Statement for the Record
Bureau of Land Management
Department of the Interior
House Natural Resources Committee
Subcommittee on Public Lands & Environmental Regulation
H.R. 2657, Disposal of Excess Federal Lands Act
October 3, 2013

Thank you for inviting the Department of the Interior to testify on H.R. 2657, the Disposal of Excess Federal Lands Act. The Administration strongly opposes H.R. 2657 and instead encourages the Congress to reauthorize the Federal Land Transaction Facilitation Act (FLTFA) which has a proven track record of providing for the thoughtful, efficient, and economical disposal of appropriate public lands.

Background

Congress has long recognized the national interest in preserving and conserving the public lands for present and future generations of Americans. In 1976, Congress declared it the policy of the United States that "… the public lands be retained in federal ownership, unless as a result of land use planning … it is determined that disposal of a particular parcel will serve the national interest" (Federal Land Policy and Management Act of 1976 (FLPMA); Public Law 94-579). Section 203 of FLPMA allows the BLM to identify lands as potentially available for sale through the land use planning process, provided they meet one or more of the following criteria:

- Lands consisting of scattered, isolated tracts that are difficult or uneconomic to manage;
- Lands that were acquired for a specific purpose and are no longer needed for that purpose; and
- Lands that could serve important public objectives, such as community expansion and economic development, which outweigh other public objectives and values that could be served by retaining the land in Federal ownership.

The BLM oversees the public lands through 157 Resource Management Plans (RMPs). Since 2000, the BLM has completed 75 RMP revisions and major plan amendments. Additionally, the BLM is currently working on planning efforts for 57 new RMPs. Each land use planning document is unique and typically identifies lands as potentially available for disposal through sale, exchange (typically to further particular resource goals), or for conveyance under the Recreation and Public Purposes Act (R&PP) for public purposes such as schools, fire stations, and community parks. Lands identified for potential disposal may be available for any or all of these purposes. The BLM may only dispose of lands that are identified for disposal in the appropriate land use plan unless otherwise directed by Congress.

Lands that are identified for disposal in RMPs do not represent a Federal "multiple listing service" and there may be substantial impediments to disposal. The process of identifying these lands as potentially available for disposal in an RMP typically does not include site-specific identification of impediments to disposal, such as the presence of threatened or endangered species, cultural or historic resources, mining claims, mineral leases, rights-of-way, and grazing permits. Also not included in this identification process is an appraisal to establish market value or a specific survey of the lands. Furthermore, because land use plans typically extend over

many years, lands identified as potentially available for disposal at one point in time may be found later to be unsuitable because of new circumstances such as oil and gas leasing, the listing of threatened and endangered species, the establishment of rights-of-way, or other encumbrances.

Disposal of BLM-Managed Lands

A number of authorities and mechanisms currently exist that provide for the disposal of BLM-managed public lands. The BLM has the authority under FLPMA (Section 203) to sell lands identified for disposal. The proceeds from sales are deposited into the General Fund of the Treasury. Typically these sales have been for low value lands, for example isolated parcels surrounded by private land.

FLPMA (Section 206) also provides the agency with administrative land exchange authority. To be eligible for exchange, BLM-managed lands must be identified for disposal through the land use planning process. Exchanges allow the BLM to acquire environmentally-sensitive lands while transferring public lands into private ownership for local needs and to consolidate scattered tracts.

Congress also has provided specific direction to the BLM through legislated land exchanges. For example, the Utah Recreational Land Exchange Act of 2009 (Public Law 111-53) mandated the exchange of specific public lands in Grand and Uintah Counties in Utah for state lands in those same counties. Another example is the Southern Nevada Public Land Management Act (Public Law 105-263, as amended), whereby Congress provided for competitive auction of public lands in the Las Vegas Valley with the proceeds from those sales used to acquire environmentally-sensitive lands and other purposes.

The R&PP Act is an extremely important authority utilized by the BLM to help states, local communities, and nonprofit organizations obtain at no or low cost lands for important public purposes. Examples include parks, schools, hospitals and other health facilities, fire and law enforcement facilities, courthouses, social services facilities, and public works projects. Over the last five years, the BLM has sold nearly 9,000 acres of public land through the R&PP process and leased an additional 10,000 acres of public land under the Act.

Finally, enactment of the FLTFA in 2000 (Public Law 106-248), which expired on July 25, 2011, allowed the BLM to sell public lands identified for disposal through the land use planning process prior to July 2000, and retain the proceeds from those sales in a special account in the Treasury. The BLM could then use those funds to acquire, from willing sellers, inholdings within and adjacent to certain federally designated areas that contain exceptional resources, including areas managed by the National Park Service (NPS), the U.S. Fish and Wildlife Service (FWS), the U.S. Forest Service (FS), and the BLM. Approximately 27,000 acres were sold under this authority and over 18,000 acres of high resource value lands were acquired.

1997 Lands Report to Congress

In 1996, the Congress (Public Law 104-127, Section 390) directed the Secretary of the Interior to report to Congress on lands that may be suitable for disposal or exchange to benefit the Everglades Restoration effort in Florida. The Department of the Interior's May 27, 1997 report

to Congress included a list of BLM-managed lands that had been identified for disposal through the BLM's land use planning process, while excluding lands that had been withdrawn, segregated, or identified for other specific purposes detailed in the report. The report was a general county-by-county summary and did not provide individual parcel information, though it did include a list of potential impediments to disposal, including lack of legal access; the presence of mineral leases and mining claims; threatened and endangered species habitat; historical and cultural values; hazardous material contamination; and title conflicts. No appraisals or surveys were conducted of the lands included in the 1997 report. Lands were not identified in California or Alaska because public lands in those states that were identified for disposal were committed to needs identified under other Acts of Congress.

H.R. 2657

H.R. 2657 directs the Secretary of the Interior to sell at competitive sale, for no less than fair market value, all lands included in the Department of the Interior's 1997 Report to Congress. The bill excludes from consideration lands that are no longer identified for disposal, under an R&PP application, identified for state selection, identified for tribal allotments, or identified for local government use. Under the bill, proceeds from the sale of these lands are to be deposited in the U.S. Treasury. While a time frame for sales is not established, a report to Congress is required four years after enactment that includes a list of unsold lands and the a reason lands have not been sold. The bill provides no exceptions to the requirement to dispose of identified Federal land for resource or value reasons.

Before any parcels could be sold at auction, the BLM may need to undertake reviews of every parcel (including cultural resource and threatened and endangered species inventories), and a survey and appraisal of every parcel. These actions would be both time-consuming and costly, requiring the BLM to redirect limited resources from other more critical priorities. With limited resources and competing priorities such as oil and gas leasing, and renewable energy rights-of-way, a mandate to sell large blocks of land would severely affect the BLM's ability to respond to the Nation's energy needs and the needs of local communities. In many cases, the end result would be costs in excess of any value realized, and further deflated land values in struggling western communities.

Furthermore, the bill could negatively affect public land ranchers. Many of the lands identified for disposal are within existing grazing allotments. In the past, grazing permittees have frequently declined to acquire these lands when they are offered for sale, for financial or other reasons. Moving these lands into other private hands could have a deleterious effect on ranching communities.

Many of the lands that BLM has identified for potential disposal through the land use planning process are isolated, rural parcels with minimal market value. Others are in or adjacent to communities that have seen a dramatic erosion of land values. Flooding those markets with additional land could further undermine the economic health of those communities. Still others may have important historic or cultural sites that deserve to be protected for future generations. Important energy resources may yet be tapped on other lands which could provide a revenue stream to the Treasury and state governments.

The Administration strongly opposes H.R. 2657. H.R. 2657 would be costly, harmful to local economies and communities, and undermine important resource values. It also would be unlikely to generate significant revenues to the U.S. Treasury.

The Federal Land Transaction Facilitation Act addressed many of these impediments to disposal by providing a careful, thoughtful process for land disposal together with a mechanism for funding that disposal. Furthermore, the proceeds of the sale of BLM-managed lands under the FLTFA are used to acquire inholdings from willing sellers in the most environmentally-sensitive areas. Thus, the long-term interest of the American public and future generations is protected. The Administration continues to urge the Congress to reauthorize the FLTFA and allow the BLM to continue with a rational process of land disposal that is anchored in public participation and sound land use planning, while providing for land acquisition to strengthen this Nation's conservation heritage.

Conclusion

Thank you for the opportunity to testify. We would like to work with Congress so that the thoughtful, efficient and economical disposal of public lands appropriate for disposal can go forward.