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USDA, FOREST SERVICE

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WILDLAND FIRE AND FOREST MANAGEMENT

Chairman Bishop, Ranking Member Grijalva and members of the Subcommittee, thank you for the opportunity to appear before you today to provide the status of the U.S. Department of Agriculture (USDA) Forest Service's wildland fire and forest management program. I first would like to offer my condolences and the condolences of the Chief on behalf of the Forest Service to the families of the members of the Granite Mountain Interagency Hotshot Crew.

Secretary Vilsack and the Forest Service recognize the importance of increasing the pace and scale of forest restoration in our National Forests while at the same time preventing and responding to wildland fires. We must manage and restore more acres to reduce the threat of catastrophic wildfire, to address insects and disease, and to restore the ecological health of forests for the benefit of all Americans. We address the need to restore ecosystems through two strategies: the Accelerated Restoration Strategy and the National Cohesive Wildland Fire Strategy.

According to the Drought Monitor, more than 44 percent of the contiguous United States is in a moderate or more severe stage of drought – in many portions of the country 2012 was among the driest years on record. In addition, insects and disease have weakened the resilience of America's forests. Nationally, approximately 80 million acres of trees are projected to be at risk of severe mortality due to insect and disease. Over the past 10 years in the West, approximately 45 million acres across all land ownerships have been affected by 20 different species of bark beetles. It is estimated that there are between 65 and 82 million acres of National Forest System (NFS) lands in need of restoration because of high and very high risk of fire.

Facing these threats, we've recognized for some time the importance of increasing our restoration efforts. We continue to explore new and existing tools to become more efficient. In February 2012, the FS outlined a strategy for increasing restoration activities across large landscapes through more efficient implementation of existing programs and policies, as well as

pursuing new initiatives. This strategy will allow the Forest Service to increase the number of acres and watersheds restored across the National Forest System, while supporting existing infrastructure and jobs. Through these efforts, in FY 2012, the FS attained 2.6 billion board feet (BBF) volume sold and exceeded a number of restoration targets.

FOREST MANAGEMENT

It is widely recognized that management of our forest resources has not kept pace with the ever increasing need for restoration. Organizations such as the National Forest Foundation, American Forest Foundation, The Nature Conservancy, the National Association of State Foresters, the Wilderness Society, the U.S. Endowment for Forests and Communities, the Intertribal Timber Council, and the Western Governors Association have embraced an agenda to actively restore the resiliency of landscapes and provide for community vitality. The Forest Service is striving to increase the number of acres that are restored by a variety of treatments annually.

The Forest Service recognizes the need for a strong forest industry to help accomplish forest restoration work. The best opportunity for reducing the cost of these restoration treatments is through forest management using timber and stewardship contracts. We have worked with sister USDA agencies to implement the Department's Wood to Energy Initiative. In FY2012, our joint efforts resulted in private and public investments potentially exceeding \$1 billion in wood energy. For example, funding provided by this Initiative is being used to construct is an 11.5 megawatt power plant in Gypsum, Colorado.

The forest products industry workforce is larger than either the automotive or chemical industries, currently employing nearly 900,000 workers. Encouragingly, there have been recent upturns in the housing market and lumber prices, resulting in higher demand and prices for sawtimber. The capacity exists within the current industry infrastructure to meet this increased demand for lumber through adding extra shifts, reopening mills, and achieving efficiency gains. The higher demand and prices for timber will enable the Forest Service to complete more restoration treatments. In spite of flat budgets in the past few years, the Forest Service increased the timber volume sold from 2.38 BBF in 2008 to 2.64 BBF in 2012. However, even though we will continue to search for efficiencies, due to increased budget cuts in 2013 and projected cuts in 2014, we project a slight decline in restoration treatments in both years.

To accomplish effective vegetation management, the Forest Service is fostering a more efficient National Environmental Policy Act (NEPA) process by focusing on improving agency policy, learning, and technology. These NEPA process improvements will increase decision-making efficiencies, resulting in more on-the-ground restoration work getting done more quickly and across a larger landscape. Specifically, we are looking at expanding the use of focused Environmental Assessments (EAs), expanding categories of actions that may be excluded from documentation in an EA or an environmental impact statement (EIS), and applying an adaptive management framework to NEPA.

Our landscape-scale NEPA projects will also increase efficiencies. For example, our Mountain Pine Beetle Response Project on the Black Hills National Forest is implementing a landscape-scale adaptive approach for treating current and future pine beetle outbreaks within a 200,000

acre area. Since signing the decision of the project last December, the Forest has already completed one timber sale and has two others planned for this fiscal year. Sales for next fiscal year have been identified, along with plans to treat existing and newly infested areas in subsequent years. This project has given the Forest greater flexibility in treating existing and new infestations in a timely and strategic manner.

All of these efforts are aimed at becoming more proactive and efficient in protecting the Nation's natural resources, while providing jobs to the American people.

COLLABORATIVE FOREST LANDSCAPE RESTORATION AND STEWARDSHIP CONTRACTING

The 23 Collaborative Forest Landscape Restoration (CFLR) projects emphasize restoration across large scale landscapes. In addition to finding efficiencies in planning and treating larger landscapes, CFLR emphasizes collaboration. Collaboration with our partners and stakeholders from all interest areas is one of the tools to becoming more efficient through shared development and understanding of the desired condition, objectives, and issues at the outset of projects. In 2012, these projects exceeded the targets for the majority of performance measures.

In Arizona, the Four Forest Restoration Initiative project is contributing to healthier ecosystems and safer communities, and supporting rural communities. In addition to a range of other restoration activities, this project has treated hazardous fuels on more than 171,900 acres, produced more than 168 MMBF of timber and more than 878,817 green tons of bioenergy since 2010.

Colorado has two CFLR projects which are having a measurable impact on rural economies. The Uncompany Plateau project as well as projects on other lands administered by the Grand Mesa, Uncompany and Gunnison National Forests will play a key role in support of the newly opened lumber mill in Montrose. To date, the Uncompany project has generated 12 MMBF of timber and reduced hazardous fuels on more than 11,500 acres. As part of the Colorado Front Range project, Denver Water contributed more than \$1,000,000 in 2012 for restoration efforts. Since FY2010, the Front Range project has reduced hazardous fuels on more than 17,000 acres, and generated more than 17 MMBF of timber.

Three CFLR projects are underway in Idaho, creating measurable shifts in ecosystem resilience and supporting local economies. The Selway-Middle Fork project has sold more than 13 MMBF of timber and harvested more than 2,000 green tons of biomass. The Weiser-Little Salmon Headwaters project, selected for funding in FY2012, has already maintained or generated 136 direct full or part-time jobs. The project plans to generate 50,000 green tons of biomass annually and approximately 25 MMBF of saw timber annually. In FY2012 the Forest completed a major NEPA analysis that approved vegetative treatments on more than 25,000 acres. The Kootenai Valley Resource Initiative, also selected for funding in FY2012, will treat 39,430 acres mechanically over 10 years. The project generated more than 10 MMBF of timber and produced more than 2,700 green tons of bioenergy.

Stewardship contracting is a critical tool to allow the Forest Service to more efficiently complete restoration activities, along with continuing to use timber sales to accomplish our restoration efforts. Permanently reauthorizing stewardship contracting and expanding the use of this tool is crucial to our ability to collaboratively restore landscapes at a reduced cost to the government by offsetting the value of the services received with the value of forest products removed. In FY 2012, 25 percent of all timber volume sold was under a stewardship contract. Stewardship contracting authorities allow the Agency to fund watershed and wildlife habitat improvement projects, invasive species removal, road decommissioning, and hazardous fuels reduction activities.

WILDLAND FIRE MANAGEMENT

At the same time the Forest Service undertakes these restoration efforts, wildland fires continue to impact our nation's forests and the agency.

In 2012, over 9.3 million acres burned in the United States. The fires of 2012 were massive in size, with 51 fires exceeding 40,000 acres. Of these large fires, 14 exceeded 100,000 acres (NICC 2012). The increase in large fires in the west coincides with an increase in temperatures and early snow melt in recent years. This means longer fire seasons. The length of the fire season has increased by over two months since the 1970s (Westerling, 2006).

We estimate that 65 to 82 million acres of National Forest System lands are in need of fuels and forest health treatments—up to 42 percent of the entire system. Part of the problem is severe drought, resulting in extreme fire weather and very large fires. At the same time that landscapes are becoming more susceptible to fire impacts, more and more Americans are choosing to build their home in wild lands. The number of housing units within half a mile of a national forest grew from 484,000 in 1940 to 1.8 million in 2000. In 2000, nearly a third of U.S. homes (37 million) were located in the Wildland Urban Interface (Radeloff and others, 2005).

NATIONAL COHESIVE WILDLAND FIRE MANAGEMENT STRATEGY

In 2009, Congress passed the Federal Land Assistance, Management, and Enhancement (FLAME) Act calling on federal land managers to develop a joint wildland fire management strategy. Working together with the Department of the Interior, we took the opportunity to involve the entire wildland fire community in developing a long-term National Cohesive Wildland Fire Management Strategy. Our strategy has three components:

1. <u>Restoring fire-adapted ecosystems.</u> Hundreds of post-fire assessments show that fuels and forest health treatments are effective in reducing wildfire severity. Accordingly, our fuels treatments have grown. From FY 2001 to FY 2011, the Forest Service treated about 27.6 million acres. We focus our treatments on high-priority areas in the Wildland Urban Interface, particularly communities that are taking steps to become safer from wildfire.

2. <u>Building fire-adapted human communities.</u> With more communities in the Wildland Urban Interface at risk from wildfire, the Forest Service is working through cross-jurisdictional partnerships to help communities become safer from wildfires in part by developing community wildfire protection plans. Through the Firewise program, the number of designated Firewise

communities—communities that have implemented actions to help prevent the potential for home ignitions from wildfire using techniques in home siting and development, home construction, and home landscaping and maintenance—rose from 400 in 2008 to more than 700 in FY 2012.

3. **<u>Responding appropriately to wildfire.</u>** Most of America's landscapes are adapted to fire; wildland fire plays a natural and beneficial role in many forest types. Where suppression is needed to protect homes, property and resources, we focus on deploying the right resources in the right place, at the right time. Using improved decision support tools, fire managers are making risk-based assessments to decide when and where to suppress a fire—and when and where to use fire to achieve management goals for long-term ecosystem health and resilience.

RESTORING ECOSYSTEMS

The Forest Service is restoring the ability of forest and grassland ecosystems to resist climaterelated stresses, recover from climate-related disturbances, and continue to deliver important values and benefits. By restoration, we mean restoring the functions and processes characteristic of healthier, more resistant, more resilient ecosystems, even if they are not exactly the same systems as before. Restoring and maintaining fire resilient landscapes is critical and essential to our stewardship responsibilities for the national forests. Factors including human activities and land development, loss of indigenous burning practices, and fire suppression have all led to changes in forests that historically had frequent fires. Some forests have experienced a buildup of trees and brush due to a lack of fire. In some areas fuel loads on the forest floor have increased where low intensity fires were historically the norm. These forest types are now seeing high severity fires under even moderate weather conditions.

Approaches to restoring vegetation closer to an historic range of variability within fire-adapted ecosystems often require treatment or removal of excess fuels (e.g., through mechanical thinning, prescribed fire, or a combination of the two), reducing tree densities in uncharacteristically crowded forests, and application of fire to promote the growth of native plants and reestablish desired vegetation and fuel conditions. Excess fuels are those that support higher intensity fires than those under which the ecosystem evolved, and can include leaf litter and debris on the forest floor as well as the branches and foliage of small trees that provide ladder fuels allowing surface fires to transition to crown fires.

When a wildfire starts within or burns into a fuel treatment area, an assessment is conducted to evaluate the resulting impacts on fire behavior and fire suppression actions. Over 1,600 assessments have been conducted to date, of which over 90% of the fuel treatments were found to be effective in changing fire behavior or helping with control of the wildfire (USFS, Fuels Treatment Effectiveness Database).

In Fiscal 2012, the Forest Service accomplished over 1.2 million acres of prescribed fire, over 600 thousand acres of mechanical treatment to reduce hazardous fuels, and over 140 thousand acres of managed wildfires to benefit natural resources as well as reduce hazardous fuels for a total accomplishment of 2 million acres. The Wildland Urban Interface remains the highest priority and approximately 1.2 million of the total treated acres were in the WUI. Of these treatments, 93 percent of the acres accomplished were identified as a treatment priority in a

community wildfire protection plan or an equivalent collaborative plan. Hazardous fuels treatments also produced 2.8 million green tons used for energy and 900 thousand CCF of wood products. In FY 2012, 20 biomass grant awards from the Woody Biomass Utilization Grant program totaling approximately \$3 million were made to small business and community groups across the country. The Woody Biomass Utilization Grant program has contributed to the treatment of over 500,000 acres and removed and utilized nearly 5 million green tons of biomass at an average cost of just \$66 per acre. Grantees also reported a combined 1,470 jobs created or retained as a result of our grant awards.

FIRE ADAPTED COMMUNITIES

The spread of homes and communities into areas prone to wildfire is an increasing management challenge. From 2000 to 2030, we expect to see substantial increases in housing density on 44 million acres of private forest land nationwide, an area larger than North and South Carolina combined (USDA Forest Service. 2005. Forests on the Edge: Housing Development on America's Private Forests. PNW-GTR-636. Portland, OR: Pacific Northwest Research Station). Currently, more than 70,000 communities are now at risk from wildfire, and less than 15,000 have a community wildfire protection plan or an equivalent plan. (USDA Forest Service. 2012. National Fire Plan Operations and Reporting System.) Federal engagement with State and local fire agencies and other partners is central to our collective success in assisting communities at risk from wildfires. Wildfires know no boundaries, and we must work within an all-lands context to prevent human caused fires, mitigate risk to communities, and manage for and respond to wildfires. According to studies cited in the 2013 USDA Forest Service General Technical Report (RMRS-GTR-299), more than one-third of all housing units in the continental U.S. are located within the wildland urban interface, and the trends suggest that these numbers will continue to grow.

To help address the risk faced by communities in the WUI, the Forest Service began developing the Fire Adapted Communities program in 2009, with a 2012 launch (including the website www.fireadapted.org and an Ad Council national public awareness campaign). This program assists communities in becoming fire adapted and is critical to protecting residents, firefighters, property, infrastructure, natural resources, and cultural values from wildfires. The strategy emphasizes that mitigation is a shared responsibility by federal, state, local, and private stakeholders and that pre-fire mitigation is part of the solution to escalating wildfire suppression costs in the WUI.

The Forest Service's Fire Adapted Communities effort brings together a wide array of government and non-government partners to educate the public about the full suite of mitigation tools that can help communities adapt to wildfire. Fire Adapted Communities messaging is delivered by partners including the National Fire Protection Association (NFPA), International Association of Fire Chiefs (IAFC), The Nature Conservancy (TNC), Ad Council, National Volunteer Fire Council (NVFC), and the National Association of State Foresters (NASF) who leverage federal dollars with their own program dollars for maximum effect. Fire Adapted Communities create a safer place for firefighters, give response teams more decision space, reduce the need for additional suppression in the community, and reduce large fire suppression costs.

FIREFIGHTING RESOURCES

The agency has the capability to protect life, property, and natural resources while assuring an appropriate, risk-informed, and effective response to wildfires that is consistent with land and resource management objectives. We do this through not only the resources of the Federal Government, but also with employees from States, tribal governments, and local governments, contract crews, and emergency/temporary hires. Firefighter and public safety are the primary considerations for all operations. The agency continues to suppress about 98 percent of the fires on initial attack. However, the few fires that escape initial attack tend to grow quickly.

Wildland fire response requirements are unpredictable. This requires a workforce management strategy that can increase and decrease based on fire activity levels. The FS employs both permanent firefighting assets, which also conduct fuels treatments, and seasonal assets to support suppression activities during peak fire season. Call When Needed (CWN) assets are important in meeting fire response requirements when activities exceed our standard asset capability. Firefighting assets are employed in a cost effective way when they are justified within our preparedness and suppression strategies. We evaluate each asset's cost effectiveness relative to the need they meet.

Under the President's budget for FY14, suppression capability will be comparable to previous years. However, we recognize that given limited budgets, maintaining this capability will present challenges. With greater mobility and with agreement to focus assets on high risk areas, it is likely that high levels of initial attack success will continue. For the 2013 fire season, the available firefighting forces – firefighters, equipment, and aircraft – are slightly reduced when compared to those available in 2012 due to sequestration. Nonetheless, we will have close to 13,000 firefighters available from the Department of Agriculture and the Department of the Interior with approximately 70% coming from the Forest Service. The reduction resulted in fewer firefighters and engines, but the level of highly-trained smokejumpers, Type 1 national interagency incident management teams (the most experienced and skilled teams) available for complex fires or incidents, and Type 2 incident management teams available for geographical or national incidents, are comparable to those available in 2012. Depending on how the 2013 fire season develops, we are prepared to bring on additional CWN resources (engines and aircraft) to offset the reduction in firefighters and engines. However these additional resources will increase suppression costs since the cost of CWN resources averages 1.5 to 2 times the cost of exclusive use resources.

Additionally, the federal wildland firefighting community works with State and local fire departments, which serve a critical role in our initial attack and, in many cases, our extended attack success. The Forest Service uses its authority to provide State Fire Assistance funds to State partners to support State fire management capacity. We could not achieve the successes we have without these key partners.

Nationally, the wildland firefighting agencies continue to employ a mix of fixed and rotor wing aircraft. The number of these aircraft may fluctuate depending on contractual and other agreements. Key components of the Forest Service 2013 aviation resources include:

- Up to 26 contracted large air tankers;
- 420 helicopters;
- 15 leased Aerial Supervision fixed-wing aircraft;
- Up to 12 Smokejumper aircraft;
- 2 heat detecting infrared aircraft;
- 3 water scoopers including 1 CL-415.

An additional key component is the organized network of 295 federal, state, and local government dispatch and coordination centers which provide tactical, logistical, and decision support to the federal wildland fire agencies.

CHALLENGES

We face a number of challenges to implement our Restoration Strategy. At the completion of fiscal year 2012, we were on a trajectory to increase treatment acres, along with timber harvest. In 2013, at a time when lumber prices are increasing and the additional value can help pay for other restoration work, we received a reduced budget with the same reduction projected for 2014. We have had to decrease the amount of acres we could treat, along with timber volume to reflect these budget reductions. In addition to declining budgets, we are facing another active fire year. Costs of wildland fire management have increased to consume nearly half of the entire FS budget. In FY 1991, fire activities accounted for about 13 percent of the total agency budget; in FY 2012, it was over 40 percent.

Post-wildfire rehabilitation costs *can exceed* the costs of suppression by 2 to 30 times, as shown in the "The True Cost of Wildfire in the Western U.S. (Western Forestry Leadership Coalition 2010). Over the last two fiscal years the FS Burned Area Emergency Response (BAER) program spent almost \$94 million in emergency stabilization efforts on NFS lands immediately after fires to help with erosion, flooding, and other threats to human health and safety, and threats to resources. Treatments were as diverse as hillside stabilization, road protection, hazardous material stabilization, and hazard tree removal, as well as myriad other treatments, and this does not include the long-term costs of reforestation and monitoring.

Staffing within the Agency has also shifted to reflect an increased focus on fire. Since 1998 fire staffing within the FS has increased 110 percent from over 5,700 in 1998 to over 12,000 in 2012. Over the same time period, staffing levels for those dedicated to managing NFS lands have decreased by 35 percent from over 17,000 in 1998 to over 11,000 in 2012. In particular, Forest Management staffing has decreased by 49 percent from over 6,000 in 1998 to just over 3,200 in 2012.

Fire transfers occur when the agency has exhausted all available fire resources from the Suppression and FLAME accounts. From FY 2002 to FY 2012, the Forest Service made fire transfers from discretionary, mandatory, and permanent accounts to pay for fire suppression costs six times, ranging from \$100,000,000 in FY 2007 to \$999,000,000 in FY 2002, and totaling approximately \$2.7 billion. Of that total, \$2.3 billion was eventually repaid but still led to

disruptions within all Forest Service programs. In FY 2012, the Forest Service transferred \$440 million to the fire suppression account for emergency fire suppression due to severe burning conditions and increasing fire suppression costs. Projects at all levels of the organization were deferred or canceled as a result of the transfers.

When transfers are necessary, we attempt to reduce the impacts on our operations and public services. Still, each time the agency transfers money out of accounts to pay for fire suppression there are significant and lasting impacts across the entire Forest Service. Not only do these impacts affect the ability of the Forest Service to conduct stewardship and restoration work on national forests, they also affect our partners, local governments and Tribes.

ISSUES FOR THE FUTURE

The largest issue is how we adapt our management to anticipate climate change impacts and begin to mitigate their potential effects. Additionally, the Agency needs to continue to advance the Cohesive Strategy and treatment of landscapes collaboratively through our Accelerated Restoration Strategy to increase the number of acres and watersheds restored across the system, while supporting jobs and increasing annual forest products sales. Finally, we must discuss and find ways to fund fire programs while minimizing the effect on all Forest Service operations, including restoration efforts.

Despite these challenges, we remain optimistic that through collaboration with our many interest groups and officials the FS can improve accomplishment of our restoration objectives. I want to thank the Committee for its interest, leadership, and commitment to our national forests and their surrounding communities. I would be pleased to answer any questions you may have.