

Statement for the Record
Bureau of Land Management
Department of the Interior
House Committee on Natural Resources
Subcommittee on Public Lands and Environmental Regulation
H.R. 585, Anchorage Land Conveyance Act
June 6, 2013

Thank you for inviting the Department of the Interior to testify on H.R. 585, the Anchorage Land Conveyance Act. The bill provides for the conveyance of the Federal government's reversionary interest in three parcels of land in downtown Anchorage, Alaska. The Bureau of Land Management (BLM) can support H.R. 585 if amended to ensure the payment of fair market value for the conveyance of reversionary interest in these parcels to the City of Anchorage, consistent with previous legislative proposals.

Background

The BLM regularly transfers lands to local governments and nonprofits for a variety of public purposes. These are typically accomplished under the provisions of the Recreation and Public Purposes Act (R&PP) or through direction supplied through Acts of Congress. The R&PP Act is an extremely popular vehicle 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. Because these lands are transferred at far below market value, R&PP conveyances and many legislated conveyances include a reversionary clause requiring that lands be used for public purposes or revert to the Federal government. Over the years, the BLM has addressed many requests to release the Federal government's reversionary interest in such lands and has consistently required the payment of fair market value for the reversionary interest.

Between 1922 and 1982, the BLM issued title for three parcels of land to the City of Anchorage for public purposes. These were done under various authorities both administrative and legislatively directed by Congress. Each of the deeds transferring title to the City of Anchorage included a reversionary clause. At the present time, the parcels are used for a variety of purposes including the original City Hall, a small public park, a city parking facility and other governmental purposes.

It is our understanding that the City of Anchorage is interested in the economic development potential of each of these parcels of land and would like to be able to sell them commercially, something that is prohibited by the administrative and legislative mandates that transferred the lands to Anchorage. The parcels, all in downtown Anchorage, range in size from a quarter-acre to just under two acres.

H.R. 585

H.R. 585 would convey the remaining reversionary interest of the United States in these three parcels of land identified in the bill to the City of Anchorage at no cost and requires that Anchorage pay all costs associated with the conveyance.

The BLM supports the goal of conveying the reversionary interest on these parcels to the City of Anchorage. As with previous such proposals, we recommend amending the legislation to ensure the payment of fair market value for the reversionary interest and to ensure that the city's acceptance of the reversionary interest is voluntary. The value of the reversionary interest would be established through an appraisal by the Department of the Interior's Office of Valuation Services. Upon receiving that appraisal, the city could make a decision on purchasing the reversionary interest on any or all of the parcels, thus owning the land outright. All costs associated with this conveyance, including the appraisal, would be the responsibility of the City of Anchorage.

We note that Section 3(a) contains a broad waiver provision, which may be unnecessary. We would like to work with the sponsor and the committee to ensure that any barriers to completion of the transfer are addressed.

Conclusion

Thank you for the opportunity to testify. We look forward to working with the sponsor and the Committee to address the needs of the City of Anchorage.