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United States Department of the Interior

OFFICE OF THE SECRETARY
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October 22, 1986

MEMORANDUM

TO: Under Secretary

THROUGH: Assistant Secretary for Land and Minerals Management

FROM: Chairman, Task Force on Large Land Exchanges

SUBJECT SUMMARY: Improving Land Exchanges in the Lower 48 States - Request for Secretarial Action

Steven Duke
OCT 27 1986
William P. ...

On September 24, 1985, the Interior Agency Task Force on Large Land Exchanges was reconstituted under the leadership of the Assistant Secretary for Fish and Wildlife and Parks. The new mission of the Task Force was to determine how to increase the timeliness of large land exchanges benefitting conservation units as well as identifying modifications that could improve normal exchanges.

The task force continued to focus on the Secretary's desire to complete necessary acquisition of private property within existing national park and refuge systems and to protect other significant resource values without increasing the need for appropriated dollars. Land exchanges accomplish this goal by placing public property of lesser or no natural resource value into the private sector where it can be put to use for greater economic return. This not only adds valuable land and water areas to the natural resource base, but often results in a net increase in taxes and other income associated with the fuller economic use of the former Government lands.

The land exchange, as an alternative to cash purchase, has been studied numerous times over the past 20-30 years. The conclusion of each of these studies is that successful exchanges occur only when there is an equal desire on the part of the private owner and the land managing bureaus, sufficient administrative funds, pertinent laws (FLPMA, LWCF, NEPA)/regulations have been followed and when appropriate Bureau of Land Management (BLM) lands are made available. Exchanges seldom occur expeditiously. They are labor-intensive, significantly more complicated than cash purchases, and are encumbered by various legal requirements depending on the particular authority relied upon (e.g., must be within the same State; conform with BLM land use plans; determined to be in the public interest and are of approximately equal value). Exchanges can also be complicated by third-party rights and interests in Federal lands (e.g., mining claims, competitive interest in leasable minerals, lease termination limitations). Rather than discuss how exchanges could be improved in general, it was decided to categorize exchanges according to their relative significance into three types.

- Type A - These are large exchanges to be forwarded for congressional authorization or ratification. They involve significant resource values and are often complex or cannot be completed under current regulations/laws, but are in need of prompt action. (Two to four exchanges of this type could be anticipated per year.) An example would be the exchange of two large properties, one located in State A and one in State B. The value of the property to be acquired is primarily natural resource protection and the value of the property to be given up by the Government is mineral development.
- Type B - These are large land exchanges processed under existing procedures that receive high-level management attention. They involve significant resource values in need of prompt action but are less complex and can be completed under current regulations/laws. (Five to seven exchanges of this type could be anticipated per year.) An example would be two large parcels located within the same State, of approximate equal value and no major revenue loss to the State.
- Type C - These are normal land exchanges involving less important resource values (usually not under great pressure to be acquired and can be accomplished within the current constraints). (BLM has several hundred exchanges of this type awaiting processing each year.) This type of exchange would involve smaller parcels, usually within the same vicinity.

The major effort of the task force centered on developing selection guidelines and the process to be followed for exchange Types A and B (Attachment 1). By focusing on these few but important exchanges at the Department level we should be able to improve our chances of completing exchanges involving significant resource values.

Improvement in the efficiency of "normal" land exchanges (Type C) is not expected to be as dramatic because less emphasis and attention will be given at the Secretarial level. Type B exchanges will be subject to the same constraints as Type C but will receive higher priority in funding and work months.

Attachment 2 discusses possible solutions for some of the significant roadblocks involving the exchange of public domain lands under BLM jurisdiction. Also attached is a brief discussion (Attachment 3) of land exchanges involving property which was originally acquired by other Federal agencies and which, because it has become excess or surplus to agency or Federal needs, is now under the control of the General Services Administration (GSA).

Also attached for your information are actual action plans for completing Type B exchanges for Fish and Wildlife Service (FWS) (Teton Valley Ranch at National Elk National Wildlife Refuge (NWR) and for National Park Service (NPS) (McKinley County Coal Exchange at Chaco Culture National Historic Park (NHP)). We have also begun working on a Type A exchange involving FWS, BLM and Aerojet General, Inc.

In conclusion, the task force recommends the following actions:

1. The Department should adopt the general guidelines and process to be followed for accomplishing land exchanges involving significant resources (Type A & Type B) as outlined in Attachment 1.

Concur

Amcl

Date 11-17-86

2. Assistant Secretary for Land and Minerals Management should establish an MBO to highlight the importance of Type B exchanges in meeting the Department's goal of land protection within fiscal constraints. The benefitting Assistant Secretary should establish an MBO for Type A and Type B exchanges, in accordance with annual Planning Schedule (Attachment 4).

Concur

Amcl

Date 11-17-86

3. Assistant Secretary for Land and Minerals Management should review current regulations and make appropriate changes to streamline the normal land exchange process followed for exchanges involving public lands that are carried out under FLPMA.

Concur

Amcl

Date 11-17-86

4. Assistant Secretary for Fish and Wildlife and Parks should review both the cultural resource and rare and endangered species consultation processes and initiate appropriate changes to streamline the normal land exchange process.

Concur

Amcl

Date 11-17-86

5. The Department should support benefitting bureaus having sufficient funds in their budget proposals to reimburse BLM for work directly related to desired exchanges.

Concur

Amcl

Date 11-17-86

6. Assistant Secretary for Fish and Wildlife and Parks should initiate discussions with GSA to improve access to excess/surplus property for exchange purposes as outlined in Attachment 3. GSA's requirement for reimbursement of fair market value should also be discussed.

Concur

Amcl

Date 11-17-86

Attachments

Selection Guidelines and Procedures for Significant Land Exchanges

Significant land exchanges of interest to the Department can be separated into two groups, Type A and Type B. Type A are those exchanges that cannot be accomplished within the current land exchange framework but could be realized on a case-by-case basis through legislative approval. Type B exchanges can be accomplished within the current framework but their significance or potential threat of resource loss dictates that they should be given special attention to ensure accomplishment on an expedited basis.

Clearly, both Type A and Type B exchanges are those that require special emphasis at the Assistant Secretary level. Type A exchanges will be directed by the affected Assistant Secretaries. Type B exchanges will be directed at the Regional/State office level with monitoring by the affected Assistant Secretaries.

Proposed Land Exchange Guidelines for Internal Decisionmaking

Type A - Major Exchanges for Congressional Authorization or Ratification.

1. Selection Guidelines:

- A. Desirable exchange opportunity constrained by current law or regulation.
- B. Usually involves more than one agency or bureau.
 - (1) multi-agency benefits
 - (2) non-Federal benefits
- C. Significant public interest large acreage (5,000 ac.+) and/or large value (\$1,000,000+).