

**Statement of  
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**Before the  
House Committee on Natural Resources  
Subcommittee on Energy and Mineral Resources**

**Concerning**

**The President's Budget Request for the USDA Forest Service Minerals and Geology  
Program in Fiscal Year 2011**

**March 25, 2010**

Mr. Chairman and members of the subcommittee, it is a privilege to be here today to discuss the President's Budget request for the Forest Service in fiscal year (FY) 2011, and specifically the request for the Minerals and Geology Program. I appreciate the support this subcommittee has shown the Forest Service in the past, and I look forward to collaborating in the future to provide more of the goods and services the American people want and need from our Nation's forests and grasslands. I am confident that this budget will enable the Forest Service to do just that.

Our Nation's forests and grasslands, both public and private, are social, economic, and environmental assets. They provide many ecosystem services on which society relies, including clean water, scenic beauty, outdoor recreation, fish and wildlife habitat, natural resource jobs, forest products, renewable energy, carbon sequestration, and more. In pursuit of these and other services, the Forest Service manages 193 million acres on 155 national forests and 20 grasslands. In addition, to help improve stewardship of lands outside the National Forest System, the agency partners with and provides technical assistance to a range of private landowners as well as State, local, and Tribal governments, other Federal agencies, and nonprofit organizations. The agency also engages in cutting-edge research on climate change, wildfires, forest pests and diseases, ecological restoration, and a range of other conservation issues.

The Budget reflects the President's priorities and Secretary of Agriculture Tom Vilsack's vision for restoring and enhancing the resilience and productivity of America's forests. In accordance with our mission of sustaining the health, diversity, and productivity of the nation's forests and grasslands, the Forest Service is taking an all-lands approach, working across boundaries and ownerships to address the critical issues facing our Nation's forest and grassland ecosystems on a landscape scale. Further, the budget proposes to integrate Forest Service programs in a new way that will better position the agency to tackle long-standing and urgent forest health, wildlife, forest restoration, and community vitality needs.

The President's Budget request for the Forest Service for FY11 totals \$5.38 billion in discretionary appropriations, a \$61 million increase over the FY10 enacted level. The Budget reflects a new and significant shift in the way the agency will address forest management on National Forest System (NFS) lands. The President's Budget focuses Forest Service resources to

support more watershed and ecosystem improvement efforts based upon a variety of management actions, including mechanical removal of timber, road decommissioning, and wildlife habitat improvement. The Budget adopts an ecosystem-based approach to forest management that focuses on enhancing forest and watershed resiliency, preventing the loss of large carbon sinks, and maintaining jobs. To address the need to protect forest resources and wildlife habitat in an era of global climate change, the Budget establishes a new line item called Integrated Resource Restoration for long-term, landscape scale restoration activities that emphasize resiliency, health, and sustainable economic development.

In addition, the Secretary's vision for 2010 and beyond calls for building a new forest economy based on forest restoration that generates green jobs and rural prosperity. With the FY11 budget, the Forest Service will continue to develop new ways of bringing jobs and economic activity to rural communities.

### **Minerals and Geology Management Program Budget**

The FY 2011 President's Budget requests \$87.4 million for the Minerals and Geology Management program, a \$126,000 increase from the FY 2010 enacted level. The program will emphasize environmental review of proposed operations, including processing oil and gas lease applications. Other priorities include inspection and monitoring of ongoing mineral operations, providing professional expertise to ensure watershed health and public safety, and managing significant geologic resources.

The Minerals and Geology Management program is responsible for managing mineral and energy development activities, assessing geologic hazards and associated risks, interpreting and protecting geologic resources, controlling pollution, and cleaning up abandoned mines and other contaminated sites on NFS lands.

The value of all energy and mineral production from NFS lands typically exceeds \$2 billion per year. Over 5 million acres of NFS lands are leased for oil, gas, coal, and phosphate. At any given time, the Forest Service administers operations on approximately 90,000 mining claims, and manages approximately 8,000 mineral material sale contracts. In addition, the Forest Service works to mitigate potential threats to the environment and human safety associated with thousands of abandoned mines and other contaminated sites located on NFS lands. NFS lands also contain geologic resources including caves and rare fossils, and are the largest single source of municipal water supply in the U.S., serving over 66 million people in 33 states.

The Minerals and Geology Management program consists of the following activities:

*Mineral Operations Administration* (\$30.2 million) – The request will fund the administration of an estimated 12,350 active mineral operations in FY 2011. The program is designed to meet minimum administration levels to ensure compliance with operating plan requirements and ensure specific environmental standards are met and resources protected under State and Federal law and regulations, all for the protection of public health and safety. This program provides for the inspection, oversight, and monitoring of approved mineral operations on NFS lands for the protection of public health and safety.

*Mineral Applications Processing* (\$22.4 million) – The request will fund processing an estimated 9,840 mineral application in FY 2011. The actual number of applications received in FY 2011 may vary significantly due to market influences and variable demand for mineral resources from NFS lands. Processing mineral applications provides a valuable service to the public and ensures environmental standards and considerations are met. The energy component of this activity will focus on increasing opportunities for geothermal exploration and production and the development and supply of oil, gas, and coal from Federal lands, in support of the Energy Policy Act (EPA) of 2005. The EPA pilot offices will continue to help the agency efficiently process energy leasing and permit applications, particularly with respect to eliminating the backlog of oil and gas lease nominations and surface use plan of operations (SUPOs) relative to applications for permits to drill (APDs). This program provides for the review and approval of plans for proposed mineral activities including exploration and development of hardrock minerals under the authority of the Mining Act of 1872; coal, oil, gas, and geothermal exploration and production under the various mineral and geothermal leasing acts; and contracts for the extraction of mineral materials such as sand and gravel, by the public and local, State, and Federal agencies under the Materials Act of 1947.

*Manage Geologic Resources and Hazards* (\$8.6 million) – The request will fund the identification and management of an estimated 590 geologic resources and hazards. Geologic resources identified and managed by this request include caves, paleontological resources, ground water, and ground water-dependent ecosystems. Geologic hazards identified, assessed, and managed include landslides, debris flows, and karst collapse features. Identifying and managing geologic hazards provides for the health and safety of the public and protects infrastructure, and environmental resources such as soil, and groundwater. The geologic component of this activity provides information on geologic and paleontologic conditions informing land management decisions and project design, evaluates resources such as ground water, and protects sites that have scientific or educational use.

*Mitigate Abandoned Mine Lands (AML) Safety Risk Features* (\$8.3 million) – The request will fund the mitigation of an estimated 680 abandoned mine sites. The AML program focuses specifically on cleaning up abandoned mines in high priority watersheds. Wherever feasible, AML work minimizes or mitigates adverse effects on wildlife and cultural and historic resources. In addition to cleanup projects, the program is establishing an environmental management system that includes environmental compliance audits to systematically improve environmental performance of the agency. The program provides for the inventory, assessment, and mitigation of abandoned mine safety hazards and associated environmental damage. This work includes closing underground mine openings and vertical shafts; re-contouring open pits, trenches, and associated roads; and removing or stabilizing abandoned buildings, equipment, and hazardous materials.

*Manage Environmental Compliance* (\$2.1 million) – The request will fund 26 environmental compliance audits. These audits are an important tool to assure that employee and public health and safety are protected through agency compliance with environmental laws and regulations. This activity funds a national audit program which assesses Forest Service

compliance with environmental statutes and trains field personnel on compliance and pollution prevention.

*Manage Environmental Restoration* (\$15.8 million) – The request will fund the mitigation of 21 known hazardous material sites on NFS lands. The costs for each site vary widely, as does the total number of identified sites. Cleanup of sites contaminated with hazardous materials is critical for the long-term protection of surface and groundwater quality, as well as wildlife habitat, and public health and safety. Cleanup of hazardous substances on NFS lands improves and protects watershed conditions and human and ecological health. Since FY 2010, the agency no longer receives funds from the USDA Central Hazardous Materials Management Appropriation for use on Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and Resource Conservation and Recovery Act (RCRA) cleanup projects. This program provides for the inventory, assessment, and cleanup of sites where there is a release, or threat of release, of a hazardous substance, pollutant, or contaminant. Restoration could occur at AML and non-AML sites and involve CERCLA and non-CERCLA authorities. This restoration helps minimize or eliminate threats to human health and the environment. Cleanup projects are typically initiated under requirements of CERCLA, RCRA, or the Clean Water Act.

### **Forest Service Minerals and Geology Program Accomplishments**

During FY 2009, the Minerals and Geology Management staff completed a reorganization that focused more resources at the Regional and Forest level. This effort has streamlined the policy, oversight and direction for the Minerals and Geology Management staff while providing a centralized approach to scarce skills needed in programs such as ground water, mineral leasing, mineral examinations and other site specific program delivery areas. As a result of these efforts, the Minerals and Geology Program achieved the following during FY 2009:

- *Administer Mineral Operations:* In FY 2009, the agency administered 14,613 mineral operations, 8 percent above its target for this activity. This increase is due in part to market conditions resulting in high commodity prices, which led to an increase in the number of active operations requiring administration.
- *Process Mineral Applications:* In FY 2009 the agency processed 11,187 mineral applications and 93 Surface Use Plans of Operations in support of Applications for Permit to Drill.
- *Manage Geologic Resources and Hazards:* In FY 2009, the agency managed 250 geologic hazards and 544 geologic resources.
- *Abandoned Mine Land (AML) – Safety Risk Features Mitigated:* In FY 2009, the agency mitigated 519 safety risk features.
- *Manage Environmental Compliance:* In FY 2009, the agency completed 25 environmental compliance audits for the purpose of identifying and correcting hazardous material storage, disposal, and day-to-day use; and ensuring the safe operation of water

and wastewater systems at administrative sites and visitor facilities. These audits provide a safer work and recreation environment for employees and visitors at the 25 national forests, grasslands and research stations where these audits were conducted.

- *Manage Environmental Restoration:* In FY 2009, the agency mitigated 75 contaminated hazardous material sites.

The Minerals and Geology Management program continues the design and implementation of new national databases that will accurately track and report accomplishments. This will enhance program performance by providing consistent, accurate and timely information on outcomes.

### **Conclusion**

Thank you for the opportunity to discuss the President's Budget for the Minerals and Geology Management program in FY 2011. I look forward to sharing more with you about the budget today, and working with you in the future to see many of these budget proposals take shape. I look forward to answering your questions.