- (b) Upon approval, the authorized Forest Service official shall take appropriate steps to have an assessment made of the fair market value of the land and process the conveyance pursuant to §§ 254.24, 254.25, and 254.26.
- (c) Upon disapproval, a Forest Service official shall— $\,$
- (1) Notify the applicant in writing of the reasons the proposal is not acceptable:
- (2) Inform the applicant of alternate proposals under other authorities and/or appeal rights.

§ 254.24 Conveyance.

- (a) Conveyance of the approved tract(s) may be made by a single transaction or by multiple transactions spread over a period of time in accordance with a prearranged schedule.
- (b) The authorized Forest Service official shall—
- (1) Execute and convey title to the townsite tract(s) by quitclaim deed;
- (2) Ensure deeds are free of terms and covenants, except those deemed necessary to ensure protection of adjacent National Forest System land and/or valid existing rights and uses; and
- (3) Deliver executed deeds to the governmental body upon—
- (i) Adoption of zoning ordinance and development plan if found necessary; and
- (ii) Notice from the authorized Forest Service Fiscal Agent that payment has been received.

§254.25 Survey.

The authorized Forest Service official shall conduct or provide for the necessary tract survey and boundary posting of National Forest System land.

§254.26 Appraisal.

Fair market value of townsite tracts shall be determined following Forest Service appraisal procedures and the Uniform Standards for Federal Acquisitions.

Subpart C—Conveyance of Small Tracts

AUTHORITY: Pub. L. 97-465; 96 Stat. 2535.

SOURCE: 49 FR 1185, Jan. 10, 1984, unless otherwise noted.

§ 254.30 Purpose.

These regulations set forth procedures by which the Secretary of Agriculture may resolve land disputes and management problems pursuant to Pub. L. 97-465, commonly called the Small Tracts Act, by conveying, through sale, exchange, or interchange, three categories of tracts of land: Parcels encroached on, road rights-of-way, and mineral survey fractions. Implementation of these regulations does not constitute authorization of nor consent to adverse possession against lands administered by the Secretary of Agriculture.

§ 254.31 Definitions.

For the purpose of this subpart,

An applicant is a person who occupies or has improvements on National Forest System land under claim of title or color of title, or who owns land abutting or underlying a road right-of-way, or who owns land interspersed with or adjacent to mineral survey fractions.

Approximately equal value is a comparative estimate of value of lands involved in an interchange where elements of value, such as physical characteristics and other amenities, are readily apparent and substantially similar.

Claim of title is a claim of land as a person's own, based on any reasonable evidence which establishes the person's actual use of the land as though the person had full title thereto from the time the person obtained ownership of abutting land.

Color of title arises from an instrument purporting to convey title to a tract of land.

Encroachments are improvements occupied or used on National Forest System land under claim of title or color of title.

Exchange is a discretionary, voluntary transaction involving mutual transfers of land or interests in land between the Secretary of Agriculture acting by and through the Forest Service and a nonfederal entity.

§ 254.32

Good faith is honesty of intention and freedom from knowledge of circumstances which ought to put a prudent person upon inquiry.

Improvements mean an addition to property costing labor or capital which affects its value. The term generally includes fixtures, structures and attendant facilities, or buildings.

Interchange is a land transfer in which the Secretary and another person exchange lands or interests in lands of approximately equal value without a formal appraisal.

Mineral survey fractions are small parcels of National Forest System lands interspersed with or adjacent to lands transferred out of Federal ownership under the mining laws.

Person includes any nonfederal entity such as a State or any political subdivision as well as any individual or business entity.

Secretary refers to the Secretary of the United States Department of Agriculture.

§ 254.32 Encroachments.

- (a) Conveyances under this subpart are limited to tracts of 10 acres or less to resolve encroachments by persons:
- (1) To whom no advance notice was given that the improvements encroached or would encroach, and
- (2) Who in good faith relied on an erroneous survey, title search, or other land description which did not reveal such encroachment.
- (b) Forest Service officials shall consider the following factors when determining whether to convey lands upon which encroachments exist:
- (1) The location of the property boundaries based on historical location and continued acceptance and maintenance.
- (2) Factual evidence of claim of title or color of title.
- (3) Notice given to persons encroaching on National Forest System lands,
- (4) Degree of development in the encroached upon area, and
- (5) Creation of an uneconomic remnant.

§254.33 Road rights-of-way.

(a) Reserved or acquired road rightof-way parcels subject to conveyance under this subpart are limited to those which are substantially surrounded by lands not owned by the United States.

- (b) Forest Service officials shall consider public road system right-of-way needs based on National Forest transportation planning and State and local law before making any conveyance of rights-of-way.
- (c) Reimbursement will be required for the value of any improvements made by the United States or other highway authorities, unless waived by the Chief of the Forest Service.

§ 254.34 Mineral survey fractions.

- (a) Mineral survey fractions subject to conveyance under this subpart are limited to those tracts which:
- (1) Cannot be efficiently administered because of size, shape, or location;
- (2) Are occupied or could be occupied or used by adjoining owners; and
- (3) When sold separately or aggregated in one transaction, do not exceed 40 acres
- (b) Forest Service officials shall consider the following criteria in determining whether to convey mineral survey fractions under this subpart:
- (1) The mineral survey fractions are interspersed among and are more or less an integral part of private land holdings;
- (2) The feasibility and cost of surveying the parcels in order to manage them effectively:
- (3) The size, shape, and location of the parcels as they affect management, utility, access, occupancy or use of the parcels or the lands with which they are interspersed.

§ 254.35 Limitations.

- (a) Lands within the National Wilderness Preservation System, the National Wild and Scenic Rivers System, the National Trails System, and National Monuments are excluded from any conveyance under these provisions.
- (b) Lands within National Recreation Areas may not be conveyed by sale under this subpart.
- (c) The value of Federal lands conveyed in any transaction, pursuant to this subpart, shall not exceed \$150,000.
- (d) Compensation for lands conveyed shall be of at least equal value, or in