



## United States Department of the Interior

OFFICE OF THE ASSISTANT SECRETARY  
POLICY, MANAGEMENT AND BUDGET  
Washington, D.C. 20240

AUG 02 2004

Honorable J. Dennis Hastert  
Speaker of the House of Representatives  
Washington, D.C. 20515

Dear Mr. Speaker:

The Department of the Interior is pleased to transmit a legislative proposal to make revisions to Title II of Public Law 106-248, the Federal Land Transaction Facilitation Act (FLTFA). These revisions will improve the FLTFA by: 1) removing the timeframe that limits the Secretary of the Interior's use of decisions in Bureau of Land Management (BLM) land use plans to dispose of lands, 2) reallocating funds for land acquisitions and other uses, 3) and extending effective dates by five years.

The FLTFA allows the BLM to sell lands identified for disposal through the land use planning process and use the proceeds of those sales to acquire lands within or adjacent to other federal lands such as national parks, national conservation areas, national monuments, wilderness areas and fish and wildlife refuges. However, only lands identified for disposal prior to the date of enactment of FLTFA (July 25, 2000) qualify to have the proceeds used for such acquisitions. The BLM is currently undergoing a major effort in land use plan revisions and updates. More than 50 new land use plans have been or will be completed by the end of 2005 and since the passage of FLTFA, FLTFA doesn't prevent the BLM from selling new lands identified for disposal, but simply prevents the proceeds from those sales from being used for acquisitions. Correcting this problem will complement the original law and support acquisitions of environmentally-sensitive lands.

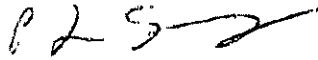
Additionally, FLTFA provided that 20 percent of the funds raised through these sales could be used for administrative requirements related to the land sales. The enclosed proposed legislation would allow an additional 20 percent of these funds to be used for conservation enhancement projects on these same types of lands. The majority of the funds would continue to be spent on land acquisitions, but 20 percent could be used to improve the environmental conditions in these same special areas.

The FLTFA provided for a 10-year window for completion of sales of lands identified for disposal. Because the land disposal process is complicated and frequently time-consuming the proposed legislation extends that time period for an additional 5 years.

The enclosed legislative proposal is sent to you with the strong endorsement of the Department of the Interior. We urge its swift adoption.

The Office of Management and Budget advises that the enactment of this proposal would be in accord with the President's program.

Sincerely,



P. Lynn Scarlett

Enclosures

## **Section-by-Section Analysis of Proposed Federal Land Transaction Facilitation Amendments Act of 2004**

### **Section 1.**

This section establishes the title of the bill as the “Federal Land Transaction Facilitation Amendments Act of 2004.”

### **Section 2.**

This section amends Title II, section 203(2) of P.L. 106-248 by deleting the phrase “on the date of enactment of this Act was” and inserting in lieu thereof the word “is.” The effect of this change is to allow funds to be used for acquisitions within or adjacent to federally designated special areas including national parks, national conservation areas, national monuments, wilderness areas, national wildlife refuges, etc., which were designated subsequent to the passage of P.L. 106-248.

### **Section 3.**

This section amends Title II, section 205(a) of P.L. 106-248 by deleting the phrase “(as in effect on the date of enactment of this Act).” The effect of this is to allow lands identified for disposal in BLM land use plans completed subsequent to the enactment of P.L. 106-248 to be eligible for the provisions of the Act.

### **Section 4.**

This section amends Title II, section 205(d) of P.L. 106-248 by extending the authorities to dispose of the lands in this bill from 10 years from the date of enactment to 15 years from the date of enactment. This has the effect of pushing the sunset date from July 25, 2010 to July 25, 2015.

### **Section 5.**

This section makes both technical and substantive changes to Title II, section 206(c)(2). First it renumbers various paragraphs to provide for the insertion of additional subparagraphs. Second, it reduces the percent of funds to be used for land acquisitions from not less than 80 percent to not less than 60 percent. It provides that the additional 20 percent may be used for conservation enhancement projects within federally designated special areas such as national parks, national conservation areas, national monuments, wilderness areas, national wildlife refuges, etc. Finally, it provides that if permitted acquisitions are completed within a state, funds may be reallocated and expended in other states for appropriate acquisitions.

## **A BILL**

To amend the Federal Land Transaction Facilitation Act of July 25, 2000 to remove the timeframe that limits the Secretary of the Interior's use of decisions in Bureau of Land Management land use plans to dispose of lands, to reallocate funds for land acquisitions and other uses, to extend the sunset provision currently contained in the Act and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### **SEC. 1. SHORT TITLE.**

This Act may be cited as the 'Federal Land Transaction Facilitation Amendments Act of 2004.'

### **SEC. 2. ELIMINATION OF THE TIME RESTRICTION THAT DEFINES FEDERALLY DESIGNATED AREAS.**

In section 203 (2) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2302) strike the words "on the date of enactment of this Act was" and insert in lieu thereof the word "is".

### **SEC. 3. ELIMINATION OF THE TIME RESTRICTION WHEREBY BUREAU OF LAND MANAGEMENT LAND USE PLANNING DECISIONS MAY BE USED TO IDENTIFY LANDS SUITABLE FOR DISPOSAL.**

In section 205(a) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2304) strike the phrase "(as in effect on the date of enactment of this Act)".

### **SEC. 4. EXTENSION OF THE 10-YEAR SUNSET PROVISION TO 15 YEARS.**

In section 205(d) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2302) strike the number "10" and insert in lieu thereof "15".

### **SEC. 5. REALLOCATION OF THE FUNDING LEVELS AVAILABLE TO THE BUREAU OF LAND MANAGEMENT FOR LAND ACQUISITION.**

(a) In section 206(c)(2)(A) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2305) strike the words "subparagraph C" and insert in lieu thereof "subparagraphs (C) and (D)".

(b) In section 206(c)(2)(B) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2305) strike "80 percent of the funds allocated for the purchase of land within each State" and insert in lieu thereof "60 percent of the funds deposited in the Federal Land Disposal Account".

(c) Renumber Section 206(c)(2)(C) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2305) as Section 206(c)(2)(D) and insert a new Section 206(c)(2)(C) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2305) as follows:

(C) CONSERVATION ENHANCEMENT.

An amount not to exceed 20 percent of the funds deposited in the Federal Land Disposal Account may be used for projects to enhance the conservation of Federal lands identified in sections 203(2) and 203(4) of this Act. Such projects may include habitat restoration, rehabilitation or improvement and other activities to maintain land and water resources.

(d) Renumber section 206(c)(2)(D) of the Federal Land Transaction Facilitation Act (43 U.S.C. 2305) as Section 206(c)(2)(E) and:

(1) strike "SAME STATE PURCHASES.—Of the amounts not used under subparagraph (C)" and insert in lieu thereof "SAME STATE PURCHASES AND ENHANCEMENTS.—Except as authorized below, of the amounts not used under subparagraph (D)."

(2) insert at the end the following new subparagraph (i)

"(i) REALLOCATION OF FUNDS. Upon completion of the acquisition of inholdings identified in a state pursuant to the requirements of this Act, funds generated from that state may be expended in any state in accordance with the provisions of this Act.