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House Committee on Natural Resources Subcommittee on National Parks, Forests, and Public Lands

H.R. 6240, Regarding the Reversionary Interest in University of Utah Research Park June 23, 2022

Thank you for inviting the Department of the Interior (Department) to testify on H.R. 6240, Regarding the Reversionary Interest in the University of Utah Research Park. The bill provides for the conveyance of the Federal government's reversionary interest in a 593-acre parcel of land known as Research Park located in Salt Lake City, Utah.

Background

The BLM regularly transfers public land to local governments and nonprofits for a variety of public purposes. These transfers are typically accomplished under the provisions of the Recreation and Public Purposes (R&PP) Act or through direction supplied through specific Acts of Congress. The R&PP Act is a statute frequently used by the BLM to help States, local communities, and nonprofit organizations obtain lands – at no or low cost – for important public purposes such as parks, schools, hospitals and other health facilities, fire and law enforcement facilities, courthouses, social services facilities, and public works.

Since these public purpose lands are conveyed at far below market value, R&PP Act conveyances and many similar legislated conveyances include a reversionary clause requiring that lands be used for public purposes or revert to the Federal government. Over the years, the BLM has consistently required the payment of fair market value for the reversionary interest, in accordance with FLPMA requirements for disposal of lands or interests in land.

In the 1930s, the U.S. Department of the Army decommissioned Fort Douglas near Salt Lake City, Utah, and transferred ownership of this property to the Department of the Interior (Department). On October 18, 1968, the BLM issued to the University a R&PP patent, numbered 43-99-0012, "for purposes of academic expansion of the University of Utah, in Salt Lake City Utah, for an arboretum, and for highway and utility rights-of-way to serve those purposes." Today, the lands identified in H.R. 6240 – commonly referred to as "Research Park" – contain a complex of technology, education, and medical buildings, among other uses. Over the years, the University has approached the BLM to request additional uses on the property, which in some cases were for uses not allowed under the R&PP Act.

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H.R. 6240, Regarding the Reversionary Interest in the University of Utah Research Park, would release, without consideration, the Federal government's reversionary interest in a 593-acre parcel conveyed by patent to the University of Utah (University) under the Recreation and Public Purposes (R&PP) Act.

FLPMA, which is the authority under which BLM generally disposes of public land or interests without limit, requires receipt of fair market value for public lands or interests transferred out of public ownership. This serves to ensure that taxpayers are fairly compensated for the conveyance of public lands or interests out of Federal ownership. The BLM supports the bill's goal of conveying the reversionary interest in this parcel to the University. As with previous such proposals, we recommend amending H.R. 6240 to ensure the payment of fair market value for the reversionary interest. However, the Department recognizes that there may be circumstances, as determined by Congress, in which the public benefits of a proposed transfer outweigh financial considerations.

Conclusion

Thank you for the opportunity to present this testimony.