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Testimony of John Palatiello
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on
H.R. 2199
Federal Land Asset Inventory Reform (FLAIR) Act
before the
Committee on Natural Resources
Subcommittee on Federal Lands
U.S. House of Representatives
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Mr. Chairman, members of the subcommittee, management guru Peter Drucker is credited with coining the phrase "You can't manage what you can't measure". Unfortunately, the Federal government's ability to manage its public lands and indeed all its real property assets is terribly hampered by the lack of a current, accurate land inventory.

MAPPS (www.mapps.org), the national association of private sector geospatial firms, strongly supports H.R. 2199, the Federal Land Asset Inventory Reform (FLAIR) Act. Our member firms span the entire spectrum of the geospatial community, including satellite and airborne remote sensing, surveying, photogrammetry, aerial photography, LIDAR, hydrography, bathymetry, charting, aerial and satellite image processing, GPS, and GIS data collection and conversion services and companies that provide hardware, software, products and services to the geospatial profession in the United States and other firms from around the world.

In the 113th Congress, this bipartisan bill H.R. 916, introduced by Rep. Ron Kind (D-WI) and Chairman Rob Bishop (R-UT), was unanimously approved by the House Committee on Natural Resources on July 16, 2014. A modified version of the bill passed the U.S. Senate in 2016 in S.2012, North American Energy Security and Infrastructure Act of 2016, but, as you may recall, the House and Senate could not reach a final conference agreement on that bill.

The Government Accountability Office (GAO) has placed 'Managing Federal Real Property' in its High-Risk Series since 2003. GAO reports highlight the lack of a current, accurate inventory of Federal Real Property. On the other hand, the Federal government funds a variety of single-purpose databases. Technology, specifically geographic information systems (GIS), allows stewardship decisions based from one uniform, interoperable database.

Since 1980, the National Academy of Sciences (NAS) has been calling for the development of a multipurpose "cadaster", or land registry. In 2007, the NAS renewed this effort and recommended the idea of the FLAIR Act.

The FLAIR Act authorizes the Department of the Interior to develop and manage a single multipurpose, uniform Federal GIS database to track and account for all Federal Real Property, as called for by GAO and recommended by the National Academy. The Secretary of the Interior is authorized to conduct an "inventory of inventories" to identify all inventory databases, whether efficient or inefficient. The efficient databases will be merged into a single multipurpose cadastre while the inefficient databases are repealed, thus preventing waste and duplication to continue.

This Federal effort helps state and local agencies verify their ongoing efforts to identify what each level of government owns. This will also enable government at all levels to find missing property through a "gap analysis."

The fact is the Federal government does not know what it owns, where it owns it, what condition it is in, what its appraised or market value is, what its characteristics are, whether it is still in the public interest for the government to own it, whether it should be surplused and disposed, or what its designated use should be.

For more than 15 years, the GAO has found that dozens of Federal agencies control hundreds of thousands of real property assets worldwide, including facilities and land, worth hundreds of billions of dollars. However, the portfolio is not well managed, many assets are no longer consistent with agency mission or needs and are therefore no longer needed, and many assets are in an alarming state of disrepair. In 1995, GAO told Congress "The General Services Administration publishes statistics on the amount of land managed by each Federal agency. However, we found this information was not current or reliable" (GAO- T- RCED- 95- 117). This finding has continued to be recognized by GAO as recently as February this year, when it reported "...federal agencies continue to face long-standing challenges in several areas of real property management, including: (1) disposing of excess and underutilized property effectively...(3) collecting reliable real property data to support decision making...Issues with the reliability of the Federal Real Property Profile (FRPP) data—particularly the utilization variable—make it difficult to quantify the overall number of vacant and underutilized federal buildings...despite OMB's efforts to focus agencies' attention on measuring progress through the Reduce the Footprint policy, the government's efforts to monitor progress remain limited without reliable real property data in the FRPP..." (GAO-17-317) .

As far back as 1980, the National Research Council/National Academy of Sciences said, "There is a critical need for a better land- information system in the United States to improve land-

conveyance procedures, furnish a basis for equitable taxation, and provide much- needed information for resource management and environmental planning." (Need for a Multipurpose Cadastre). Why is a Federal land inventory, as envisioned in the FLAIR Act, necessary? As I noted earlier, GAO has found that the government lacks a current, accurate, reliable land inventory. That led GAO to put the government's real property asset management activities on its High Risk list (High Risk Series – An Update, GAO- 05- 207), a position still held today (GAO-15-290).

The Bush Administration took a significant step toward properly managing its real property holdings. Executive Order 13327, on Federal Real Property Asset Management, was issued on February 4, 2004. It called on agencies to "identify and categorize all real property owned, leased, or otherwise managed by the agency". Additionally, it instructs that "In order to ensure that Federally owned lands, other than the real property covered by this order, are managed in the most effective and economic manner, the Departments of Agriculture and the Interior shall take such steps as are appropriate to improve their management of public lands and National Forest System lands and shall develop appropriate legislative proposals necessary to facilitate that result." To my knowledge, these departments have never fulfilled that responsibility.

Since the National Academy issued its recommendation in 1980, the technology and capability of land or geographic information systems (GIS) has exploded. The Academy endorsed the FLAIR Act (National Land Parcel Data: A Vision for the Future) and the National Geospatial Advisory Committee has endorsed the recommendations in the Academy's parcels report. An accurate inventory is an important feature of good land management. Proper conservation, recreation and multiple use activities are dependent on accurate information about the government's land ownership. In its 1980 report, the Academy said, "Current technology is adequate in most cases for the surveying, mapping, data collecting, filing, and dissemination of information. Improved surveying and mapping instruments and techniques will probably reduce the cost of some of the mapping required. Advancements in computer applications, communication networks, and copying processes offer promise of more-efficient use of the multipurpose cadastre. The major obstacles in the development of a multipurpose cadaster are the organizational and institutional requirements."

The American taxpayer can also be the biggest beneficiary of a cadaster. Many units of local government - - cities, counties - - have used such land information systems, or even single purpose digital parcel or tax mapping programs, to more accurately and efficiently inventory real estate within the jurisdiction. There are numerous examples where local government has used GIS to identify tens of millions of dollars in annual property taxes that were unpaid or under paid. These systems have paid for themselves many times over, many in the first year alone. It is time the U.S. government invested in a similar methodology and technology to identify and inventory its land holdings. Such a system can help enhance the management of Federal lands, identify lands that could be put to higher priority use, as well as those that are no longer needed by the government and can be made surplus and sold, thus bringing revenue and savings to the Federal budget.

Once the multipurpose inventory is complete, the government can become a better real property asset manager, and a responsible steward of its land holdings. This will result in more efficient

land management, again providing savings. Additionally, areas for multiple- use can be better identified, thus enhancing the American citizens' use of public lands and generate more revenue from leasing, mineral rights, recreation and fees from other activities. Moreover, legislation to facilitate a process by which the Federal Government can more efficiently sell its surplus lands can be enacted. This will not only help state and local government by providing them land they can manage as open space, or these lands can be sold to the private sector for economic development, thus expanding the local tax base and creating jobs. The proceeds of these sales can be used to balance the budget and pay down the debt, be invested in higher priority activities such as roads, schools, parks, environmental protection, resource management and maintenance in our National Parks.

The bill will save money in many ways. It will reduce the many duplicative inventories the Department of the Interior currently operates and maintains. It will help identify lands the Department of the Interior currently owns that it no longer needs to own. And, revenue from resource activity and cost savings in other programs will be realized by having more efficient and accessible land information. See, for example, Office of Surface Mining Reclamation and Enforcement's Oversight of the Abandoned Mine Lands Program, Report No. 2016-EAU-007, March 2017.

The Office of Inspector General, Department of the Interior, issued Report No.: C-IN-MOA-0001-2009 July 2010. Its audit "found that the Bureau of Land Management's Cadastral Survey program was missing the opportunity to identify and perform surveys on high risk lands where significant potential revenues could be collected by the Department or Indian tribes. Proper survey and management of high risk lands with antiquated surveys has the potential to generate hundreds of millions of dollars in revenue from lands with valuable resources."

It reported, "The Department has outdated and unreliable survey information on more than 1 million boundary miles. This encompasses almost 90 percent of the 385 million acres of federal and Indian lands that DOI is responsible for in the western United States (excluding Alaska). Proper survey and management of high risk lands with antiquated surveys has the potential to generate hundreds of millions of dollars in revenue from lands with valuable surface and subsurface resources. This revenue could result from the collection of fees or royalties from identifying (a) unauthorized uses including rights of-way violations and (b) the improper removal of oil, gas, timber, or other resources from federal or Indian lands."

Proper surveys, mapping and an inventory of Department of the Interior lands could result in hundreds of millions of dollars in new revenue.

Once again, thank you for your leadership and MAPPS stands ready to work the Congress to enact H.R. 2199. We respectfully urge this legislation's prompt and favorable consideration.