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UNITED STATES HOUSE OF REPRESENTATIVES  
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COMMITTEE ON RESOURCES

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CONCERNING

Impacts of Federal Land Ownership on Communities and Local Governments

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to testify before you today on the Forest Service's land acquisition, exchange, disposal and administrative site programs.

BACKGROUND

The National Forest System is comprised of four broad categories of federally managed public land as defined by Section 11 of the Forest and Rangeland Renewable Resources Planning Act of 1972. They are the National Forests, The National Grasslands, Research and Experimental Areas and Administrative Sites and other small properties.

There are 155 national forests and 20 national grasslands located in 43 States, as well as Puerto Rico, managed under multiple-use and sustained yield principles. In this context, the Forest Service oversees a vast, complex array of natural resources and opportunities. The natural resources of timber, minerals, range, wildlife, outdoor recreation, watershed, and soil are managed to best meet the needs of the Nation on a sustainable basis over the long term.

The bulk of the National Forests, some 163 million acres, was reserved from the public domain owned by the United States and has been set aside to be permanently held in trust for national forest purposes. The vast majority of the remaining 30 million acres have been acquired by purchase, donation, exchange, and inter-agency transfer. Almost 25 million of those acres are located in the Eastern and Southern Regions—in the eastern half of the United States—where little public domain lands exists. Impetus for establishing national forests in the east developed between 1905 and 1908. Eastern timber companies owning large acreages of lands wanted to sell much of their holdings to the Federal Government. At the same time, recognition of the fragility of watersheds and the consequences associated with land management practices were becoming more apparent. In response to this situation, Congress enacted the Act of March 1, 1911, better known as the Weeks Law. It provided for the purchases of lands in the watersheds of navigable streams for watershed protection and timber production and authorized the Secretary of Agriculture to designate such lands for permanent retention as National Forests.

Approximately 4 million acres of the National Grasslands were acquired for reasons similar to those prompting establishment of the eastern national forests. Under the Bankhead-Jones Farm Tenant Act of 1937, approximately 11 million acres of lands no longer suitable for agricultural production were acquired by the Federal Government to help distressed farmers. Of these lands, 3.4 million acres are now designated as National Grasslands. Another half-million acres of public domain lands have National Grasslands status.

LANDOWNERSHIP ADJUSTMENT

National Forest System landownership adjustments are accomplished through land acquisitions, land exchange, and land and administrative site conveyance. National Forest landownership patterns vary greatly around the nation. Fragmentation created as a result of historic public land disposals and recent increase in parcelization and disposal of large private sector lands continues to challenge our ability to efficiently and effectively manage the public's lands and resources. Consolidation remains a critical role of land exchange and acquisition to help reduce management costs related to boundary management, and land management activities such as fire and invasive species management. Land exchange continues to be a valuable land adjustment tool due to the benefits afforded to both Federal and non-federal parties, especially in the arena of land manageability that results from consolidating ownership. Land exchanges and land conveyances also provide opportunities for community and economic expansion as lands suited for commercial

and residential use are moved into the private sector. The Forest Service strives to achieve a balance between land acquisitions and conveyances to meet the purposes of the National Forest System and the strategic goals of the Forest Service, as well as serving community and economic needs of local governments, State and other non-Federal entities.

It is important to note that only around 16% of the 193 million acres of land managed by the Forest Service have been acquired through purchase, donation or exchange. 84% of the NFS land base is public domain land that has never left Federal ownership. Moreover, the vast majority of the acquired lands were brought into Federal ownership long ago, and by comparison, the current land acquisition program is focused on relatively small parcels with significant recreation and/or conservation value.

Even with an active landownership adjustment program, the net increase in NFS acres over time is modest. Net gains over the past five years have been between 24,000 to 96,000 acres per year with one exception. In 2000, the NFS gained 336,000 acres (largely due to the acquisition of two large congressionally directed acquisition projects; the 89,000-acre Valles Caldera ranch in New Mexico, and the 170,000-acre Land Between the Lakes in Kentucky and Tennessee (transferred from the Tennessee Valley Authority). In 2001, there was actually a net decrease of around 4,500 acres within the Western Regions.

## LAND ACQUISITIONS

The Land Acquisition program allows the Forest Service to acquire lands, waters, and related interests within the National Forest System to improve public access for outdoor recreation, and to protect threatened and endangered species habitat, wetlands and riparian areas, significant heritage resources, and rare ecological areas needed to promote biological diversity. Lands acquired through the Land and Water Conservation Fund (LWCF) help to reduce future management costs, respond to urban and community needs, and maintain the integrity of undeveloped lands and avoid their conversion to incompatible uses. There are many non-profit conservation partners that annually assist local communities and the Forest Service to ensure that these public benefits are being served.

The Forest Service uses a rigorous process to select its highest priority land acquisitions for inclusion in the President's Budget request. Over the last several years Congress has funded around 84% of the agency's nominations. Over the past five years, funding for LWCF has declined each year. In fiscal year 2004, Congress appropriated LWCF funding of \$ 66.363 million for 37 projects. A total of 46,884 acres of lands were acquired nationally in FY 2004. In FY 2005, Congress authorized and additional 34 LWCF projects for \$ 61 million.

Partnerships are an important aspect of the land acquisition program. Land acquisitions, unless otherwise directed are facilitated within a collaborative framework with willing sellers. Landowners and non-governmental organizations often absorb significant costs associated with appraisals, title work, and other required tasks, as well as accepting the financial costs and risk associated with holding property pending congressional appropriations. Grass roots support for federal land acquisition is still relatively strong in most parts of the country.

## LAND EXCHANGES

Forest Service land exchanges are authorized primarily by the General Exchange Act and the Weeks Act. Both were amended by Federal Land Policy and Management Act (FLPMA) and the Federal Land Exchange Facilitation Act to provide specific procedures and requirements for most land exchange conducted by the Forest Service and Bureau of Land Management (BLM). Land exchanges can, in certain situations, offer significant benefits. However, because federal land conveyance is involved, exchanges also tend to be complex and at times controversial; therefore, exchanges require more public involvement and environmental analysis than land acquisitions alone. Several laws and Executive Orders, such as the National Historic Preservation Act, CERCLA, and the Endangered Species Act contain specific requirements for Federal land disposals. However, even with the increased complexity and costs, many non-Federal landowners prefer exchange as the primary tool for their landownership adjustments. While very complex land exchanges may take more than five years to complete, the average time to complete a land exchange is around 2.5 years. Land exchange remains an effective tool in consolidating and realigning Federal lands and resources.

Land exchanges must complement Forest Land and Resource Management Plans, and must be found to be in the public interest to warrant completion. The exchange must also serve the needs of the non-Federal exchange party. Considering the dual benefits afforded, there is usually a willingness on the part of the non-Federal party to share in the costs of processing an exchange which can greatly reduce the financial burden on the Forest Service to conduct these important landownership adjustment activities. Also, due to the nature of lands identified for conveyance, for example, lands along the fringes of developing communities and having a high potential for commercial or residential development, it is common that fewer Federal acres are conveyed than are acquired. During the period FY 2000-2004, the Forest Service acquired

164,000 acres in exchange for 83,000 acres, roughly a 2:1 acre ratio.

## LAND CONVEYANCES

The Forest Service has limited authority for land sales and transfers. Most notable authorities include the Small Tracts Act, Townsite Act and the Education Land Grant Act. Each of these acts provides for a specific type of sale or grant to eligible parties. For example, the Townsite Act is available for local governments to acquire lands that are contiguous to established communities and would serve indigenous community objectives. This act is currently limited to the 11 western states. The Small Tracts Act is used primarily to resolve small title claims and encroachments. The Townsite Act and Small Tracts Act require sale at market value. The Education Land Grant Act provides for the conveyance of land at a nominal cost to eligible public school districts.

Congress has enacted multiple authorities allowing for the sale or exchange of specific administrative sites and isolated tracts such as the Bend Pine Nursery Land Conveyance Act, The Arizona Improvement Act and the Florida Land Conveyance Act. Properties identified under these acts are typically small and located outside National Forest boundaries in urban settings. As discussed more fully below, the conveyances are the subject of a legislative proposal recently forwarded to the Congress by Secretary Johanns.

Land sales under these types of authorities for the most part, are conducted as competitive sales, or when working with a local or State governmental entity through a direct sale based on federally approved appraisals.

## LANDOWNERSHIP AND BOUNDARY MANAGEMENT

Land survey is a vital part of the Forest Service's boundary management activities. This helps to protect the lands and resources of the National Forests and National Grasslands, by providing legally defensible boundary lines based on correctly made and reliable land surveys in compliance with federal and state land surveying statutes and guidelines. This also provides professional and technical expertise on land surveys, survey issues, and geospatial (mapping, Geographic Information Systems and Global Positioning System) issues, as well as land ownership, land description and land title matters.

The Forest Service land survey activities have a primary emphasis on marking and maintaining National Forest System (NFS) boundary lines and property corners derived from the Public Land Survey System (PLSS) and other original land surveys (unlike the BLM Cadastral Survey program with a primary emphasis to resurvey and restore the original survey lines and original corners of the PLSS).

The NFS has approximately 249,000 miles of property boundary lines controlled and defined by approximately 1 million property corners which locate the 193 million acres of NFS lands. Approximately 109,000 miles (44%) of NFS property boundary lines have been surveyed, located and marked to NFS boundary line standards since the late 1960s. The average annual accomplishment over the last 5 years has been approximately 800 miles of boundary line marked each year, with another 2,100 miles of previously marked boundaries maintained each year. The average annual expenditure for the boundary management activities over the past 5 years has been approximately \$22 million per year.

The Boundary Management program also provides geodetic survey and mapping control for the creation of hardcopy and digital maps and Geographic Information Systems (GIS) products and services. The Forest Service, working with the BLM Cadastral Survey program provides critical survey and positioning data to improve and enhance the BLM's Geographic Coordinate Data Base (GCDB). This GCDB information is used by the BLM and the FS to improve maps and GIS products and services and provide an accurate and reliable land ownership network for use by federal, state, tribal, county, and local agencies, as well as private sector businesses engaged in geospatial activities. Accurate and correct GCDB information is essential to both hard copy and digital mapping activities in support of a multipurpose cadastre.

## TRACKING ACRES AND LANDS

Title management program activities include trespass and encroachment activities, title claims activities, and land status activities. The title management activities help to protect the lands and resources of the National Forests and National Grasslands, by providing legally defensible land title and land ownership information in compliance with federal and state statutes and guidelines. The FS works closely with the BLM to keep the BLM's Master Title Plat of federal ownership current.

The official acreages for public lands managed by the Forest Service are found in the annual FS Publication FS-383, "Land Area of the National Forest System" commonly referred to as the Land Area Report (LAR). This report lists the number of acres of public land managed by the Forest Service by region, state, forest, congressional district, and county. In addition, acreages

for special designated areas, like Wilderness, are also published in this report. The acreages reported in the land area report are used to calculate the Payment in Lieu of Taxes paid annually to the counties. The most recent land area report publication is the September 2004 LAR, published in January 2005.

In order to improve the Agencies ability to track and report the status of National Forest System (NFS) lands, the Forest Service has undertaken a major effort to automate their Land Status Record System (LSRS). The LSRS tracks surface ownership information as well as encumbrances, rights, and other interests that effect the surface management of the National Forest System. This automated system is known as the Automated Lands Project (ALP). Where data is available, the BLM's public lands survey information from the Geographic Coordinate Data Base (GCDB) is used as the basis of the Forest Service land status records in ALP. The 2005 Land Area Report will be the first land area report automatically generated from the FS Automated Lands Project data.

The BLM, in conjunction with the Forest Service, is developing an automated land status and inventory system known as the National Integrated Land System (NILS). When fully implemented, NILS will allow participating land management agencies at the federal, state, tribal, county, local government levels and private parties to unify and share land survey, land parcel, and land ownership information into a seamless, nationwide, multipurpose, cadastre. The Forest Service is presently testing their ability to move agency land status data into NILS which will bring the BLM and FS information into conformance, allow maintenance of FS and BLM data in NILS, and reduce the development and maintenance of duplicate or multiple sets of status information by all land management agencies and parties.

The Forest Service is working with the National Spatial Data Infrastructure, the Federal Geographic Data Committee, Western Governors Association, and state, tribal, county, and local governmental units, to provide a common "national" platform that allows landownership data to be accessible to the public at large.

## PROGRAM ASSESSMENT RATING TOOL

The Land Acquisition program is currently undergoing a Program Assessment Rating Tool (PART) reassessment covering the FY 2007 budget cycle. The original assessment took place in CY 2003 covering the FY 2005 budget cycle. The agency proposed new and revised performance measures including annual output, long-term outcome and annual efficiency measures highlighting expanded partnerships and lower annual costs of acres of land acquired. Additionally the program has integrated performance and management under the guidance of the agency strategic plan for FY 2004-FY 2008 and has established line officer performance standards for accountability.

## FOREST SERVICE ADMINISTRATIVE SITES

On June 9th, the Secretary transmitted to Congress a legislative proposal titled "The Forest Service Facility Realignment and Enhancement Act of 2005". This proposal will provide useful tools for reducing the Forest Service administrative site maintenance backlog and improve efficiency in our lands management program. The proposed legislation authorizes the Secretary of Agriculture to sell, exchange, or combine a sale and exchange for any administrative site that the Secretary determines is no longer needed for National Forest System purposes. The legislation incorporates several new authorities for streamlining regulations to facilitate the timely disposal of administrative sites.

Receipts derived from the conveyance of administrative sites and facilities would be deposited into the Sisk Act fund and remain available to the Secretary until expended, without further appropriation. These funds will be used for the administrative costs of conveying sites; the acquisition of land for administrative sites; and for the decommissioning, construction, maintenance, rehabilitation, and improvement of administrative sites.

In addition, Section 329 of the Department of the Interior and Related Agencies Appropriations Act of 2002 (Public Law 107-63), as amended, established a pilot program authorizing the conveyance of Forest Service structures no longer needed for National Forest System purposes. Under the pilot authority, the Forest Service was limited to conveying up to ten administrative sites per fiscal year. To date the Forest Service has conveyed eleven administrative sites under this authority.

The Forest Service is focused on realigning administrative infrastructure to provide the most cost-effective and efficient support for Agency programs to meet mission and public service requirements. The Facility Master Planning (FMP) process is used to identify administrative sites and individual facilities for decommissioning, alternate uses, retention, and acquisition. Forests are required to revise their FMPs at least once every 10 years; all Forests and Research stations completed revisions to their master plans at the end of calendar year 2003. The Forest Service has provided policy direction for revising the FMPs and linking them to Regional and Research Station facility management strategies and the Agency's strategic objectives. The policy direction is flexible to ensure unique local conditions and concerns, including needs of local governments, local resource management issues, current and future organizational structure, and the condition of existing facilities are acknowledged in the facilities master planning process.

## SUMMARY

Thank you for the opportunity to appear before you today. The Department is committed to making maximum use of our legislative authorities and policy direction in order to sustain the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations.

Mr. Chairman this concludes my prepared statement. I would be happy to answer any questions you or other members of the Subcommittee have.