

Committee on Natural Resources
Subcommittee on Federal Lands
Tom McClintock, Chairman
Hearing Memorandum

March 20, 2015

To: Natural Resource Committee Members

From: Majority Committee Staff – Erica Rhoad, Otto Mucklo and Gary Schiff
Subcommittee on Federal Lands x6-7736

Hearing: Budget oversight hearing on “*Examining the Spending Priorities and Missions of the Forest Service and the Bureau of Land Management in the President’s Fiscal Year 2016 Budget Proposal*”

The Subcommittee on Federal Lands will hold a budget oversight hearing on the President’s Fiscal Year 2016 (FY16) budget request and other spending as it relates to the Bureau of Land Management (BLM) and the Forest Service. The hearing will take place on **March 24, 2015, at 10:00 a.m. in 1324 Longworth**. This hearing will consist of one panel of federal agency officials. The hearing will focus on agency priorities and accountability, appropriate use of taxpayer dollars, as well as the future mission of the BLM and Forest Service.

Policy Overview

- With our national debt currently exceeding **\$18 trillion**, the Obama Administration’s overall federal budget, which includes \$1.35 billion¹ for the BLM and \$5.8 billion² for the Forest Service, continues a disappointing trend of irresponsible federal spending, while failing to address ongoing problems on federal lands.
- The BLM and Forest Service budget requests for FY16 significantly increase fees while shifting spending priorities away from the multiple-use and sustained yield mandate that has traditionally provided jobs and prosperity in rural America.
- The budget seeks millions of new taxpayer dollars to purchase more federal lands despite massive maintenance backlogs and failed stewardship of current lands. According to the Congressional Research Service, the BLM and Forest Service have a combine differed maintenance backlog of as much as \$6.85 billion (BLM \$820 million and Forest Service \$6 billion).³
- While the Forest Service is rightly promoting the concept of an increasingly robust forest management program to increase forest resilience, reduce catastrophic wildfire and support rural America, the President’s budget provides little progress towards that goal.
- Both agencies have touted the environmental and social benefits of a robust and responsible grazing program, yet the Administration is proposing significant reductions in range management while dramatically increasing fees.

¹ Page I-10 of Chapter I – Executive Summary, BLM 2016 Budget Justifications

² Page B-2, Forest Service FY 2016 Budget Justification

³ <http://fas.org/sgp/crs/misc/R42346.pdf>

- The impact of an increasingly regulatory and litigious environment makes the accomplishment of both agencies' multiple-use missions an increasingly difficult challenge. For example, the impact of this Administration's approach to implementation of the Endangered Species Act is delaying and reducing important accomplishments in all resource areas.
- The BLM and Forest Service's ramped-up regulations, plans and executive orders (for example: proposed groundwater directive; hydraulic fracking regulations; new Forest Service planning rule; revisions to resource management plans; BLM manual update; and, new national monuments) aren't resulting in better federal management or access to our lands and resources.
- The President's FY2016 Budget significantly expands federal land acquisition with a multi-fold increase and permanent mandatory funding for the Land and Water Conservation Fund.

Invited Witnesses

Panel I: *Neil Kornze*, Director, Bureau of Land Management, U.S. Department of the Interior
 Thomas Tidwell, Chief, Forest Service, U.S. Department of Agriculture

Bureau of Land Management (BLM)

The BLM is responsible for administering more than 245 million surface acres, most of which is located in 11 Western states and Alaska, which is more than any of the other federal land management agencies.⁴ The BLM is further responsible for managing 700 million acres of sub-surface mineral estate.⁵ The BLM mission is "to sustain the health, diversity, and productivity of America's public lands for the use and enjoyment of present and future generations."⁶ The Federal Land Policy and Management Act (FLPMA) of 1976, referred to as the BLM's "organic act", established BLM's multiple-use and sustained yield mandate. BLM responsibilities include many revenue producing activities such as energy and mineral development, timber harvesting and livestock grazing. Livestock grazing, for example, occurs on 17,700 grazing allotments.⁷ The BLM estimates that activities on BLM lands contributed to 446,223 jobs and \$107 billion in economic activity.⁸ BLM's management responsibilities also extend to numerous recreation activities and the conservation or protection of various cultural, historic and other natural resources.

FY15 President's Request \$1.11 billion
 FY15 Enacted \$1.21 billion
FY16 President's Request \$1.35 billion⁹

The President's FY2016 budget request for BLM is \$1.35 billion, an increase of \$140 million over FY15 enacted levels.¹⁰ This includes \$1.32 billion in discretionary funds, an increase of \$142 million.¹¹ This would provide for an increase of 117 FTE and total FTE of 9,862 for FY2016.¹²

⁴ http://www.blm.gov/wo/st/en/info/About_BLM.html

⁵ http://www.blm.gov/wo/st/en/info/About_BLM/subsurface.html

⁶ http://www.blm.gov/wo/st/en/info/About_BLM.html

⁷ Page VII-36 of Chapter VII- *BLM 2016 Budget Justification*

⁸ Page I-3 of Chapter I – Executive Summary, *BLM 2016 Budget Justification*

⁹ Page I-10 of Chapter I – Executive Summary, *BLM 2016 Budget Justification*

¹⁰ Page I-10 of Chapter I – Executive Summary, *BLM 2016 Budget Justification*

¹¹ Page I-10 of Chapter I – Executive Summary, *BLM 2016 Budget Justification*

¹² Page BH-7, *FY 2016 Interior Budget in Brief*

373% increase in Federal Land Acquisition

The budget requests a total of \$93 million for BLM land acquisition (\$38 million in discretionary funding and \$55.4 million in mandatory funding).¹³ This is \$73.7 million, or 373 percent more than the \$19.7 million enacted in FY15.¹⁴ Specifically, in 2016 BLM plans to acquire approximately 90,000 acres in 33 different areas¹⁵. Going forward, however, BLM is interested in acquiring another 647,000 acres at an estimated cost of nearly \$630 million.¹⁶ Only \$20 million (5%) is proposed for sportsmen's access and just \$47 million (less than 12%) for stateside grants.¹⁷ Beginning in 2017, the President proposes to convert the LWCF to an annual \$900 million mandatory program.¹⁸

Increased National Landscape Conservation System (NLCS) Spending

The budget proposes \$48.5 million for the National Landscape Conservation System, an increase of \$11.2 million over the prior year enacted level.¹⁹

Increased Spending on the Management of Lands and Resources

The BLM's FY2016 budget calls for a \$2.6 million reduction in Rangeland Management yet proposes a \$7.4 million increase over FY2015 levels for all other management under the Land Resources sub-activity, for a grand total of \$254 million requested for Land Resources.²⁰ Wildlife Management for FY2016 would increase by \$37 million for a total request of \$89 million.²¹ Recreation Management would increase by \$9.1 million for a total of \$75.4 million in FY2016.²²

Increased Grazing Fees

Like past budget proposals, the President again calls for a three-year pilot program of an administrative grazing fee to accompany current fees for livestock grazing. In the past, however, the fee proposed was an additional \$1.00 per animal unit month (AUM); this year, the President proposes a \$2.50 per AUM increase for 'grazing administration management.'²³ The fee is projected to raise \$16.5 million in FY2016.²⁴ This would represent a 148 percent increase over the current \$1.69 per AUM fee (i.e. the fee for actually grazing the land), bringing it up to \$4.19 per AUM.²⁵

Sage Grouse

BLM requests an additional \$45 million for sage grouse conservation, of which \$37 million will go to the hiring of 20 additional employees²⁶ to implement sage grouse conservation efforts in 27 priority areas across 11 states.²⁷ An additional \$8 million is proposed for assessing and monitoring to determine the effectiveness of the sage grouse conservation strategy.²⁸

Increased Funding for Wild Horse and Burro Management

¹³ Page VIII -7, 9 of Chapter VIII – *Land Acquisition, BLM 2016 Budget Justification*

¹⁴ Page BH-11, *FY 2016 Interior Budget in Brief (percentage increase tabulated by staff)*

¹⁵ Tallied from the Bureau of Land Management 2016 Budget Justification, Chapter VIII – Land Acquisition “Pending Future Action” tables on pages VIII 17-49.

¹⁶ Tallied from the Bureau of Land Management 2016 Budget Justification, Chapter VIII – Land Acquisition “Pending Future Action” tables on pages VIII 17-49.

¹⁷ Page DH-15-16, *Fiscal Year 2016 Interior Budget in Brief*.

¹⁸ Id.

¹⁹ Page VII -167 of Chapter VII – *Management of Lands and Resources, BLM 2016 Budget Justification*

²⁰ Page VII -29 of Chapter VII – *Management of Lands and Resources, BLM 2016 Budget Justification*

²¹ Page VII-62 of Chapter VII-- *Management of Lands and Resources, BLM 2016 Budget Justification*

²² Page VII-83 of Chapter VII -- *Management of Lands and Resources, BLM 2016 Budget Justification*

²³ Page VII-36 of Chapter VII -- *Management of Lands and Resources, BLM 2016 Budget Justification*

²⁴ Page BH-10, *FY 2016 Interior Budget in Brief*.

²⁵ <http://www.blm.gov/wo/st/en/prog/grazing.html> (percentage increase tabulated by staff)

²⁶ Page VII-64 of Chapter VII -- *Management of Lands and Resources, BLM 2016 Budget Justification*

²⁷ Page BH-9, *FY 2016 Interior Budget in Brief*.

²⁸ Id.

The budget requests \$80.6 million for the Wild Horse and Burro Management Program, an increase of \$3 million over FY2015 levels.²⁹ The BLM plans to use the increase for expanding population control methods and implementing the recommendations in the June 2013, National Academy of Sciences report, *Using Science to Improve the BLM Wild Horse and Management Program – A Way Forward*.³⁰

Proposes a New Challenge Cost Share Program

The FY2016 BLM budget proposes the creation of a new \$10 million Challenge Cost Share program that would create and utilize partnerships to increase landscape resilience to climate change.³¹

Proposes a New Bureau of Land Management Foundation

The BLM proposes a new congressionally chartered foundation that will raise private funds to promote BLM's mission and foster partnerships.³²

Oregon and California Lands

The Oregon and California Grant Lands (O&C Lands) Act of 1937 provides for the conservation, management and permanent forest production and sale of timber from these lands. The budget requests \$107.7 million for the Oregon and California Grant Lands, which is a \$6 million reduction over the FY2015 enacted level.³³ This reduction in funding will result in less timber offered for sale in future years.³⁴

Forest Service

The USDA Forest Service is responsible for managing 193 million acres of land in 154 National Forests, 20 National Grasslands and 8 National Monuments in 44 states and territories (equivalent of ten percent of the continental U.S. land base).³⁵ Within this area, the agency manages 442 wilderness areas encompassing 36 million acres. The Forest Service is entrusted with a multiple-use mission and claims activities on Forest Service lands contribute \$36 billion to America's economy each year and supports nearly 450,000 jobs.³⁶

FY15 President's Request \$ 5.73 billion

FY15 Enacted \$ 5.07 billion

FY16 President's Request \$ 5.80 billion* (*includes a fire transfer repayment cap contingency of \$855 million)³⁷

The President's total FY2016 discretionary request for the Forest Service is \$4.94 billion, a decrease of \$130 million from FY2015 enacted. The Administration is also requesting an additional \$855 million as a Wildland Fire Suppression Cap to pay for large, expensive fires (roughly one percent of all Forest Service fires). In 2014, the agency employed approximately 33,000 FTE's.³⁸

National Forest Funding—Decreases Multiple Use, Increases Land Acquisition

²⁹ Page VII—57 of Chapter VII --*Management of Lands and Resources, BLM 2016 Budget Justification*

³⁰ Page BH-10, *FY 2016 Interior Budget in Brief*.

³¹ Id.

³² Page BH-11, *FY 2016 Interior Budget in Brief*.

³³ Appendix A-1, *Fiscal Year 2016 Interior Budget in Brief*.

³⁴ Page IX-11 of Chapter IX --*Oregon & California Grant Lands, BLM 2016 Budget Justification*

³⁵ *Forest Service Snapshot, Forest Service FY 2016 Budget Justification*

³⁶ *Forest Service Snapshot, Forest Service FY 2016 Budget Justification*

³⁷ *Page B-2 of Overview-- Forest Service FY 2016 Budget Justification*

³⁸ *Page B-2 of Overview - Forest Service FY 2016 Budget Justification. FTE Information provided by FS Budget Staff.*

The Forest Service again proposes combining several line items (including forest products, wildlife & fisheries, and vegetation management) totaling \$822 million for “Integrated Resource Restoration” with a projected target of 2.9 million acres treated and 3.2 billion board feet harvested among other wildlife and watershed targets.³⁹ In addition the budget request includes: \$126 million for Law Enforcement Operations; \$70.6 million for Minerals and Geology Management (8% decrease); \$49.7 million for grazing management (10% decrease); \$263.9 million for recreation management; \$184.2 million for Land Management Planning; \$60 million for Collaborative Forest Landscape Restoration; and \$127 million in Land Acquisition⁴⁰ (almost a three-fold increase).⁴¹

Wildland Fire Management

The FY2016 budget requests \$2.35 billion, a \$20.7 million increase over 2015 enacted. This includes: \$1.08 billion in preparedness (6% decrease) and \$795 million for suppression (12% increase). Also, the hazardous fuels program is requested at \$359.1 million for wildfire prevention treatments in near communities with a projected target of 1.7 million acres treated.⁴² The budget request for State Fire Assistance and Volunteer Fire Assistance is flat at \$78 million and \$13 million respectfully.⁴³

Forest and Rangeland Research

The FY2016 budget requests \$291.9 million, a decrease of \$4 million from the 2015 enacted level. The request includes \$83 million for the Forest Inventory and Analysis program.⁴⁴

State and Private Forestry

The FY2016 budget requests \$236 million, an increase of \$4 million over the 2015 enacted level.⁴⁵ This includes reductions in the Forest Health Management Program, Urban and Community Forestry Program and International Forestry Program and increases in the Forest Legacy Program (conservation easements) and Landscape Scale Restoration Program.⁴⁶

Capital Improvement and Maintenance

The FY2016 budget requests \$341.9 million, a decrease of \$18.5 million, for the Forest Service’s principle construction and maintenance account for roads and facilities.⁴⁷ The Roads budget, important for access to forest health treatments and firefighting, is cut by \$13 million or eight percent.⁴⁸ A portion of the Roads program and Legacy Roads and Trails Program was included in the Integrated Resource Restoration request.⁴⁹

Payments to Communities

The budget requests \$247 million in mandatory funds for payments to counties under the Secure Rural Schools program.⁵⁰

³⁹ Page 130 of National Forest System, *Forest Service FY 2016 Budget Justification*

⁴⁰ Page 228 of Land Acquisition, *Forest Service FY 2016 Budget Justification*

⁴¹ Page 125 of National Forest System, *Forest Service FY 2016 Budget Justification*

⁴² Page 258 of Wildland Fire Management, *Forest Service FY 2016 Budget Justification*

⁴³ Page 243 of Wildland Fire Management, *Forest Service FY 2016 Budget Justification*

⁴⁴ Page 57 of Forest & Rangeland Research, *Forest Service FY 2016 Budget Justification*

⁴⁵ Page 77 of State & Private Forestry, *Forest Service FY 2016 Budget Justification*

⁴⁶ Page 77 of State & Private Forestry, *Forest Service FY 2016 Budget Justification*

⁴⁷ Page 201 of Capital Improvements & Maintenance, *Forest Service FY 2016 Budget Justification*

⁴⁸ Page 211 of Capital Improvements & Maintenance, *Forest Service FY 2016 Budget Justification*

⁴⁹ Page 201 of Capital Improvements & Maintenance, *Forest Service FY 2016 Budget Justification*

⁵⁰ Page 345 of Payments to Communities, *Forest Service FY 2016 Budget Justification*