
**Testimony of Joseph Heringer
North Dakota Commissioner of
University and School Lands**

**Senate Committee on Natural Resources
Subcommittee on Public Lands, Forests, and Mining**

**Hearing on S. 1088
North Dakota Trust Lands
Completion Act of 2023
July 12, 2023**

Madam Chair, and members of the Subcommittee, thank you for the opportunity to testify today. I would also like to thank Senators Hoeven and Cramer, and Representative Armstrong, for their instrumental work in helping to move this important bill forward.

My name is Joseph Heringer, and I am the North Dakota Commissioner of University and School Lands. As Commissioner, I lead the North Dakota Department of Trust Lands (“Department”), the agency responsible for managing lands that were granted to North Dakota by Congress at statehood for the financial support of public education and other state institutions. The Department is overseen by the North Dakota Board of University and School Lands, which consists of the Governor, Attorney General, Secretary of State, Treasurer, and Superintendent of Public Instruction.

The Department manages approximately 2.6 million mineral acres with their roughly 8,300 associated oil & gas leases, and over 700,000 surface acres with their roughly 4,400 associated agricultural leases. Revenues generated from these leases, along with payments received from other income sources such as oil & gas lease bonus payments and easements granted for pipelines, roads, and well pads, are deposited into 13 permanent trust funds and invested to provide long-term income for trust beneficiaries. Beneficiaries of these trust funds include public K-12 education and various other state institutions such as colleges and universities, schools for the blind and deaf, and a long-term care facility for veterans. The largest fund is the North Dakota Common Schools Trust Fund which has a current balance of approximately \$6 billion.

I encourage the Subcommittee, and Congress, to act favorably on **S. 1088, the North Dakota Trust Lands Completion Act of 2023 (“Act”)**. This Act would allow North Dakota and the Department of the Interior to exchange lands for the mutually beneficial purposes of: 1) providing North Dakota with more productive and easily accessible lands for increased revenue

to support public education, and 2) helping North Dakota Tribal Nations to further consolidate lands within their reservations so they can manage and develop the land as they see fit.

We have worked hard to collaborate and build a broad coalition of support for this Act that includes all members of the Land Board, North Dakota Tribal Nations, western North Dakota counties and grazing associations, and education organizations.

Upon statehood, Congress granted North Dakota 2.6 million acres of lands and minerals scattered throughout the state (sections 16 and 36 in each township) for the purpose of funding public education and other critical needs within the state. Establishment of tribal reservations trapped lands and minerals within these boundaries which are often very difficult for the state to manage and access. North Dakota currently holds over 31,000 surface acres within tribal reservations which are largely unable to be developed pursuant to the State's mandate to generate income for schools, universities, and other public purposes. (see attached maps)

Utilizing the historic tool of in-lieu relinquishment and selections, this Act would allow North Dakota to relinquish state lands trapped within tribal reservations to the Secretary of Interior ("Secretary") and select in-lieu thereof federal land or mineral rights located elsewhere in the state. These would be equal value transactions that would allow North Dakota to access the lands promised upon statehood. Valuations would be determined by Uniform Appraisal Standards for Federal Land Acquisitions and the Uniform Standards for Professional Appraisal Practice. It is important to note these would not be "exchanges" under the Federal Land Policy and Management Act.

Within tribal reservations, lands received by the Secretary in these transactions would be held in trust for the tribes. This would help tribes consolidate land within their reservation boundaries for greater ownership and control. This Act also requires the Secretary to consult with tribes that would be affected by any proposed transactions.

As an example, under this Act North Dakota could propose the exchange of state-owned surface acres within a reservation for federally owned mineral rights elsewhere in the state that are in the development path of mineral producers. The Secretary would then review the proposal and consult with the affected tribe.

If approved by the Secretary:

- 1) The state-owned land within the reservation would be transferred to the Department of Interior to be held in trust for the tribe and be considered part of the reservation, allowing further consolidation of tribal lands and management and development of the land as the tribe sees fit.
- 2) The identified mineral rights would be transferred from the federal government to North Dakota who could then work to develop the mineral deposits, using the revenue to benefit North Dakota public schools and students.

Transactions could also be done where North Dakota receives surface rights elsewhere in the state for the relinquishment of surface rights within a reservation.

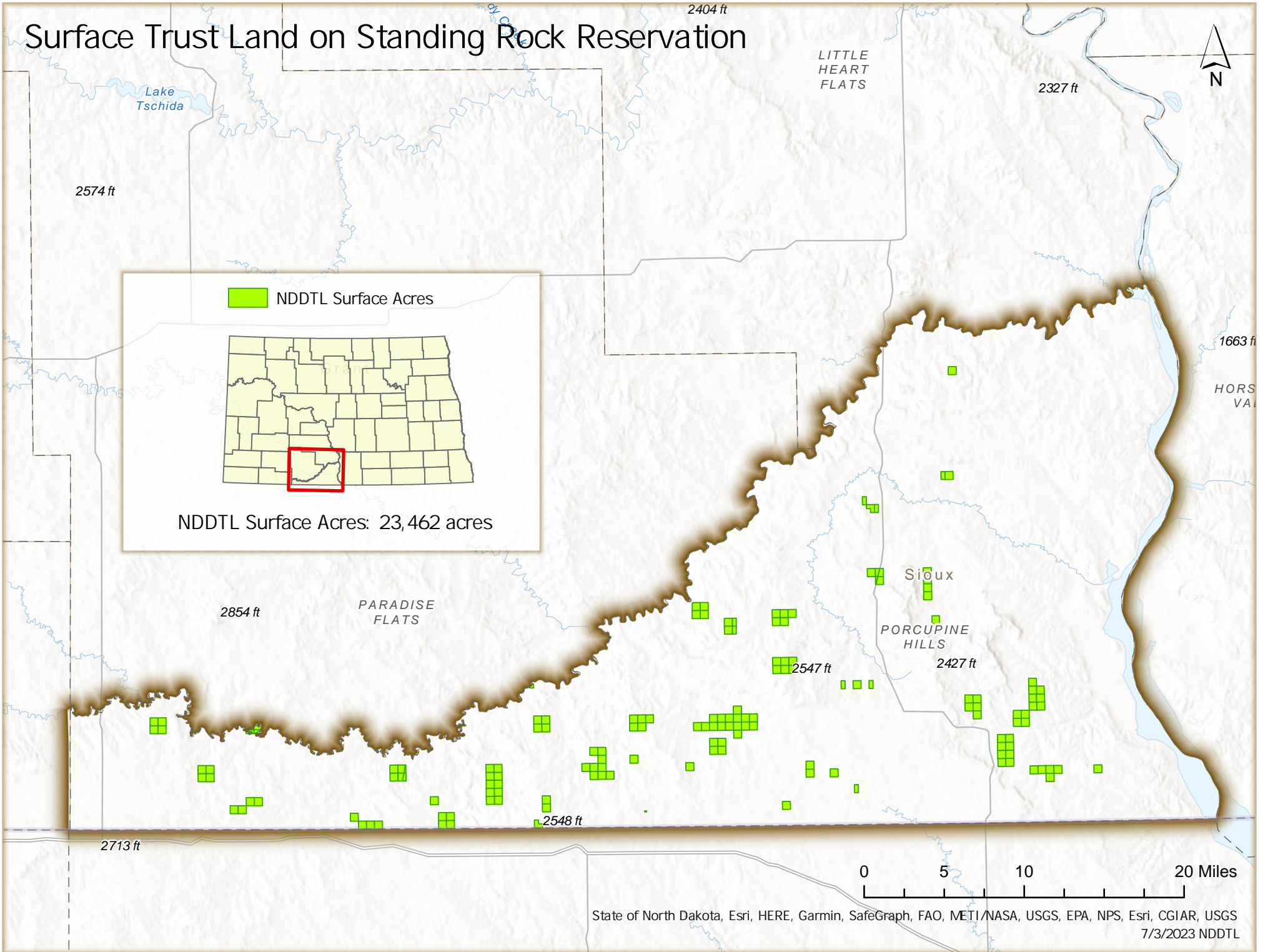
Land conveyed under this Act would be subject to all applicable federal, state, and tribal law and valid existing rights will be respected in these transactions. There will be no impact on any Indian treaty rights.

This is good legislation that promotes the shared interests and mutually beneficial goals of North Dakota, the federal government, and North Dakota Tribal Nations.

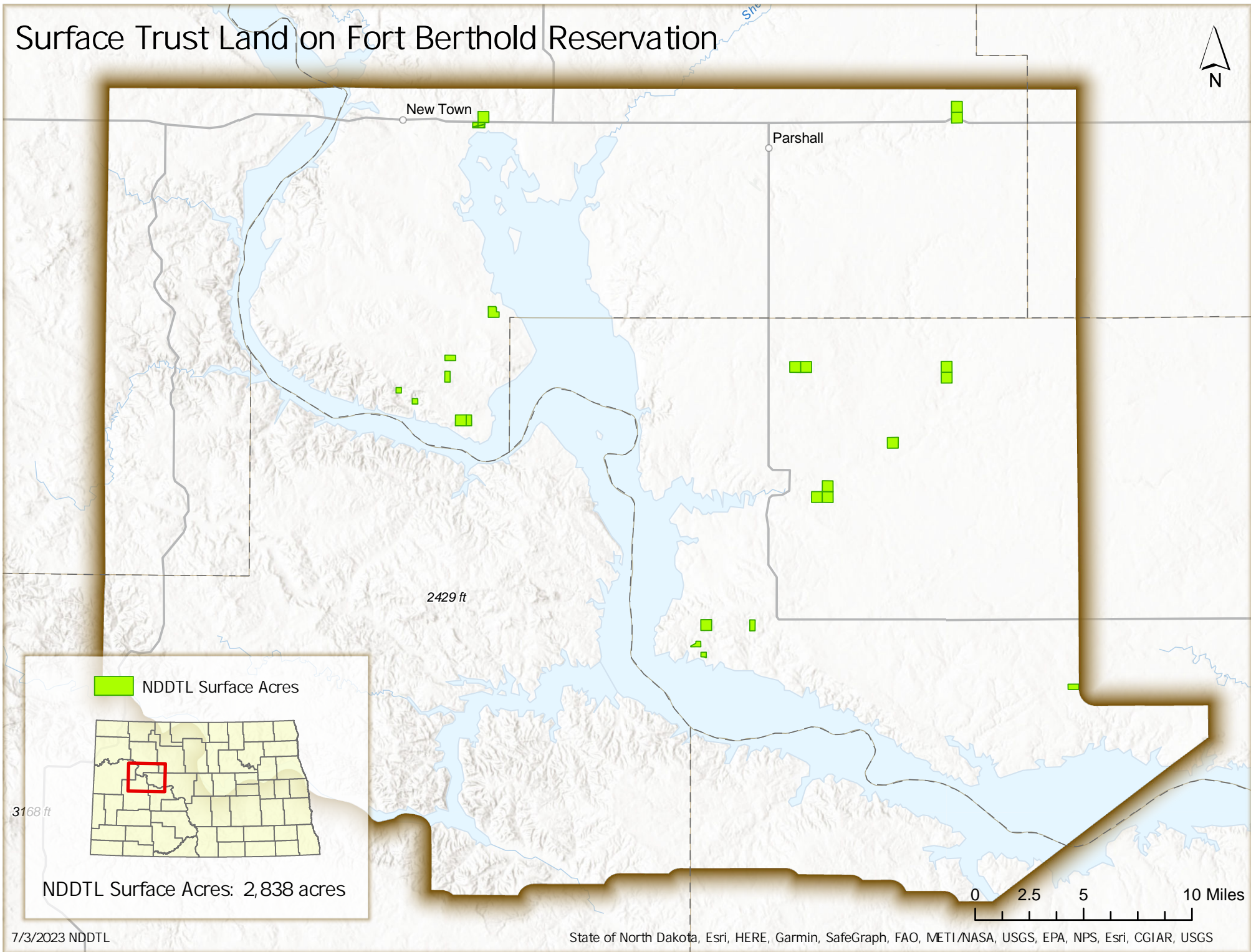
Thank you for your time and consideration. I would be happy to answer any questions the Committee may have.

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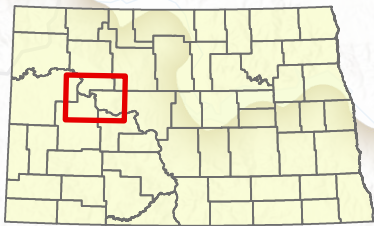
Surface Trust Land on Standing Rock Reservation



Surface Trust Land on Fort Berthold Reservation



 NDDTL Surface Acres



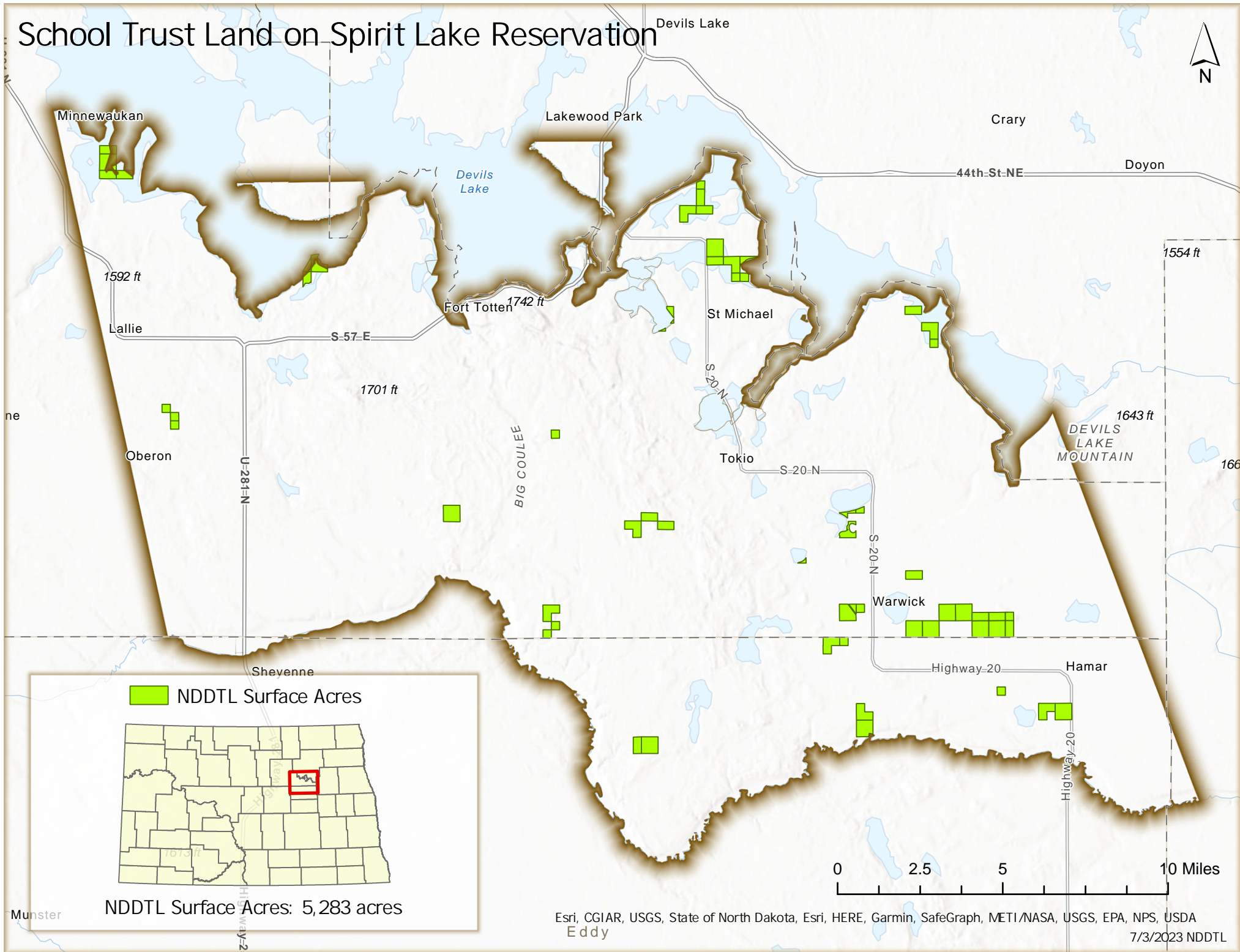
NDDTL Surface Acres: 2,838 acres

3168 ft

2429 ft



School Trust Land on Spirit Lake Reservation



 NDDTL Surface Acres



NDDTL Surface Acres: 5,283 acres

