



Policy Resolution 2026-01

Federal-State Land Exchanges and Conveyances

A. **BACKGROUND**

The federal government owns and manages a significant portion of land in the western states, including protected land designations that restrict certain forms of development and use. The prevalence of tribal, military, and federal lands, and a historic pattern of land grants and sales to railroads and other entities, have contributed to a “checkerboard” ownership pattern of federal, state, county, tribal, and private lands which complicates land management, increases costs, and hinders economic and ecological decision making. This has also contributed to situations where state and private land enclaves exist within federal holdings, limiting state and private control over land granted at statehood or settled pursuant to federal policy. This fragmented ownership also triggers federal regulatory processes, even when projects are primarily on state or private lands, which can affect development and reduce trust revenues and local tax collections.

Three primary solutions exist to address the checkerboard issue: land exchanges under the Federal Land Policy and Management Act (FLPMA), federal purchases through the Federal Land Transaction Facilitation Act (FLTFA), and individual congressional acts. However, all are slow, costly, and burdened by complex regulations, including FLPMA’s appraisal requirements and National Environmental Policy Act (NEPA) reviews. While FLTFA allows federal agencies to use proceeds from surplus land sales to acquire inholdings within national parks, forests, and conservation areas, regulatory barriers continue to limit efficient land management and consolidation.

B. **GOVERNORS’ POLICY STATEMENT**

1. Western Governors call on Congress to simplify and expedite federal-state land exchange, sale, and conveyance processes available to states to improve management of both federal and state lands, where there is checkerboarded ownership, where state lands and/or minerals are within the boundaries of a federal management area, or where the federal government owes state land conveyances pursuant to a statehood act. Western Governors also request that the federal government honor existing commitments to transfer land to state, tribal, or local governments in a reasonable amount of time.
2. Western Governors encourage Congress and federal land management agencies to pursue improvements to federal land disposition processes to provide clarity on lands available for or to be considered for disposal processes, and complete land conveyances of disposal properties in a more efficient and timely manner.
3. Western Governors encourage Congress to introduce and pass state and tribal supported land bills and other legislation, developed in consultation and coordination with relevant states and tribes, that incorporates:

- a. Proposed federal-state land selection improvements that address land tenure problems based on “in lieu” selections;
 - b. Updating, and continuing to index with inflation, the existing \$150,000 threshold for using an expedited exchange process, which has not been amended since it was adopted in 1986; and
 - c. Allowing the use of a statement of value to replace the appraisal process in federal-state exchanges of similar rural lands when land is valued at less than \$500,000 and less than \$500 per acre.
4. Western Governors encourage Congress and federal agencies to improve the certification process for land appraisers to lower obstacles and to improve processes for reconsideration of value when a state contends an appraisal does not accurately reflect fair market value.
 5. Western Governors encourage federal land management agencies to work with states to identify federal lands suitable for responsible disposal under the Recreation and Public Purposes Act, FLPMA, FLTFA, and other relevant federal authorities. Congress and the federal land agencies, in coordination with states, should place particular emphasis on evaluating lands for disposal that are difficult or inefficient to manage due to complex ownership patterns, such as being enclosed by state, private, or municipal land.
 6. Western Governors call on the Administration to avoid land transfers and sales in instances in which the state contends it may result in diminished use, ecological function, or financial capacity of adjacent state or deeded lands.
 7. Western Governors encourage the federal agencies to improve coordination with states regarding common management of adjacent lands on parcel and landscape scales; allocate additional resources to improve forest, watershed, and habitat health through Good Neighbor Authority and other authorities; and expedite completion of mutually beneficial land exchanges.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2028. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <http://www.westgov.org/resolutions> for the most current copy of a resolution and a list of all current WGA policy resolutions.