trust. [16 U.S.C. § 698v-8].**

**(a) In general.** The Valles Caldera Trust shall terminate at the end of the twentieth full fiscal year following acquisition of the Baca ranch under section 104(a).

**(b) Recommendations**

**(1) Board**

**(A)** If after the fourteenth full fiscal years from the date of acquisition of the Baca ranch under section 104(a), the Board believes the Trust has met the goals and objectives of the comprehensive management program under section 108(d), ~~but has not become financially self-sustaining,~~ the Board may submit to the Committees of Congress, a recommendation for authorization of appropriations beyond that provided under this title.

**(B)** During the eighteenth full fiscal year from the date of acquisition of the Baca ranch under section 104(a), the Board shall submit to the Secretary its recommendation that the Trust be either extended or terminated including the reasons for such recommendation.

**(2) Secretary.** Within 120 days after receipt of the recommendation of the Board under paragraph (1)(B), the Secretary shall submit to the Committees of Congress the Board's recommendation on extension or termination along with the recommendation of the Secretary with respect to the same and stating the reasons for such recommendation.

**(c) Effect of termination.** In the event of termination of the Trust, the Secretary shall assume all management and administrative functions over the Preserve, and it shall thereafter be managed as a part of the Santa Fe National Forest, subject to all laws applicable to the National Forest System.

**(d) Assets.** In the event of termination of the Trust, all assets of the Trust shall be used to satisfy any outstanding liabilities, and any funds remaining shall be transferred to the Secretary for use, without further appropriation, for the management of the Preserve.

**(e) Valles Caldera Fund.** In the event of termination, the Secretary shall assume the powers of the Trust over funds under section 106(h), and the Valles Caldera Fund shall not terminate. Any balances remaining in the fund shall be available to the Secretary, without further appropriation, for any purpose consistent with the purposes of this title.

**Section 111. Limitations on Funding. [16 U.S.C. § 698v-9].**

**(a) Authorization of appropriations.** There is hereby authorized to be appropriated to the Secretary and the Trust such funds as are necessary for them to carry out the purposes of this title for each of the 15 full fiscal years after the date of acquisition of the Baca ranch under section 104(a).

~~**(b) Schedule of appropriations.** Within two years after the first meeting of the Board, the Trust shall submit to Congress a plan which includes a schedule of annual decreasing appropriated funds that will achieve, at a minimum, the financially self-sustained operation of the Trust within 15 full fiscal years after the date of acquisition of the Baca ranch under section 104(a).~~

**Section 112. Government Accountability Office study. [16 U.S.C. § 698v-10].**

**(a) Initial study.** Three years after the assumption of management by the Trust, the Government Accountability Office shall conduct an interim study of the activities of the Trust and shall report the results of the study to the Committees of Congress. The study shall include, but shall not be limited to, details of programs and activities operated by the Trust and whether it met its obligations under this title.

**(b) Second study.** Seven years after the assumption of management by the Trust, the Government Accountability Office shall conduct a study of the activities of the Trust and shall report the results of the study to the Committees of Congress. The study shall provide an assessment of any failure to meet obligations that may be identified under subsection (a) of this section, and further evaluation on the ability of the Trust to meet its obligations under this title.

(2) **Minor corrections.** The Secretary and the Secretary of the Interior may make minor corrections in the boundaries of the Upper Alamo watershed as depicted on the map referred to in section 3 of Public Law 105-376 (112 Stat. 3389).

(3) **Boundary modification.** Upon the conveyance of any lands to any entity other than the Secretary, the boundary of the Preserve shall be modified to exclude such lands.

(4) **Final maps.** Within 180 days of the date of acquisition of the Baca ranch under subsection (a) of this section, the Secretary and the Secretary of the Interior shall submit to the Committees of Congress a final map of the Preserve and a final map of Bandelier National Monument, respectively.

(5) **Public availability.** The plat and maps referred to in the subsection shall be kept and made available for public inspection in the offices of the Chief, Forest Service, and Director, National Park Service, in Washington, D.C., and Supervisor, Santa Fe National Forest, and Superintendent, Bandelier National Monument, in the State of New Mexico.

(d) **Watershed management report.** The Secretary, acting through the Forest Service, in cooperation with the Secretary of the Interior, acting through the National Park Service, shall—

(1) prepare a report of management alternatives which may—

(A) provide more coordinated land management within the area known as the upper watersheds of Alamo, Capulin, Medio, and Sanchez Canyons, including the areas known as the Dome Diversity Unit and the Dome Wilderness;

(B) allow for improved management of elk and other wildlife populations ranging between the Santa Fe National Forest and the Bandelier National Monument; and

(C) include proposed boundary adjustments between the Santa Fe National Forest and the Bandelier National Monument to facilitate the objectives under subparagraphs (A) and (B); and

(2) submit the report to the Committees of Congress within 120 days of July 25, 2000.

(e) **Outstanding mineral interests**

(1) **In general.** The acquisition of the Baca ranch by the Secretary shall be subject to all outstanding valid existing mineral interests.

(2) **Acquisition.** The Secretary is authorized and directed to negotiate with the owners of any fractional interest in the subsurface estate for the acquisition of such fractional interest for not to exceed its fair market value, as determined by appraisal done in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions.

(3) **Administration.** Any such interests acquired within the boundaries of the Upper Alamo watershed, as referred to in subsection (b) of this section, shall be administered by the Secretary of the Interior as part of Bandelier National Monument.

(4) **Available funds.** Any such interests shall be acquired with available funds.

(5) **Declaration of taking.**

(A) **In general.** If negotiations to acquire the interests are unsuccessful by the date that is 60 days after Dec. 20, 2005, the Secretary shall acquire the interests pursuant to section 3114 of title 40.

(B) **Source of funds.** Any difference between the sum of money estimated to be just compensation by the Secretary and the amount awarded shall be paid from the permanent judgment appropriation under section 1304 of title 31.