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AUTHORIZING THE TRANSFER TO THE STATE OF TENNESSEE OF CERTAIN LANDS IN THE VETERANS' ADMINISTRATION CENTER, MOUNTAIN HOME, TENN.

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MAY 7 (legislative day, MAY 6), 1953.—Ordered to be printed

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Mr. MILLIKIN, from the Committee on Finance, submitted the following

## R E P O R T

[To accompany S. 1151]

The Committee on Finance, to whom was referred the bill (S. 1151) authorizing the transfer to the State of Tennessee of certain lands in the Veterans' Administration Center, Mountain Home, Tenn., having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

### PURPOSE OF BILL

To provide for the transfer, without consideration, by the Administrator of Veterans' Affairs to the State of Tennessee, for use primarily for training of the National Guard and for other military purposes, a tract of land containing approximately 30 acres situated within the boundaries of the reservation of the Veterans' Administration Center, Mountain Home (Johnson City), Tenn.

### GENERAL STATEMENT

The bill provides that the land would revert to the United States in the event that the State of Tennessee ceases to use the tract of land primarily for the training of the National Guard and other military purposes. Provision is also made in the bill for the reservation to the United States for all minerals, including oil and gas, as well as for reentry upon and use of the property by the United States in the event of a war or other national emergency. A further provision to require the State of Tennessee to pay the cost of surveys to determine the legal description of the property to be transferred and will further require perpetuation and maintenance of the small cemetery located on this property.

## 2 AUTHORIZE TRANSFER OF CERTAIN LANDS TO TENNESSEE

The 30 acres of land proposed to be transferred has an estimated value of \$500 per acre, or approximately \$15,000 for the entire tract.

The Veterans' Administration interposes no objection to the bill and states that such transfer will not interfere with present or prospective operations of the Veterans' Administration.

The report from the Veterans' Administration on this bill is as follows:

MARCH 27, 1953.

HON. EUGENE D. MILLIKIN,  
*Chairman, Committee on Finance,  
United States Senate, Washington, D. C.*

DEAR SENATOR MILLIKIN: Further reference is made to your letter of March 3, 1953, requesting a report by the Veterans' Administration relative to S. 1151, 83d Congress, a bill authorizing the transfer to the State of Tennessee of certain lands in the Veterans' Administration Center, Mountain Home, Tenn.

The bill would provide for the transfer, without consideration, by the Administrator of Veterans' Affairs to the State of Tennessee, for use primarily for training of the National Guard and for other military purposes, of a tract containing approximately 30 acres of land situated within the present boundaries of the reservation of the Veterans' Administration Center, Mountain Home (Johnson City), Tenn. Under the terms of the bill, the State of Tennessee would be required to pay the cost of surveys required by the Administrator in determining the legal description of the tract, and to perpetuate and maintain a cemetery located on the property. In the event the State of Tennessee ceases to use the tract for the mentioned purposes, it would revert to the United States. Provision is also made for the reservation to the United States of all minerals, including oil and gas, in the land to be conveyed, and section 4 provides for the reentry upon and use of the property by the United States, under stated conditions, in the event of a war or other national emergency.

S. 1151 is similar in purpose to S. 2959, 82d Congress, with respect to which the Veterans' Administration submitted a report to the committee under date of May 6, 1952. The bill was favorably reported with amendments relating to the description of the property and the maintenance of the cemetery located thereon. S. 2959, as reported and with a floor amendment, which would have required the State of Tennessee to pay 50 percent of the appraised fair market value of the property, passed the Senate on June 21, 1952, and was pending before the Committee on Veterans' Affairs, House of Representatives, at the close of the 82d Congress. But for the provision relating to the consideration to be paid for the land, the current bill is identical to S. 2959 as passed by the Senate.

Correspondence of record in the Veterans' Administration indicates that the State of Tennessee contemplates making certain improvements on the tract of land in question, but that such improvements will depend, in part at least, upon the appropriation of certain Federal funds. The Veterans' Administration is not advised with respect to the availability of such funds. Since the Department of Defense is undoubtedly in a position to furnish your committee with further information relative to this matter, and in view of that Department's proposed function under section 4 of the bill, it is suggested that you may desire to secure the views of the Secretary of Defense relative to the proposal.

The Veterans' Administration Center at Mountain Home, Tenn., consists of domiciliary barracks and a hospital with a preponderance of general medical and surgical patients, located on a tract of approximately 425 acres of land. The Mountain Home reservation was acquired by the Board of Managers of the National Home for Disabled Volunteer Soldiers, by purchase at various times, under the authority of the act of January 28, 1901 (31 Stat. 745). Pursuant to section 3 of the act of July 3, 1930 (46 Stat. 1016), all property, the title to which then stood in the name of the Board of Managers, was transferred to and the title thereof vested in the United States. Based on authority contained in the same act, the President, by Executive Order 5398, dated July 21, 1930, transferred the property of the National Home to the Veterans' Administration.

The tract of land in question which, as indicated, contains approximately 30 acres, constitutes the westerly portion of the present Veterans' Administration Center and is located roughly one-half mile from the principal group of buildings on the Veterans' Administration reservation. The land has an estimated value of \$500 per acre, or approximately \$15,000 for the entire tract. Two photostats of a map of the Veterans' Administration installation in Mountain Home, Tenn.,

with the parcel proposed for conveyance colored in blue, are enclosed for the use of the committee. Except for a small cemetery located thereon, the land is unimproved. The cemetery referred to contains graves dating from the period of the Revolutionary War. The local chapter of the National Society of the Daughters of the American Revolution has evidenced an interest in its perpetuation, and the Veterans' Administration currently provides limited maintenance of the cemetery. As indicated above, S. 1151 provides that the State of Tennessee shall perpetuate and provide for the maintenance of this cemetery.

Consideration has been given to declaring the land excess to the needs of the Veterans' Administration, but no formal action has been taken to date in that regard. It is believed that the conveyance of this property to the State of Tennessee, under the terms and conditions set forth in the bill, will not interfere with the present or prospective operation of the Veterans' Administration Center at Mountain Home. It is the view of the Veterans' Administration that the question of donating property owned by the Federal Government, as proposed by S. 1151, involves a question of broad public policy and is, accordingly, a matter primarily for the consideration of, and determination by, the Congress.

Advice was received from the Bureau of the Budget with respect to a comparable report on a similar bill (H. R. 1561, 83d Cong.), that there would be no objection by that office to the submission of the report to the committee.

Sincerely yours,

CARL R. GRAY, Jr., *Administrator.*

