

**CALENDAR ITEM
C02**

A Federal

05/23/13

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**CONSIDER SUPPORTING FEDERAL LEGISLATION THAT WOULD
ENACT THE FEDERAL LAND TRANSACTION FACILITATION ACT
REAUTHORIZATION OF 2013**

INTRODUCTION:

State Lands Commission (Commission) staff has been reviewing various legislative proposals introduced in the 113th Congress that involve lands under the Commission's jurisdiction. This report describes proposed federal legislation that would reauthorize the Federal Land Transaction Facilitation Act (FLTFA), which expired on July 25, 2011, for 10 years until 2023. (S. 368, Heinrich - Heller), and proposes a Resolution for the Commission to consider adopting in support of this bill.

LEGISLATIVE PROPOSAL:

Senate Bill 368 (Heinrich - Heller)

SUMMARY:

The FLTFA is a land for land exchange program that allows the Bureau of Land Management (BLM) to sell lands identified for disposal and use the revenue generated for high-value federal conservation projects in the West. The FLTFA expired on July 25, 2011.

BACKGROUND:

FLTFA was approved by Congress and signed into law on July 25, 2000 (P.L. 106 248) (Appendix A). FLTFA provided for the revenues from the disposal of public land nationwide, identified for disposal as of the date of passage of the FLTFA, to be deposited into a special account created by the FLTFA. The BLM and other federal land managing agencies were then able to use those funds to acquire, from willing sellers, inholdings within certain federally designated areas and lands that are adjacent to those areas that contain exceptional resources. Of the revenue generated by eligible

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land sales or exchanges, 96% was deposited into the FLTFA account and the remaining 4% was distributed to the state in which the sale originated.

Nominations for land acquisitions projects were submitted to BLM, while participating agencies assessed the nominations for public benefit and rank them. Approvals of the Secretary of Interior and the Secretary of Agriculture were required.

Since its enactment, the BLM has used FLTFA to sell 330 parcels previously identified for disposal, totaling 27,249 acres, with a total value of approximately \$117.4 million. Over the same time period, the federal government acquired 37 parcels of high resource value lands, totaling 18,093 acres, with a total value of approximately \$50.4 million. In California, approximately 1,023 acres of land were acquired through FLTFA funding, at a total cost of approximately \$3,500,000.

S. 368 is a bipartisan bill that would reauthorize FLTFA for 10 years, until 2023, with the same structure and criteria of the expired program.

OTHER PERTINENT INFORMATION:

In California, FLTFA funds allowed the BLM to acquire a 400-acre property within the Johnson Canyon Area of Critical Environmental Concern and adjacent to Beauty Mouny Wilderness, Cleveland National Forest, Pacific Crest National Scenic Trail, and Anza Borrego Desert State Wilderness. The acquisition was intended to result in significant opportunities for outdoor recreation and help form one of the largest blocks of undeveloped land in an area that has over 55 rare, protected or declining species of plants and animals. FLTFA funding was also used in California to help protect the Smith Wild and Scenic River's largest tributary, Goose Creek, ensuring a supply of cold, clean water for the Smith River's runs of the endangered wild salmon and steelhead.

If reauthorized, FLTFA will again provide opportunities for economic development, conservation, and recreation, while helping protect threatened and endangered species. Accordingly, reauthorization of FLTFA will help strengthen the public's ability to access and enjoy public land in California and other western states.

S. 368 is strongly supported by a diverse coalition of over 100 organizations, including the American Hiking Society, California Habitat Conservation, Defenders of Wildlife, Trout Unlimited, Tahoe Rim Trail Association, the Natural Resources Defense Council, the Nature Conservancy, the Pacific Crest Trail Association, and many others.

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S. 368 has been referred to the Senate Energy and Natural Resources Subcommittee on Public Lands, Forests, and Mining.

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

1. Adopt the Resolution in support of S. 368 (Heinrich - Heller) attached hereto as Exhibit A.

Exhibit A

RESOLUTION BY THE CALIFORNIA STATE LANDS COMMISSION SUPPORTING SENATE BILL 368 BY SENATORS HEINRICH (D-NM) AND HELLER (R – NV) TO REAUTHORIZE THE FEDERAL LAND TRANSACTION FACILITATION ACT AND ENABLE THE BUREAU OF LAND MANAGEMENT TO CONTINUE USING THIS IMPORTANT TOOL TO ENHANCE AND PROTECT CONSERVATION LANDS

WHEREAS, the California State Lands Commission has exclusive jurisdiction over school lands and all ungranted tide and submerged lands owned by the State, including the beds of navigable rivers, streams, lakes, bays, estuaries, inlets, and straits, which are held in trust by the State for the benefit of the people of California; and,

WHEREAS, the common law Public Trust Doctrine protects the public's right to use California's waterways for commerce, navigation, fishing, boating, natural habitat protection, and other water oriented activities; and,

WHEREAS, Congress enacted the Federal Land Transaction Facilitation Act (FLTFA) in July 2000 as Title II of Public Law 106-248, authorizing the Bureau of Land Management 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 that federal land managing agencies may use to acquire inholdings within certain federally designated areas and lands that are adjacent to those areas that contain exceptional resources; and,

WHEREAS, the lands purchased by federal land managing agencies with FLTFA revenue, via its "land for land" concept, have enabled the federal government to acquire and preserve lands that provide the public with recreational access for fishing, hiking, boating and other public trust consistent activities, as well as properties with historic, scenic and cultural resources; and,

WHEREAS, since its enactment, the Bureau of Land Management has used FLTFA to sell 330 parcels previously identified for disposal, totaling 27,249 acres, with a total value of approximately \$117.4 million dollars; and over the same period, the federal government acquired 37 parcels of high resource value lands, totaling 18,093 acres, with a total value of approximately \$50.4 million dollars; and,

WHEREAS, in the remote mountains of California's North Coast, the U.S. Forest Service used FLTFA funding to help protect the Smith Wild and Scenic River's largest tributary, Goose Creek, ensuring a supply of cold, clean water for the Smith River's celebrated runs of the endangered wild salmon and steelhead, and providing improved recreational access to this scenic area; and,

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WHEREAS, in southern California, FLTFA funds were used by the Bureau of Land Management to acquire a 400-acre property within Johnson Canyon, an area of critical environmental concern near San Diego County and adjacent to publicly owned lands; the acquisition of which will provide significant opportunities for outdoor recreation and will contribute to forming one of the largest blocks of undeveloped land in an area that hosts over 55 rare, protected or declining animal and plant species; and,

WHEREAS, in Northern California, FLTFA was instrumental in safeguarding pristine Coho salmon habitat and productive spawning reach for Chinook salmon within a Wild and Scenic River designation along the South Fork of the Trinity River at the Shasta-Trinity National Forest in California.

WHEREAS, without FLTFA, revenue from the sale of land the Bureau of Land Management has identified for disposal goes to the United States Treasury, instead of to conservation and recreation, and without the administrative funding that the FLTFA program generates, the Bureau of Land Management has very limited funding to conduct sales, appraisals and land acquisitions for lands with a high resource value; and,

WHEREAS, the FLTFA program expired on July 25, 2011 and to date has not been reauthorized, despite a broad coalition of strong support from over 100 organizations, including ranchers, sportsmen, counties, and conservation and historic preservation groups; and,

WHEREAS, the Congressional Budget Office has stated that a 10-year FLTFA reauthorization will decrease the deficit by approximately \$5 million dollars and estimated that the Bureau of Land Management will sell nine times more land with FLTFA than without FLTFA; and,

WHEREAS, if reauthorized, FLTFA will again provide opportunities for economic development, conservation, and recreation, while helping protect threatened and endangered species; accordingly, reauthorization of FLTFA will help strengthen the public's ability to access and enjoy public land; and,

WHEREAS, the State Lands Commission also manages hundreds of thousands of acres of school lands throughout California and S. 368 has the potential to assist the State in efforts to consolidate these school lands into parcels better suited for revenue generation and conservation, and to facilitate land exchanges between the State Lands

Exhibit A

Commission and the Bureau of Land Management, which would aid both agencies in achieving their respective land management goals and objectives; and,

RESOLVED BY THE CALIFORNIA STATE LANDS COMMISSION that it supports Senate Bill 368 by Senators Heinrich and Heller, the Federal Land Transaction Facilitation Act Reauthorization of 2013, that would reauthorize FLTFA for ten years, providing a practical and cost effective tool to fund conservation and species protection on high priority lands, while also providing opportunities for economic growth and recreation; and be it further

RESOLVED, that the Commission's Executive Officer transmit copies of this resolution to the President and Vice President of the United States, to the Governor of California, to the Majority and Minority Leaders of the United States Senate, to the Speaker and Minority Leader of the United States House of Representatives, and to each Senator and Representative from California in the Congress of the United States.