

105<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 3381**

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**AN ACT**

To direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co. and other entities.

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## AN ACT

To direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co. and other entities.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Gallatin Land Consoli-  
3 dation Act of 1998”.

4 **SEC. 2. FINDINGS.**

5 Congress finds that—

6 (1) the land north of Yellowstone National Park  
7 possesses outstanding natural characteristics and  
8 wildlife habitats that make the land a valuable addi-  
9 tion to the National Forest System;

10 (2) it is in the interest of the United States to  
11 establish a logical and effective ownership pattern  
12 for the Gallatin National Forest, reducing long-term  
13 costs for taxpayers and increasing and improving  
14 public access to the forest;

15 (3) it is in the interest of the United States for  
16 the Secretary of Agriculture to enter into an Option  
17 Agreement for the acquisition of land owned by Big  
18 Sky Lumber Co. to accomplish the purposes of this  
19 Act; and

20 (4) other private property owners are willing to  
21 enter into exchanges that further improve the owner-  
22 ship pattern of the Gallatin National Forest.

23 **SEC. 3. DEFINITIONS.**

24 In this Act:

25 (1) **BLM LAND.**—The term “BLM land”  
26 means approximately 2,000 acres of Bureau of Land

1 Management land (including all appurtenances to  
2 the land) that is proposed to be acquired by BSL,  
3 as depicted in Exhibit B to the Option Agreement.

4 (2) BSL.—The term “BSL” means Big Sky  
5 Lumber Co., an Oregon joint venture, and its suc-  
6 cessors and assigns, and any other entities having a  
7 property interest in the BSL land.

8 (3) BSL LAND.—The term “BSL land” means  
9 approximately 54,000 acres of land (including all ap-  
10 purtenances to the land except as provided in section  
11 4(e)(1)(D)(i)) owned by BSL that is proposed to be  
12 acquired by the Secretary of Agriculture, as depicted  
13 in Exhibit A to the Option Agreement.

14 (4) EASTSIDE NATIONAL FORESTS.—The term  
15 “Eastside National Forests” means national forests  
16 east of the Continental Divide in the State of Mon-  
17 tana, including the Beaverhead National Forest,  
18 Deerlodge National Forest, Helena National Forest,  
19 Custer National Forest, and Lewis and Clark Na-  
20 tional Forest.

21 (5) NATIONAL FOREST SYSTEM LAND.—The  
22 term “National Forest System land” means approxi-  
23 mately 29,000 acres of land (including all appur-  
24 tenances to the land) owned by the United States in  
25 the Gallatin National Forest, Flathead National

1 Forest, Deerlodge National Forest, Helena National  
2 Forest, Lolo National Forest, and Lewis and Clark  
3 National Forest that is proposed to be acquired by  
4 BSL, as depicted in Exhibit B to the Option Agree-  
5 ment.

6 (6) OPTION AGREEMENT.—The term “Option  
7 Agreement” means—

8 (A) the document signed by BSL, dated  
9 July 29, 1998, and entitled “Option Agreement  
10 for the Acquisition of Big Sky Lumber Co.  
11 Lands Pursuant to the Gallatin Range Consoli-  
12 dation and Protection Act of 1993”;

13 (B) the exhibits and maps attached to the  
14 document described in subparagraph (A); and

15 (C) an exchange agreement to be entered  
16 into between the Secretary and BSL and made  
17 part of the document described in subparagraph  
18 (A).

19 (7) SECRETARY.—The “Secretary” means the  
20 Secretary of Agriculture.

21 **SEC. 4. GALLATIN LAND CONSOLIDATION COMPLETION.**

22 (a) IN GENERAL.—Notwithstanding any other provi-  
23 sion of law, and subject to the terms and conditions of  
24 the Option Agreement—

1           (1) if BSL offers title acceptable to the Sec-  
2           retary to the BSL land—

3                   (A) the Secretary shall accept a warranty  
4                   deed to the BSL land and a quit claim deed to  
5                   agreed to mineral interests in the BSL land;

6                   (B) the Secretary shall convey to BSL,  
7                   subject to valid existing rights and to other  
8                   terms, conditions, reservations, and exceptions  
9                   as may be agreed to by the Secretary and BSL,  
10                  fee title to the National Forest System land;  
11                  and

12                  (C) the Secretary of the Interior shall con-  
13                  vey to BSL, by patent or otherwise, subject to  
14                  valid existing rights and other terms, condi-  
15                  tions, reservations, and exceptions as may be  
16                  agreed to by the Secretary of the Interior and  
17                  BSL, fee title to the BLM land;

18           (2) if BSL places title in escrow acceptable to  
19           the Secretary to 11½ sections of the BSL land in  
20           the Taylor Fork area as set forth in the Option  
21           Agreement—

22                   (A) the Secretary shall place Federal land  
23                   in the Bangtail and Doe Creek areas of the  
24                   Gallatin National Forest, as identified in the  
25                   Option Agreement, in escrow pending convey-

1           ance to the Secretary of the Taylor Fork land,  
2           as identified in the Option Agreement in es-  
3           crow;

4           (B) the Secretary, subject to the availabil-  
5           ity of funds, shall purchase 7½ sections of BSL  
6           land in the Taylor Fork area held in escrow and  
7           identified in the Option Agreement at a pur-  
8           chase price of \$4,150,000; and

9           (C) the Secretary shall acquire the 4 Tay-  
10          lor Fork sections identified in the Option  
11          Agreement remaining in escrow, and any of the  
12          6 sections referred to in subparagraph (B) for  
13          which funds are not available, by providing  
14          BSL with timber sale receipts from timber sales  
15          on the Gallatin National Forest and other  
16          eastside national forests in the State of Mon-  
17          tana in accordance with subsection (c); and

18          (3)(A) as funds or timber sale receipts are re-  
19          ceived by BSL—

20                  (i) the deeds to an equivalent value of  
21                  BSL Taylor Fork land held in escrow shall  
22                  be released and conveyed to the Secretary;  
23                  and

24                  (ii) the escrow of deeds to an equiva-  
25                  lent value of Federal land shall be released

1 to the Secretary in accordance with the  
2 terms of the Option Agreement; or

3 (B) if funds or timber sale receipts are not  
4 provided to BSL as provided in the Option  
5 Agreement, BSL shall be entitled to receive  
6 patents and deeds to an equivalent value of the  
7 Federal land held in escrow.

8 (b) VALUATION.—

9 (1) IN GENERAL.—The property and other as-  
10 sets exchanged or conveyed by BSL and the United  
11 States under subsection (a) shall be approximately  
12 equal in value, as determined by the Secretary.

13 (2) DIFFERENCE IN VALUE.—To the extent  
14 that the property and other assets exchanged or con-  
15 veyed by BSL or the United States under subsection  
16 (a) are not approximately equal in value, as deter-  
17 mined by the Secretary, the values shall be equalized  
18 in accordance with methods identified in the Option  
19 Agreement.

20 (c) TIMBER SALE PROGRAM.—

21 (1) IN GENERAL.—The Secretary shall imple-  
22 ment a timber sale program, according to the terms  
23 and conditions identified in the Option Agreement  
24 and subject to compliance with applicable environ-  
25 mental laws (including regulations), judicial deci-

1 sions, memoranda of understanding, small business  
2 set-aside rules, and acts beyond the control of the  
3 Secretary, to generate sufficient timber receipts to  
4 purchase the portions of the BSL land in Taylor  
5 Fork identified in the Option Agreement.

6 (2) IMPLEMENTATION.—In implementing the  
7 timber sale program—

8 (A) the Secretary shall provide BSL with  
9 a proposed annual schedule of timber sales;

10 (B) as set forth in the Option Agreement,  
11 receipts generated from the timber sale pro-  
12 gram shall be deposited by the Secretary in a  
13 special account established by the Secretary and  
14 paid by the Secretary to BSL;

15 (C) receipts from the Gallatin National  
16 Forest shall not be subject to the Act of May  
17 23, 1908 (16 U.S.C. 500); and

18 (D) the Secretary shall fund the timber  
19 sale program at levels determined by the Sec-  
20 retary to be commensurate with the preparation  
21 and administration of the identified timber sale  
22 program.

23 (d) RIGHTS-OF-WAY.—As specified in the Option  
24 Agreement—

1           (1) the Secretary, under the authority of the  
2 Federal Land Policy and Management Act of 1976  
3 (43 U.S.C. 1701 et seq.), shall convey to BSL such  
4 easements in or other rights-of-way over National  
5 Forest System land for access to the land acquired  
6 by BSL under this Act for all lawful purposes; and

7           (2) BSL shall convey to the United States such  
8 easements in or other rights-of-way over land owned  
9 by BSL for all lawful purposes, as may be agreed  
10 to by the Secretary and BSL.

11 (e) QUALITY OF TITLE.—

12           (1) DETERMINATION.—The Secretary shall re-  
13 view the title for the BSL land described in sub-  
14 section (a) and, within 45 days after receipt of all  
15 applicable title documents from BSL, determine  
16 whether—

17           (A) the applicable title standards for Fed-  
18 eral land acquisition have been satisfied and the  
19 quality of the title is otherwise acceptable to the  
20 Secretary of Agriculture;

21           (B) all draft conveyances and closing docu-  
22 ments have been received and approved;

23           (C) a current title commitment verifying  
24 compliance with applicable title standards has  
25 been issued to the Secretary; and

1 (D) the title includes both the surface and  
2 subsurface estates without reservation or excep-  
3 tion (except as specifically provided in this Act),  
4 including—

5 (i) minerals, mineral rights, and min-  
6 eral interests (including severed oil and gas  
7 surface rights), subject to and excepting  
8 other outstanding or reserved oil and gas  
9 rights;

10 (ii) timber, timber rights, and timber  
11 interests (except those reserved subject to  
12 section 251.14 of title 36, Code of Federal  
13 Regulations, by BSL and agreed to by the  
14 Secretary);

15 (iii) water, water rights, ditch, and  
16 ditch rights;

17 (iv) geothermal rights; and

18 (v) any other interest in the property.

19 (2) CONVEYANCE OF TITLE.—

20 (A) IN GENERAL.—If the quality of title  
21 does not meet Federal standards or is otherwise  
22 determined to be unacceptable to the Secretary  
23 of Agriculture, the Secretary shall advise BSL  
24 regarding corrective actions necessary to make

1 an affirmative determination under paragraph  
2 (1).

3 (B) TITLE TO SUBSURFACE ESTATE.—

4 Title to the subsurface estate shall be conveyed  
5 by BSL to the Secretary in the same form and  
6 content as that estate is received by BSL from  
7 Burlington Resources Oil & Gas Company Inc.  
8 and Glacier Park Company.

9 (f) TIMING OF IMPLEMENTATION.—

10 (1) LAND-FOR-LAND EXCHANGE.—The Sec-  
11 retary shall accept the conveyance of land described  
12 in subsection (a) not later than 45 days after the  
13 Secretary has made an affirmative determination of  
14 quality of title.

15 (2) LAND-FOR-TIMBER SALE RECEIPT EX-  
16 CHANGE.—As provided in subsection (c) and the Op-  
17 tion Agreement, the Secretary shall make timber re-  
18 ceipts described in subsection (a)(3) available not  
19 later than December 31 of the fifth full calendar  
20 year that begins after the date of enactment of this  
21 Act.

22 (3) PURCHASE.—The Secretary shall complete  
23 the purchase of BSL land under subsection  
24 (a)(2)(B) not later than 30 days after the date on  
25 which funds are made available for such purchase

1 and an affirmative determination of quality of title  
2 is made with respect to the BSL land.

3 **SEC. 5. OTHER FACILITATED EXCHANGES.**

4 (a) AUTHORIZED EXCHANGES.—

5 (1) IN GENERAL.—The Secretary shall enter  
6 into the following land exchanges if the landowners  
7 are willing:

8 (A) Wapiti land exchange, as outlined in  
9 the documents entitled “Non-Federal Lands in  
10 Facilitated Exchanges” and “Federal Lands in  
11 Facilitated Exchanges” and dated July 1998.

12 (B) Eightmile/West Pine land exchange as  
13 outlined in the documents entitled “Non-Fed-  
14 eral Lands in Facilitated Exchanges” and  
15 “Federal Lands in Facilitated Exchanges” and  
16 dated July 1998.

17 (2) EQUAL VALUE.—Before entering into an  
18 exchange under paragraph (1), the Secretary shall  
19 determine that the parcels of land to be exchanged  
20 are of approximately equal value, based on an ap-  
21 praisal.

22 (b) SECTION 1 OF THE TAYLOR FORK LAND.—

23 (1) IN GENERAL.—The Secretary is encouraged  
24 to pursue a land exchange with the owner of section

1 1 of the Taylor Fork land after completing a full  
2 public process and an appraisal.

3 (2) REPORT.—The Secretary shall report to  
4 Congress on the implementation of paragraph (1)  
5 not later than 180 days after the date of enactment  
6 of this Act.

7 **SEC. 6. GENERAL PROVISIONS.**

8 (a) MINOR CORRECTIONS.—

9 (1) IN GENERAL.—The Option Agreement shall  
10 be subject to such minor corrections and supple-  
11 mental provisions as may be agreed to by the Sec-  
12 retary and BSL.

13 (2) NOTIFICATION.—The Secretary shall notify  
14 the Committee on Energy and Natural Resources of  
15 the Senate, the Committee on Resources of the  
16 House of Representatives, and each member of the  
17 Montana congressional delegation of any changes  
18 made under this subsection.

19 (3) BOUNDARY ADJUSTMENT.—

20 (A) IN GENERAL.—The boundary of the  
21 Gallatin National Forest is adjusted in the  
22 Wineglass and North Bridger area, as described  
23 on maps dated July 1998, upon completion of  
24 the conveyances.

1 (B) NO LIMITATION.—Nothing in this sub-  
2 section limits the authority of the Secretary to  
3 adjust the boundary pursuant to section 11 of  
4 the Act of March 1, 1911 (commonly known as  
5 the “Weeks Act”) (16 U.S.C. 521).

6 (C) ALLOCATION OF LAND AND WATER  
7 CONSERVATION FUND MONEYS.—For the pur-  
8 poses of section 7 of the Land and Water Con-  
9 servation Fund Act of 1965 (16 U.S.C. 460l-  
10 9), boundaries of the Gallatin National Forest  
11 shall be considered to be the boundaries of the  
12 National Forest as of January 1, 1965.

13 (b) PUBLIC AVAILABILITY.—The Option Agree-  
14 ment—

15 (1) shall be on file and available for public in-  
16 spection in the office of the Supervisor of the Gal-  
17 latin National Forest; and

18 (2) shall be filed with the county clerk of each  
19 of Gallatin County, Park County, Madison County,  
20 Granite County, Broadwater County, Meagher Coun-  
21 ty, Flathead County, and Missoula County, Mon-  
22 tana.

23 (c) COMPLIANCE WITH OPTION AGREEMENT.—The  
24 Secretary, the Secretary of the Interior, and BSL shall  
25 comply with the terms and conditions of the Option Agree-

1 ment except to the extent that any provision of the Option  
2 Agreement conflicts with this Act.

3 (d) STATUS OF LAND.—All land conveyed to the  
4 United States under this Act shall be added to and admin-  
5 istered as part of the Gallatin National Forest and  
6 Deerlodge National Forest, as appropriate, in accordance  
7 with the Act of March 1, 1911 (5 U.S.C. 515 et seq.),  
8 and other laws (including regulations) pertaining to the  
9 National Forest System.

10 (e) MANAGEMENT.—

11 (1) PUBLIC PROCESS.—Not later than 30 days  
12 after the date of completion of the land-for-land ex-  
13 change under section 4(f)(1), the Secretary shall ini-  
14 tiate a public process to amend the Gallatin Na-  
15 tional Forest Plan and the Deerlodge National For-  
16 est Plan to integrate the acquired land into the  
17 plans.

18 (2) PROCESS TIME.—The amendment process  
19 under paragraph (1) shall be completed as soon as  
20 practicable, and in no event later than 540 days  
21 after the date on which the amendment process is  
22 initiated.

23 (3) LIMITATION.—An amended management  
24 plan shall not permit surface occupancy on the ac-  
25 quired land for access to reserved or outstanding oil

1 and gas rights or for exploration or development of  
2 oil and gas.

3 (4) INTERIM MANAGEMENT.—Pending comple-  
4 tion of the forest plan amendment process under  
5 paragraph (1), the Secretary shall—

6 (A) manage the acquired land under the  
7 standards and guidelines in the applicable land  
8 and resource management plans for adjacent  
9 land managed by the Forest Service; and

10 (B) maintain all existing public access to  
11 the acquired land.

12 (f) RESTORATION.—

13 (1) IN GENERAL.—The Secretary shall imple-  
14 ment a restoration program including reforestation  
15 and watershed enhancements to bring the acquired  
16 land and surrounding national forest land into com-  
17 pliance with Forest Service standards and guide-  
18 lines.

19 (2) STATE AND LOCAL CONSERVATION  
20 CORPS.—In implementing the restoration program,  
21 the Secretary shall, when practicable, use partner-  
22 ships with State and local conservation corps, includ-  
23 ing the Montana Conservation Corps, under the  
24 Public Lands Corps Act of 1993 (16 U.S.C. 1721 et  
25 seq.).

1 (g) IMPLEMENTATION.—The Secretary of Agri-  
2 culture shall ensure that sufficient funds are made avail-  
3 able to the Gallatin National Forest to carry out this Act.

4 (h) REVOCATIONS.—Notwithstanding any other pro-  
5 vision of law, any public orders withdrawing lands identi-  
6 fied in the Option Agreement from all forms of appropria-  
7 tion under the public land laws are revoked upon convey-  
8 ance of the lands by the Secretary.

9 **SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

10 There are authorized to be appropriated such sums  
11 as are necessary to carry out this Act.

Passed the House of Representatives September 23,  
1998.

Attest:

*Clerk.*