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## Arizona State Land Department

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### Official Written Testimony – Arizona State Land Department, Lisa A. Atkins, Commissioner

#### Grand Canyon Watershed Field Hearing

April 11, 2016, Kingman, Arizona

The Arizona State Land Department (ASLD) appreciates the opportunity to provide comments on the proposed Grand Canyon Watershed National Monument (GCWNM) for today's public listening session hosted by Congressman Paul Gosar (CD-5).

Arizona, like many other western states, was founded by an Enabling Act of Congress that conveyed sections of land to the state in preparation for statehood, and for the sole purpose of supporting public institutions. Arizona holds these lands (known as State Trust land) in trust for these beneficiaries. Arizona's Constitution further mandates the manner in which the beneficiaries are compensated, in perpetuity, for the use of their Trust assets.

Of the 1.7 million acres included in proposals for the GCWNM, 64,000 acres belong solely to the Common Schools beneficiary: K-12 education. The acreage, as in many other federal land designations throughout the State, is not a contiguous tract of land, but rather is checker-boarded within the proposed boundaries. Inclusion of the checker-boarded State Trust land within the GCWNM essentially traps the State Trust land, significantly limiting economic opportunity and, in some cases, eliminating their value to the Trust altogether. Ultimately, if the GCWNM is created, these trapped State Trust lands would be adversely relinquished to federal management objectives without consultation or coordination with the State on behalf of the Trust beneficiaries, as currently exists within other federal land use designations.

Three-hundred thousand surface and subsurface acres of State Trust land are currently managed within five other National Monument designations in Arizona. This does not account for Trust land contained within the boundaries of other restrictive land designations such as Wilderness Areas, National Parks, Wildlife Refuges, National Conservation Areas, and others. These designations impose potential limitations to not only the types of activities and businesses that can be conducted on these trapped State Trust lands, but also increases federal regulatory burdens that impose greater costs to lessees. Potential land devaluation can also result from the increased costs to prospective buyers and lessees as a result of the regulatory burdens imposed by federal regulations.

Several thousand acres of State Trust and private lands are trapped, land-locked within various federal land designations throughout Arizona. The impact to those trapped lands include being encumbered by restrictive federal land management rules and regulations that preclude the lands from reaching its best and highest use, that impose increased costs to project proponents and that decrease access to the public for recreational use.

As asset manager and fiduciary to the Trust, ASLD has an obligation to ensure that those 64,000 acres within the proposed GCWNM have the potential to generate the maximum amount of revenue for the Trust, and not solely for today, but as a multi-generational perpetual trust. The proposed land designation creates greater challenges for the State to meet its constitutional obligation to maximize potential revenue from the surface and subsurface estates.

The Antiquities Act of 1906 (Act) grants the President the authority to designate or set aside lands without public comment, without state consultation, and without economic impact analyses. It is an antiquated law that promotes an unbalanced and exclusionary process of government. Consultation with affected local, state and private entities is rightfully expected by the public that we, as government, serve. Moreover, an affected entity such as the Trust that has an expectation for performance of a trust asset that was given to the beneficiaries by the Federal government should be compensated for encumbrances which reduce the potential of the asset that these actions impose.

Representative Gosar, thank you for the opportunity to provide a statement on behalf of the Arizona State Land Department.