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Review accuses BLM of land-swap politics

By **Lee Davidson**

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WASHINGTON — U.S. Bureau of Land Management superiors improperly — and maybe illegally — injected politics into appraisals for Utah land exchanges, according to an outside professional review ordered by the BLM itself.

In response, the BLM said today that it has ordered a 90-day moratorium to review all land trades now in process nationwide. Meanwhile, two top BLM land officials also have been reassigned to other duties.

But the BLM says its review won't affect current Bush administration support for the most criticized proposal of all: trading 108,284 acres of Utah school trust lands in the San Rafael Swell for 133,283 acres of federal land rich in coal and oil shale.

BLM appraisers say that trade, proposed over their objections, would give Utah an unfair windfall of up to \$116 million. The House approved it anyway last week when Resources Committee Chairman Jim Hansen, R-Utah, called it up early and quickly passed it by voice vote before opponents could make it to the House floor to object.

It still must pass the Senate.

Jim Hughes, BLM deputy director for policy and external affairs, said the administration does not plan to alter its support during Senate consideration for that trade worked out between BLM and Gov. Mike Leavitt.

"From our standpoint, Congress has looked at the issues surrounding that exchange, and can judge the merits for itself," Hughes told the Deseret News.

However, The Appraisal Foundation, a group created by Congress to help set and study national land appraisal standards, with which the BLM contracted to study its procedures, did call for a halt of the San Rafael trade.

In a draft report of its findings, leaked to the press by two environmental groups, it recommended a "moratorium on BLM land exchanges be implemented immediately and prior to the completion of the proposed San Rafael exchange."

It also called for the Department of Justice to probe "misconduct by BLM staff" involving the San Rafael trade and another trade involving a tortoise preserve near St. George. It said they "raise serious questions regarding compliance with law."

It was unclear whether those recommendations in the draft report would remain in the final report, which was due to be sent to the BLM today. Hughes said the BLM provided responses to criticisms in the draft that might change its conclusions, but said the BLM had not yet seen

the final version. The Appraisal Foundation said because it is under contract to the BLM, it could not comment on final findings until they are released first to the BLM.

The draft had been leaked to the press by the Western Land Exchange Project and the Public Employees for Environmental Responsibility (PEER), which represented BLM appraisers in Utah who criticized the deals and sought whistle-blower protection.

"This report completely vindicates the BLM appraisers who risked their careers to bring these issues forward," said PEER general counsel Dan Meyer and lawyer for BLM whistle-blower Kent Wilkinson. His complaints led the U.S. Office of Special Counsel last week to order the Interior Department also to probe BLM practices. "This is a thoroughly devastating indictment of Interior's land appraisal process" and it has "laid out the blueprint for reform," said Janine Blaeloch, executive director of the Western Land Exchange Project.

The draft said BLM permitted "abuse of the appraisal function" by not always following appraisal standards and requirements of law to determine fair market value. It said it found that superiors would often manipulate values to help push trades for political reasons, and criticized appraisers who did not help.

A response to the draft sent by Hughes to The Appraisal Foundation said that it "confuses BLM's limited administrative authority with the broad legislative authority of Congress." He said regular administrative exchanges indeed must follow appraisal standards and laws such as Federal Land Policy Management Act. However, Congress can itself choose to bypass such laws for reasons it deems to be in the public interest — and to have such deals negotiated without reliance on traditional appraisal standards.

Rep. Chris Cannon, R-Utah, sponsor of the San Rafael bill, has said traditional appraisals were not used for it because, for example, they don't give any value for such major purposes as preventing mining or other development in pristine federal areas.

Hughes said, "The public interest is protected through those exchanges by congressional review, seeking public information, etc."

Hughes said the BLM makes 250 to 300 land exchanges a year, and it ordered the 90-day review on those now in process "because we want to ensure we protect the public's interest. We want to establish — or re-establish in some people's mind — trust in the system." The two environmental groups that leaked the report also noted in a press release that in what could be a related development, two top BLM land officials have been reassigned in recent days: chief appraiser David Cavanaugh and Realty Land & Realty Manager Ray Brady.

Hughes said both are still employed elsewhere at BLM but would not comment on whether reassignments were related to the study and other recent criticism. "We don't comment on personnel matters," he said.

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