

**Statement for the Record
Bureau of Land Management
Department of the Interior**

Senate Committee on Energy and Natural Resources

- S. 411, Natural Gas Gathering Enhancement Act
S. 485, Assuring Private Property Rights Over Vast Access to Land Act
S. 1017, Federal Power Act Amendments on Siting Interstate Electric
Transmission Lines
S. 1196, Federal Land Access Act
S. 1210, Oil and Gas Production and Distribution Reform Act
S. 1217, Electric Transmission Infrastructure Permitting Improvement Act
S. 1225, Federal Land Asset Inventory Reform Act**

May 14, 2015

Introduction

The Bureau of Land Management (BLM) submits the following Statement for the Record for the Committee's hearing on bills pertaining to energy infrastructure on our nation's public lands. Seven of the bills relate to programs administered by the Bureau of Land Management: S. 411, the Natural Gas Gathering Enhancement Act; S. 485, the Assuring Private Property Rights Over Vast Access to Land Act; S. 1017, the Federal Power Act Amendments on Siting Interstate Electric Transmission Lines; S. 1196, the Federal Land Access Act; S. 1210, the Oil and Gas Production and Distribution Reform Act of 2015; S. 1217, the Electric Transmission Infrastructure Permitting Improvement Act; and S. 1225, the Federal Land Asset Inventory Reform Act.

The Department was notified of this hearing only a week in advance, the final list of bills was made available late in the evening on May 7, 2015, and the text of several of the bills was made available a day later, on May 8, 2015. As a consequence, and given the breadth of subject matter contained in the text of the bills, the Administration did not have adequate time to conduct an in-depth analysis and receive input from the many agencies impacted, and the Department did not have sufficient time to develop the detailed, thorough testimony that is appropriate for a hearing on these matters in time for the hearing.

The Department now submits its Statement for the Record.

Background

The BLM is responsible for protecting the resources and managing the uses of our nation's public lands, which are located primarily in 12 western states, including Alaska. The BLM administers more land – over 245 million surface acres – than any other Federal agency. The BLM also manages approximately 700 million acres of onshore Federal mineral estate throughout the nation, including subsurface estate overlain by properties managed by other Federal agencies such as the Department of Defense and the U.S. Forest Service (USFS). That's more than 10 percent of the Nation's surface and nearly a third of its minerals.

The BLM manages this vast portfolio on behalf of the American people under the dual framework of multiple use and sustained yield. This means the BLM administers public lands for a broad range of uses including renewable and conventional energy development, livestock grazing, timber production, hunting, fishing, recreation, and conservation. We manage lands with some of the most significant energy development in the world and some of North America's most wild and sacred landscapes. This unique role often puts the BLM in the middle of some of the most challenging natural resource issues facing our country, from species conservation to advancements in energy extraction. Across the country, we do this work proudly and with a special emphasis on transparency and public processes that incorporate the input and needs of the American people and of the communities in which we live and work.

As part of our mission and in accordance with the President's balanced approach to energy, the BLM is pursuing science-based, environmentally sound development of both renewable and conventional energy resources on the nation's public lands. The BLM's activities provide critical infrastructure and energy for our nation that reduces our reliance on oil, while also protecting our public land and water resources, and providing important recreational opportunities that benefit local economies. The BLM's contribution to the national energy portfolio provides an important economic benefit. The Department collects billions of dollars annually for the Federal Treasury through mineral lease rents and royalties for mineral extraction and other activities, and shares these revenues each year with states, tribes, counties, and other entities. In many states, energy production and other activities are a critical component of the local economy. For example, in fiscal year 2014, onshore Federal oil and gas royalties exceeded \$3 billion, approximately half of which were paid directly to the states in which the development occurred. In the same period, tribal oil and gas royalties exceeded \$1 billion with all of those revenues paid to the tribes and/or individual Indian owners of the land on which the development occurred.

Federal lands continue to boost domestic energy production in a variety of areas. The BLM works diligently to fulfill its role in securing America's energy future, coordinating closely with partners across the country to ensure that development of conventional and renewable resources occurs in the right places and that those projects are managed safely and responsibly. The BLM continues to make significant efforts in improving how it leases, permits, and provides oversight to all areas of energy development. This includes updating its regulations to reflect current industry practices as well as putting needed technology in the hands of BLM employees. It is one of the BLM's highest priorities to ensure that the operations it authorizes on public and tribal lands are managed in a manner that will protect consumers, human health, and the environment. Secretary Jewell's 2014 mitigation strategy supports this goal by outlining key principles and actions to more effectively offset impacts of large energy development projects on public lands through the use of landscape-level planning. Advancing both development and conservation, the strategy provides greater certainty for project developers with regards to permitting and better outcomes for conservation through more effective and efficient project planning.

Conventional Energy – Secretary Jewell has made it clear that as we expand and diversify our energy portfolio, the development of conventional energy resources from BLM-managed lands will continue to play a critical role in meeting the nation's energy needs and fueling our

economy. The BLM is committed to promoting responsible domestic oil and gas production in a manner that will protect consumers, human health, and the environment. Facilitating the safe and efficient development of these resources is one of the BLM's many responsibilities and part of the Administration's broad energy strategy, outlined in the President's *Blueprint for a Secure Energy Future*. Environmentally responsible development of these resources will help protect consumers and reduce our nation's reliance on oil, while also protecting our federal lands and the environment. As part of this effort, the Department is working with various agencies in support of Executive Order 13604 to improve the performance of Federal permitting and review of infrastructure projects by increasing transparency and predictability of infrastructure permitting and reviews.

In recent years, the BLM has overseen a significant increase in oil production, while also supporting continued natural gas production. Oil production from the Federal and Indian lands where the BLM has permitting and oversight responsibility rose twelve percent in 2014 from the previous year and is now up 81 percent since 2008 – 113 million barrels per year in 2008 to 205 million barrels per year today. For comparison, nationwide oil production over the same period increased 73 percent. The BLM continues to make public lands available for oil and gas development in excess of industry demand.

Oil & Gas Pipelines – The BLM is working hard to do its part to expand the nation's pipeline infrastructure and increase the capacity to transport energy resources when and where it is needed. Oil and gas production is outpacing pipeline capacity and creating bottlenecks in some areas, putting a strain on existing infrastructure. As authorized by Section 28 of the Mineral Leasing Act (MLA), the BLM issues right-of-way (ROW) grants for oil and natural gas gathering, distribution, and transmission pipelines and related facilities. The BLM may grant MLA ROWs on any public lands, or on lands which are administered by two or more Federal agencies, except land in the National Park System and land held in trust for Indian tribes. A designated corridor is a preferred location for the placement of ROWs and the BLM actively encourages use of designated ROW corridors to streamline the authorization process. This minimizes the proliferation of separate ROWs and promotes sharing of ROWs to the greatest extent possible, given considerations of engineering and technological compatibility, national security, and land use planning. Use of existing corridors and sharing of existing ROWs for pipelines protects the quality of natural resources and prevents unnecessary environmental damage to lands and resources.

Since 2009, the BLM has participated in the approval of nine major pipeline expansion projects totaling nearly 2,000 miles of new oil and gas pipeline with nearly 1,050 of those miles crossing Federal lands. In the next 18 months, the BLM is expected to complete review and disposition of four more major pipeline projects totaling approximately 1,000 additional miles with approximately 450 of those miles across Federal lands. Work on these major oil and gas pipeline projects is in addition to the thousands of miles of smaller pipeline projects that are approved every year to transport oil and gas from production sites to the larger gathering and transportation facilities.

Renewable Energy – In the past six years, the BLM has worked to facilitate a clean energy revolution on public lands, approving scores of utility-scale renewable energy generation and

transmission projects. This includes 29 utility-scale solar facilities, 11 wind farms, and 12 geothermal plants, with associated transmission corridors and infrastructure to connect with established power grids. When completed, these projects will provide more than 14,000 megawatts of power, or enough electricity to power about 4.8 million homes, and provide over 20,000 construction and operations jobs. The BLM continues to actively facilitate and support solar, wind, and geothermal energy development on BLM lands.

In 2014, the BLM proposed a rule for competitive leasing in order to promote renewable energy development at appropriate sites in areas that have been determined optimal for wind and solar energy production. Offering lands through a competitive leasing process will allow the BLM to plan smarter by targeting future development toward low-conflict lands close to existing or planned transmission capability. Increased production of renewable energy will create jobs, provide clean energy, and enhance U.S. energy security by adding to the domestic energy supply. The President has established an aggressive goal to increase permitting of new renewable electricity generation capacity on public lands to 20,000 megawatts by 2020.

Transmission Infrastructure – The BLM performs a key role in efforts to strengthen the nation’s electric transmission grid. The BLM currently carries the largest portfolio of transmission projects among the nine Federal agencies involved in the interagency Rapid Response Team for Transmission (RRTT). It serves as the lead agency for four of the original seven major RRTT transmission projects. Since January 2009, the BLM has approved 90 major transmission projects (100 kV and larger), totaling over 2,300 miles, 1,600 miles of which cross through BLM lands in 10 western states. From 2012 to 2013 alone, the BLM approved permits which will enable construction of nearly 1,000 miles of transmission lines across Federal lands in seven states. Of 21 currently pending major transmission projects in various stages of environmental review, the BLM is the lead Federal agency for 18. The pending projects total approximately 3,811 miles, with approximately 1,311 miles crossing BLM-managed land. The BLM has undertaken efforts to ensure that the bureau is poised to successfully fill its role as a leader among Federal agencies in the build-out of and upgrade to the nation’s electrical grid.

S. 411, Natural Gas Gathering Enhancement Act

S. 411 amends several laws to provide additional authority for the Secretary of the Interior to approve natural gas pipelines and gathering lines on Federal and Indian land. Section 3 of the bill allows the Secretary to approve natural gas pipelines across units of the National Park System. Section 4 of the bill amends the Energy Policy Act of 2005 and adds a new provision (section 319) to categorically exclude from National Environmental Policy Act (NEPA) review certain gas gathering lines and associated field compression units. Under the bill, such lines would be categorically excluded from NEPA review if they are within an area that has a land use plan or environmental document that analyzed transportation of natural gas produced from oil wells as a reasonably foreseeable activity and are located adjacent to or within an existing ROW corridor. The bill’s categorical exclusion (CX) is applicable to BLM-managed lands and other Federal lands, and may be applied to tribal lands if requested by an Indian Tribe.

Section 4 of the bill further amends the Energy Policy Act of 2005 and adds a new provision to require the Secretary to conduct a study to identify any actions that may be taken under Federal law or regulation, or changes to Federal law or regulation, to expedite permitting for gas

gathering lines and associated field compression units that are located on Federal land or Indian land. This section requires the Secretary to prepare a report to Congress annually on the progress made in expediting permits for gas gathering lines and associated field compression units that are located on Federal or Indian land and on any issues impeding that progress.

Finally, Section 5 of S. 411 amends the MLA to require the Secretary to issue a sundry notice or ROW for a gas gathering line and associated field compression unit not later than 90 days after receiving the request from the pipeline proponent if the request meets the criteria in Section 4 of the bill, unless the Secretary finds the ROW would violate the Endangered Species Act (ESA) or the National Historic Preservation Act (NHPA).

Analysis

The Department questions the underlying premise of this legislation, as laid out in the findings in section 2. The findings state that “natural gas is lost due to venting and flaring, primarily in areas where natural gas infrastructure has not been developed quickly enough, such as States with large quantities of Federal land and Indian land.” They further state that “permitting processes can hinder the development of natural gas infrastructure,” and that additional authority for the Secretary to approve natural gas pipelines and gathering lines would “assist in bringing gas to market that would otherwise be vented or flared.”

The Department is committed to reducing the venting and flaring of natural gas from oil and gas operations on public lands and is taking steps to address this issue. However, in the Department’s experience, the majority of applications to flare gas over the past few years have come from wells that are already connected to pipeline infrastructure. For these wells, a need for new ROWs for pipelines is rarely the factor driving flaring. In addition, the problem of excessive venting and flaring of natural gas is not unique to Federal and Indian lands. In areas where excessive flaring is occurring, the Department finds that the problems stem less from an inability to acquire permits for natural gas gathering lines and more from a lack of desire among producers to prioritize maximizing long-term oil and gas production potential from a given field over short-term profits.

To illustrate this point, the Permian basin in New Mexico is an area where almost all of the producing wells are connected to gas-gathering infrastructure, but substantial flaring still occurs. Similarly, in reviewing applications to vent or flare in North Dakota, the BLM found that out of almost 1,300 applications to vent or flare received between September 2012 and August 2014, about 70 percent were from wells that were already connected to a gas pipeline. For these wells, capturing the gas commonly involves installing additional compressors or expanding a downstream gas processing plant, which do not require a new pipeline, much less approval for a new ROW.

The Department also has grave concerns about the approach prescribed by this bill to expedite and, in some cases, mandate, permitting of natural gas pipelines and gathering lines. S. 411 would exclude gas gathering lines from environmental review, and it would require the Department to approve ROWs across public lands for gas gathering lines, except where approval would violate the NHPA or the ESA. The bill would also allow the Department to permit natural gas pipelines through National Parks. These provisions could significantly limit the

Department's ability to gather relevant scientific and technical information, consider the views of the public, and manage the nation's public lands for multiple uses, as Congress has required under FLPMA. These concerns are discussed in more detail below.

The Department strongly opposes categorically excluding pipeline activities from the requirements for environmental review under NEPA. The BLM is required by law to manage public lands for multiple uses, which necessarily requires understanding and evaluating various uses and values. The environmental review process under NEPA is a critical tool for engaging the public and considering and mitigating impacts to adjacent resources and lands. These open, public processes help the BLM consider impacts on the surrounding communities and the environment, as well as identify unknown or unforeseen issues, which is invaluable to sound public land management. The BLM is committed to providing the environmental review and public involvement opportunities required by NEPA for proposals for the use of BLM-managed lands. S. 411 would prohibit the BLM from engaging in this important process.

The Department also does not believe that these provisions are necessary. The activities called for in S. 411 are already within the scope of existing Department authorities and consistent with our priorities and activities already underway. For example, for an area that has a land use plan or environmental document that includes transportation of natural gas as a reasonably foreseeable activity, the BLM already can, and often does, use its existing authorities to authorize the activity following a determination that the existing NEPA analysis is adequate, provided the necessary site-specific analysis has been conducted and found the action would not cause a significant impact to other resources.

By requiring the Secretary to issue a sundry notice or ROW for a gas gathering system within 90 days of submission, except in limited circumstances, S. 411 would also eliminate the Secretary's existing discretion with respect to these approvals, which is a significant and troubling change from current law. The provision would not allow the Secretary to withhold approval, where appropriate, nor does it contain any requirement for the proponent's request to be fully complete prior to submission. Furthermore, categorical exclusions still require consideration of extraordinary circumstances before they can be applied, even if NEPA analysis is not required, and this consideration may be challenging to complete within the 90-day timeframe.

The Department also strongly opposes the provisions that would authorize the Secretary to permit oil and gas pipelines on National Park Service (NPS) lands – reversing the longstanding prohibition on allowing such pipelines in our national parks (except where Congress adopts an explicit authorization). In its 1973 amendments to the MLA, Congress determined that our national parks would not be subject to the general ROW provisions. This specific exemption in the MLA protects the integrity, resources, and values of the National Park System. The significant infrastructure associated with the clearing, grading, trenching, stringing, welding, coating and laying of pipeline as well as the transportation of oil and gas products via pipeline, which carries the risk of oil spills and gas explosions, is inconsistent with the conservation mandate set forth in the NPS Organic Act. S. 411 would overturn longstanding and necessary protection of park system resources and values, visitor experience, and human health and safety.

The Department has concerns that the provisions of Section 4, which apply to Tribal land, may conflict with the agency's legal responsibility for consultation, stewardship and oversight under the Indian Mineral Leasing Act of 1938.

The Department also has concerns about the requirement to conduct a study to identify proposed changes to Federal law or regulations and to report annually on progress in expediting permitting for gas gathering lines and associated field compression units that are located on Federal land or Indian land and impediments to that progress. If enacted, these requirements would divert limited BLM resources from oil and gas permitting, issuance of ROWs, and inspection and enforcement activities, undermining the goals of this legislation.

The Department is also concerned that S. 411's provisions could be interpreted to authorize the Secretary to issue a permit for oil and gas pipelines on lands that are a component of the National Wilderness Preservation System, a concept the Department strongly opposes.

S. 485, Assuring Private Property Rights Over Vast Access to Land Act

S. 485 amends Section 1222 of the Energy Policy Act of 2005 to prohibit the Secretary of Energy from using eminent domain to site an electric transmission facility on private land unless both a state's governor and the head of a public utility district explicitly approve the action, and for projects that would affect the land of an Indian tribe, the head of the governing body of that Tribe. The bill also requires the Secretary of Energy to site electric power facilities, to the maximum extent practicable, on an existing federal ROW or on federal land managed by the BLM, USFS, Bureau of Reclamation, or Army Corps of Engineers.

Analysis

The only provision in S. 485 applicable to the BLM is the bill's direction that electric transmission projects be sited on federal lands to the maximum extent practicable; the Department defers to the Department of Energy on other provisions of the legislation. The Department of Energy notes that it has never acquired land under the Section 1222 program, and use of eminent domain would be a last resort. S. 485 would put unusual conditions on the use of federal eminent domain authority that other agencies do not face. To the extent Section 1222 was intended to overcome state opposition to interstate transmission development in the public interest, S. 485 would undermine that goal by allowing individual states to prevent the use of federal eminent domain authority.

The BLM has concerns that S. 485 may impact the Bureau's ability to effectively site interstate electric transmission facilities. The transmission infrastructure at issue in S. 485 is critical to the new energy economy and the BLM manages public lands for multiple uses, which may include, where appropriate, the siting of electric transmission lines under ROW grants. Additionally, transmission line segments that cross state or private land are permitted under each state's transmission siting authority which is a separate process from the federal permitting process. The BLM believes that, regardless of land status, transmission projects should be sited in existing transmission corridors, co-located with existing transmission infrastructure, or located in areas with the least environmental impact.

S. 1017, Federal Power Act Amendments on Siting Interstate Electric Transmission Lines

S. 1017 amends the Federal Power Act concerning the siting of interstate electric transmission facilities. Under the bill, if a state fails to approve a proposed high-priority regional electric transmission project within one year of its application, the Federal Energy Regulatory Commission (FERC) would be authorized to approve the siting and construction despite the state's failure to act. FERC would grant a certificate to the proponent of a high-priority regional transmission project for the construction and operation of the whole electric transmission facility, including the use of eminent domain on private lands. If the facility crosses federal lands, S. 1017 directs FERC to seek from federal resource agencies recommended mitigation measures based on habitat protection, environmental considerations or cultural site protection, and to incorporate those recommended mitigation measures in the certificate unless FERC finds them to be infeasible or not cost-effective for the proponent. As to Indian lands, S. 1017 requires certificate holders to comply with federal requirements for obtaining a ROW over Indian land.

Analysis

The BLM has concerns that S. 1017 may not preserve the Bureau's authority to site interstate electric transmission facilities on public lands. The BLM authorizes ROW on federal lands for a variety of uses including electric transmission lines under Title V of the Federal Land Policy and Management Act (FLPMA). The BLM understands it is the sponsor's intent that when an interstate electric transmission facility traverses federal lands, it should comply with federal environmental, land, and resource management laws. As currently drafted, the legislation is unclear as to the impact of a FERC certificate for the whole electric transmission facility on the BLM's current authorities to review and grant ROW for electric transmission facilities on public lands. For example, although the legislation requires a certificate holder to comply with federal requirements for obtaining a ROW over Indian land, the bill lacks similar language for a ROW over federal land. The BLM would like to work with the sponsor and the Committee on language to assure that moving forward, any legislative language considered by the Committee would facilitate a timely and effective transmission siting process on both federal and Indian lands.

In addition, the BLM would like to discuss with the sponsor and the Committee the extent to which S.1017 may conflict with the 2009 interagency Memorandum of Understanding (MOU) among the Departments of Agriculture, Commerce, Defense, Energy, and the Interior, and the EPA, Council on Environmental Quality, FERC, and Advisory Council on Historic Preservation on Coordination in Federal Agency Review of Electric Transmission Facilities on Federal Land. This interagency MOU sets out a coordination and review process among these agencies and has been helpful in resolving differences related to siting and approval of these transmission facilities.

S. 1196, Federal Land Access Act

S. 1196 amends the MLA to include the National Park System in the definition of federal lands under the Act. Under the bill, the Secretary would be authorized to approve ROW grants within the National Park System for oil and natural gas gathering, distribution, and transmission pipelines and related facilities.

Analysis

The Department strongly opposes S. 1196 as it would reverse the longstanding prohibition on allowing such pipelines in our nation's national parks unless explicitly authorized by Congress. In its 1973 amendments to the MLA, Congress determined that such lands would not be part of the general ROW provisions. This specific exemption in the MLA protects the integrity, resources, and values of the National Park System. The significant infrastructure associated with the clearing, grading, trenching, stringing, welding, coating and laying of pipeline as well as the transportation of oil and gas products via pipeline, which carries the risk of oil spillage and gas explosions, is inconsistent with the conservation mandate set forth in the NPS Organic Act. S. 1196 would overturn longstanding and necessary protection of park system resources and values, visitor experience, and human health and safety and would undermine the very purpose for which National Park System units were created.

The Department is also concerned that S. 1196's provisions could be interpreted to authorize the Secretary to issue a permit for oil and gas pipelines on lands that are a component of the National Wilderness Preservation System, a concept the Department strongly opposes.

S.1210, Oil & Gas Production & Distribution Reform Act

S.1210 requires the Federal Energy Regulatory Commission (FERC) to coordinate the regulatory activities of federal, state, and local governmental agencies in their review of an application for an oil and gas pipeline. The bill requires FERC to identify all governmental entities with responsibility for reviewing any aspect of an oil and gas pipeline application and to track and post the status of the various governmental reviews on the pipeline application. S. 1210 establishes deadlines for federal agencies to issue permits associated with the pipeline application – 90 days after FERC issues its final environmental document – and requires each agency considering an aspect of federal authorization to carry out its reviews concurrently, as well as in conjunction with reviews under NEPA. The bill requires federal agencies to defer to FERC's determination of the appropriate scope of environmental analysis.

Analysis

The Department of the Interior opposes S. 1210 and its insertion of FERC into the current process under the MLA for granting oil and gas pipeline ROWs across federal lands. This existing MLA process effectively facilitates responsible oil and gas development and distribution while protecting natural resources on federal lands, and provides for coordination with state and local governments and basic public review and input. The Department notes that an additional layer of interagency coordination has the potential to in fact complicate reviews and delay authorizations. The Department objects to the bill's provision which requires federal agencies to defer to FERC's determination of the appropriate scope of environmental analysis. Such deference would deny BLM and other land management agencies – whose missions are distinct from FERC's – the opportunity to do the NEPA analysis required and to conduct the degree of public outreach that it deems necessary. This may have the unintended consequence of forcing agencies to deny applications that would otherwise be acceptable under full environmental review.

S. 1217, Electric Transmission Infrastructure Permitting Improvement Act

S. 1217 establishes the Inter-agency Rapid Response Team for Transmission (RRTT) to expedite the permitting process for electric transmission infrastructure, as well as maintenance and

upgrades, on both Federal and non-Federal land. The team would be comprised of representatives of FERC; the Departments of Energy, the Interior, Defense, Agriculture, and Commerce; the Council on Environmental Quality; the Advisory Council on Historic Preservation; and the Environmental Protection Agency. Among other responsibilities, the team would facilitate coordination and unified environmental analysis between project applicants, Federal agencies, States, and Indian tribes involved in the transmission siting and permitting process. The team would also submit an annual report on regionally and nationally significant electric transmission projects to the Congress. The bill further requires FERC to establish a Transmission Ombudsperson position and amends the FLPMA to limit the authority of the Secretary of the Interior regarding electric transmission ROWs reserved for the use of Federal agencies and departments.

Analysis

The Department supports the goal of coordinating the permitting of electric transmission projects among Federal agencies and other stakeholders, and currently engages in coordination similar to that envisioned by S. 1217 through an existing RRTT and interagency efforts under section 216(h) of the Federal Power Act. It is unclear how S. 1217 affects the existing framework under section 216(h). We are concerned also by the lack of any definitions specifying the types or categories of projects the Inter-agency Rapid Response Team for Transmission would coordinate. The Department would like to work with the Committee to ensure that the team's efforts are focused on large-scale projects involving new or upgraded electric transmission infrastructure, as opposed to smaller projects such as maintenance. Since maintenance actions may not require specific approvals and are often localized in nature, we believe local oversight would be preferable to that of a large interagency team. In addition, the Department opposes the amendment of FLPMA as proposed in S. 1217. This provision would curtail the Secretary's management discretion with respect to certain existing ROWs, including some issued prior to enactment of FLPMA and NEPA. The Department and representatives of the federal Power Marketing Administrations (PMAs) under the Department of Energy would like to work with the Committee to ensure the bill allows the PMAs to maintain critical infrastructure while allowing the Department to address changing environmental issues.

S. 1225, Federal Land Asset Inventory Reform Act

S. 1225 requires the Secretary of the Interior to develop and maintain a multipurpose cadastre of all Federal real property, defined as real estate "consisting of land, buildings, crops, forests, and other resources." The cadastre would be made publicly available on the Internet in a graphical, geospatially enabled, and searchable format. It would also identify all land and parcels identified as potentially suitable for disposal in Resource Management Plans (RMPs). The bill defines cadastre as an inventory of the real property of the Federal government including information about the "natural or man-made physical features, phenomena, or boundaries." The bill further requires the Secretary to determine which properties "can be better managed through ownership by a non-Federal entity," and to prevent the disclosure of any parcels, buildings, or facilities if the disclosure would impair or jeopardize national security or homeland defense.

According to the Congressional Research Service, the Federal government manages 635 to 640 million acres of the nearly 2.3 billion acres that constitute the United States. The largest land managers for the Federal government are the Departments of the Interior, Agriculture, Defense,

and Energy. Within the Department of the Interior, the Bureau of Land Management administers approximately 245 million acres; the National Park Service manages approximately 80 million acres; the Fish and Wildlife Service manages approximately 150 million acres as part of the Refuge System; and the Bureau of Reclamation manages approximately 6.5 million acres associated with Bureau of Reclamation projects. Within the Department of Agriculture, the USFS manages approximately 193 million acres. Approximately 27.9 million acres in the United States are managed by the Department of Defense. In addition to these lands, the same agencies and many others manage hundreds of thousands of buildings and structures.

Analysis

The Department has serious concerns with S. 1225, which would provide little new critical information about the lands the Federal government manages and would be prohibitively expensive to implement. The cost of this type of a detailed inventory of Federal real property called for in S. 1225 would be exorbitant. A very rough estimate suggests that the cost could run in the many billions of dollars. Some of the requirements in S. 1225 are duplicative of other work and reports done by Federal agencies. One example is a comprehensive review of the Federal government's oil and gas resources which was required by the Energy Policy Conservation Act of 2000 (EPCA), Public Law 106-469. The final phase of the multi-agency EPCA report was completed in 2008. S. 1225 also requires that as part of the cadastre, a review be done to determine which lands could be better managed by a non-Federal entity. For the BLM, for instance, this would be a costly process that would duplicate work already being done by individual BLM field offices.

Many of the decisions about how best to manage the public lands entrusted to the BLM's management are made through 157 individual RMPs which are developed with full public participation at the local level. These RMPs provide the foundation for every on-the-ground action taken or authorized by the BLM, and include an inventory and assessment of a broad range of resource values and public land uses in a particular area. Among the many decisions made through the RMP process is the identification of lands that are potentially available for disposal. Extensive public involvement in this process is critical. S. 1225 appears to substitute the judgment of officials in Washington, D.C. for decisions made on the ground by local field managers, through an open and inclusive public process. The Department has serious concerns with S. 1225 because of the likely costly and duplicative process of identifying lands for disposal established by this bill.

The Department of the Interior is aware of and appreciates the concerns expressed by some Members of Congress about the accuracy of data on lands owned by the Federal government and specifically in the Department of the Interior. It is worth noting that the Federal government is making important strides in improving the accuracy, efficiency and level of data available on the Federal real property portfolio. The Federal Real Property Council (FRPC) works across agencies to determine opportunities to spread real property best practices, achieve short and long-term cost savings, and realign real property inventories to agency mission and service delivery.

Beginning, in 2010, the BLM initiated a mineral and land records verification and validation program which focused on delivering accurate land inventory data, while improving

transparency and accountability. This enhancement program continues with available funding and the leveraging of other sources of land information which allows for more efficient and effective management of mineral and land records. The public can continue to access updated land management data sets through the BLM's current and future websites.

The cost of the comprehensive inventory of Federal lands envisioned by S. 1225 would be prohibitive. The Department of the Interior believes that the redirection of funds away from accomplishing important projects and the jobs they create in areas of energy development, resource protection, recreation, and conservation is not the best use of taxpayer dollars.