

Subcommittee on Indian, Insular and Alaska Native Affairs  
Doug LaMalfa, Chairman  
Hearing Memorandum

June 5, 2017

To: All Subcommittee on Indian, Insular and Alaska Native Affairs Members

From: Majority Committee Staff, Subcommittee on Indian, Insular and Alaska Native Affairs, (x-6-9725)

Hearing: Legislative hearing on **H.R. 1901 (Rep. Don Young)**, To provide for the conveyance of certain property to the Southeast Alaska Regional Health Consortium located in Sitka, Alaska, and for other purposes.  
**June 7, 2017, 2:00 p.m., 1324 Longworth HOB**

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**H.R. 1901 (Rep. Don Young)**, “*Southeast Alaska Regional Health Consortium Land Transfer Act of 2017*”

**Summary**

H.R. 1901 was introduced by Rep. Don Young (AK-At Large) on April 4, 2017. The bill would direct the Secretary of Health and Human Services to convey by warranty deed, within 180 days of enactment, 19.07 acres of federal land in Sitka, Alaska, to the Southeast Alaska Regional Health Consortium (“SEARHC”) for use in connection with health and social services related programs. The bill does not allow for any reversionary interest of the U.S. in the property. The SEARHC is a tribal health organization that provides health services under a compact with the Indian Health Service (“IHS”), pursuant to the Indian Self-Determination and Education Assistance Act (“ISDEAA”)<sup>1</sup>. Site control of would allow SEARHC to update the degrading conditions of the Mt. Edgecumbe Hospital campus to improve the level of care being offered.

**Invited Witnesses**

*The Honorable Tom Price*  
Secretary  
U.S. Department of Health and Human Services  
Washington, D.C.

*Mr. Chuck Clement*  
President & CEO  
Southeast Alaska Regional Health Consortium  
Juneau, Alaska

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<sup>1</sup> 25 U.S.C. §5304 et. seq.

## **Background**

The Southeast Alaska Regional Health Consortium is a non-profit consortium comprised of 18 Southeast Alaska Native communities, authorized by the resolutions of 15 federally-recognized Alaska Native tribes, and is among the oldest and most expansive Tribally-maintained healthcare organizations in the country. The service area is more than 35,000 square miles across the state of Alaska, with twenty-eight community health clinic sites and one hospital to serve tribal members across the state.

Founded in 1975, SEARHC began by assuming management of the Community Health Aide Program for tribes in Alaska, through compact with the IHS in 1976 under Title V of ISDEAA. Similarly in 1982, SEARHC took control of the IHS Juneau clinic (renamed as the Ethel Lund Medical Center), and in 1986 it assumed responsibility over the clinic in Sitka, the Mt. Edgecumbe Hospital.<sup>2</sup>

The 19.07 acre parcel of land of the Mt. Edgecumbe campus is located on and is owned by the Department of the Health and Human Services but SEARHC runs and operates the hospital and the grounds. Without full and clear title, no necessary upgrades or maintenance can be completed.

## **Need for Legislation**

The Mt. Edgecumbe Hospital is a 25-bed critical access hospital that was constructed during the latter half of World War II. As a hospital that served almost 47,000 outpatients in 2016, the 67 year old facility is in poor condition and in need of upgrading to more adequately provide healthcare services.

Although the IHS is not opposed to the transfer and can transfer the land via quitclaim deed, Congressional action is necessary to facilitate the transfer via warranty deed. The guarantee to clear and full title that a warranty deed contains, SEARHC can more easily secure private equity funding to make necessary improvements to the hospital campus.

## **Analysis of H.R. 1901**

*Section 1. Short Title.* Section 1 establishes the short title of the bill to be the Southeast Alaska Regional Health Consortium Land Transfer Act of 2017.

*Section 2. Conveyance of Property.*

*Subsection (a)* establishes a 180 day time frame upon enactment of this bill to convey the right, title, and interest of the property to the Southeast Alaska Regional Health Consortium.

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<sup>2</sup> [www.searhc.org/about-us/our-story/](http://www.searhc.org/about-us/our-story/).

*Subsection (b) Effect on Any Quitclaim Deed.* Subsection (b) provides that, on the day of the conveyance of the property by SEARHC, any quitclaim deed will be superseded and be rendered ineffective by the transfer.

*Subsection (c) Conditions.* Subsection (c) clarifies the conditions of the transfer. The conveyance of the property must be made by warranty deed, and will not require any consideration from SEARHC for the property, impose any sort of term or condition for the property, or allow for any revisionary interest from the United States.

**Section 3. Property Described.** Section 3 outlines the property that will be conveyed to SEARHC. It is defined as all land and appurtenances “included in U.S. Survey 1496, Lots 3, 5, 6, 9, 10, 11A, 11A Parcel A, and 11B, partially surveyed Township 55 South, Range 63 East of the Copper River Meridian, containing 19.07 acres, in Sitka, Alaska.”

#### ***Section 4. Environmental Liability.***

*Subsection (a)* outlines that SEARHC will not be liable for any sort of contamination of the parcel of land resulting from the “disposal, release, or presence of any environmental contamination on any portion of the property,” including any sort of oil, petroleum, or hazardous substances (such as toxic substances or solid waste) as defined by federal or Alaska state law, on or before the date the property is conveyed to SEARHC.

*Subsection (b). Easement.* Subsection (b) grants the Secretary of the Interior any easement or access to the property if that easement is considered reasonable and necessary to meet any obligation or liability.

*Subsection (c). Notice of Hazardous Substance Activity and Warranty* - Subsection (c) outlines the steps the Secretary must take to report if Hazardous Substances are found on the property while the title was owned by the United States to SEARHC, as outlined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.<sup>3</sup>

#### **Administration Position**

On May 10, 2017, in a statement submitted for the record at a hearing on an identical bill, S. 825, the Trump Administration testified that the IHS supports the transfer as furthering the Government-to-Government relationship that exists, however the IHS does not typically transfer land via warranty deed. Further, the bill does not contain language absolving the IHS from environmental liability.

#### **Cost**

Unknown at this time but the Committee anticipates that the bill will not have an impact on the federal budget, as this would be the sixth warranty deed transfer for an Alaska Native Health Consortium.

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<sup>3</sup> 42 U.S.C. §9620(h)(3).