



Highlights of [GAO-10-259T](#), testimony before the Subcommittee on National Parks, Forests, and Public Lands, Committee on Natural Resources, House of Representatives

Why GAO Did This Study

The U.S. Department of the Interior's Bureau of Land Management (BLM), Fish and Wildlife Service, and National Park Service, and the U.S. Department of Agriculture's Forest Service manage about 628 million acres of public land, mostly in 11 western states and Alaska. Under the Federal Land Transaction Facilitation Act (FLTFA) of 2000, revenue raised from selling BLM lands is available to the agencies, primarily to acquire nonfederal land within the boundaries of land they already own—known as inholdings. These inholdings can create significant land management problems. To acquire land, the agencies can nominate parcels under state-level interagency agreements or the Secretaries can use their discretion to initiate acquisitions. FLTFA expires in July 2010.

This testimony discusses GAO's 2008 report: *Federal Land Management: Federal Land Transaction Facilitation Act Restrictions and Management Weaknesses Limit Future Sales and Acquisitions* (GAO-08-196). Specifically, the testimony discusses (1) FLTFA revenue generated, (2) challenges to future sales, (3) FLTFA expenditures, (4) challenges to future acquisitions, and (5) agencies' implementation of GAO's recommendations. Among other things, GAO examined the act, agency guidance, and FLTFA sale and acquisition data, interviewed agency officials, and obtained some updated information.

[View GAO-10-259T or key components.](#) For more information, contact Robin M. Nazzaro at (202) 512-3841 or nazzaror@gao.gov.

FEDERAL LAND MANAGEMENT

Challenges to Implementing the Federal Land Transaction Facilitation Act

What GAO Found

- *BLM raised most FLTFA revenue from land sales in Nevada.* As of August 2009, BLM reported raising a total of \$113.4 million from sale of about 29,400 acres. Since FLTFA was enacted in 2000 through August 2009, about 78 percent of the revenue raised, or about \$88 million, has come from land transactions in Nevada.
- *BLM faces challenges to future sales under FLTFA.* In particular, BLM state and field officials most frequently cited the limited availability of knowledgeable realty staff to conduct sales. We identified two additional issues hampering land sales activity under FLTFA. First, while BLM had identified land for sale in its land use plans, it had not made these sales a priority during the first 7 years of the FLTFA program. Furthermore, BLM had not set goals for sales or developed a sales implementation strategy. Second, some of the additional land BLM had identified for sale since the act would not generate revenue for acquisitions because the act only allows the deposit of revenue from the sale of lands identified for disposal on or before the date of the act.
- *Agencies had purchased few parcels with FLTFA revenue.* In 2008, we reported that between August 2007—7 years after FLTFA was enacted—and January 2008, the four land management agencies had spent \$13.3 million of the \$95.7 million in revenue raised under FLTFA: \$10.1 million using the Secretaries' discretion to acquire nine parcels of land and \$3.2 million for administrative expenses to prepare land for FLTFA sales. More recently, as of November 2009, BLM reported spending a total of \$43.8 million to acquire 28 parcels, including \$24.6 million for 12 parcels through the state-level interagency process.
- *Agencies face challenges to completing additional acquisitions.* BLM state and field officials GAO interviewed most commonly cited the time, cost, and complexity of the land acquisition process as a challenge to completing land acquisitions. Furthermore, the act's requirement to spend the majority of funds in the state in which revenue was generated has had the effect of making little revenue available for acquisitions outside of Nevada. The agencies also had not established procedures to track the implementation of the act's requirement that at least 80 percent of FLTFA revenue raised in each state be used to acquire inholdings in that state or to track the extent to which BLM is complying with agreed-upon fund allocations among the four participating agencies.
- *BLM has taken steps to implement GAO's recommendations.* Specifically, BLM established FLTFA sale goals for fiscal years 2009 and 2010 and established a sales incentive program providing seed funds to state and field offices to identify and pre-screen properties for possible sale under FLTFA. As of November 2009, six states have agreed to participate in the program.