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Committee on Resources
Subcommittee on Forests and Forest Health

Concerning Healthy Forests Targets and Accomplishments
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INTRODUCTION

Mr. Chairman. Thank you for the opportunity to testify on the Administration's progress implementing the Healthy Forests Initiative (HFI) including the Healthy Forest Restoration Act of 2003 (HFRA). The Act is a significant piece of legislation that earned bipartisan support in both houses of Congress and was signed into law by President Bush on December 3, 2003. HFRA recognizes that timely implementation of fuels treatment and forest and rangeland restoration projects is critical if we are to reduce the risk from severe wildland fire to rural communities and critical ecological resources.

Please accept my thanks to you and the members of this subcommittee for your efforts in the passage of this important legislation and in your continuing interest in and support of our implementation efforts.

THE HEALTHY FORESTS INITIATIVE

The HFI includes both administrative reforms and HFRA authorities that give federal managers additional tools to expedite hazardous fuel treatments and ecological restoration projects on federal land. These tools are being used to implement a wide range of treatment activities.

My statement will address the various components of the hazardous fuel reduction program. First I want to say that the Forest Service and the Department of the Interior (DOI) agencies will have treated nearly 25 million acres from 2000 through 2007, including nearly 20 million acres of hazardous fuels reduction accomplishments and nearly 5 million acres of landscape restoration accomplished through other land management activities. Beginning in 2003, the first year that new HFI tools were in place, through the second quarter of this year about 7.8 million acres have been treated in the Wildland Urban Interface (WUI). This represents nearly 60% of the total hazardous fuels treatments in that time period.

So far, in FY 2006 the agencies have treated about 2.2 million acres of which 1.4 million acres are in WUI. For FY 2006 more than \$907 million have been allocated for activities that will enable the departments to continue our efforts to prevent the risk of catastrophic wildfires and restore forest and rangeland health. A more complete accounting of our accomplishments can be found in the Healthy Forests Report located on the internet at www.healthyforests.gov.

The Forest Service has utilized the administrative tools provided under the Healthy Forests Initiative, for example:

- In FY 2005, HFI tools were used to treat approximately 100,000 acres. This fiscal year, we plan to use these tools for about 800 treatments to reduce hazardous fuels on approximately 208,000 acres.
- Categorical exclusions (CEs) have been used to meet National Environmental Policy Act (NEPA) requirements and facilitate more than 600 hazardous fuels treatment projects for FY 2005 and through the second quarter of FY 2006. CEs may also be applicable to another 600 hazardous fuels treatment projects that remain in various planning stages.
- The counterpart regulations concerning consultation on certain National Fire Plan (NFP) projects under Section 7 of the Endangered Species Act have been issued by the Fish and Wildlife Service and the National Marine Fisheries Service. These regulations streamline Section 7 consultations on many projects. The Forest Service has entered into an Alternative Consultation Agreement with the Services. The Agreement called for development of a training and certification process for making determinations under Section 7 which has now been in place for two years. More than 830 Forest Service employees have been trained and are currently certified under that process, and over 100 NFP projects have used the Counterpart Regulations.

Another important and related action is the authority provided by Congress to expend the use of stewardship contracting by

the Forest Service (FS) and the Bureau of Land Management (BLM) under the Omnibus Appropriations Act for Fiscal Year 2003 (Section 323 of P.L. 108-7). Beginning in FY 2003 through April of this year the Forest Service awarded 195 stewardship contracts. We anticipate another 20 contracts this year and around 80 next year. We have just awarded the first contract under the Tribal Forest Protection Act to the Mescalero Apache tribe and continue to receive proposals to treat agency lands adjacent to tribal lands.

PROGRESS MADE ON IMPLEMENTING HFRA

In the time since HFRA was enacted, the Forest Service has taken a number of actions to implement the various titles of the Act.

Title I – Hazardous Fuels Reduction on Federal Lands

The Administration is encouraged by implementation of Title I of HFRA. While Title I treatment acres currently are a small percentage of the total, the number of new projects entering planning is increasing as managers develop experience using these tools. In FY 2005, the Forest Service used HFRA authorities to treat approximately 23,000 acres in 71 treatments. In FY 2006, the agency plans to use 138 HFRA treatments covering 62,000 acres.

HFRA authorizes the agencies to streamline environmental assessments to fulfill NEPA requirements, complementing the categorical exclusion authority in HFI. The key provisions of Title I include the collaborative development and expedited environmental analysis of authorized hazardous fuel reduction projects, a pre-decisional Forest Service administrative review process, large tree retention and judicial review. Title I focuses attention on several land types : wildland-urban interface lands or at-risk communities; at-risk municipal water supplies; threatened and endangered species or their habitats that are at-risk of catastrophic fire where fuels treatment can reduce those risks; and land where windthrow, or insect or disease epidemics threaten an ecosystem component or forest or rangeland resources.

The Act encourages the development of Community Wildfire Protection Plans (CWPPs) to identify and prioritize areas for fuels treatment and to recommend types of treatments in and around the WUI. The Act requires the Secretary to give priority to Forest Service project proposals that would implement the CWPPs. The National Association of State Foresters (NASF) recently completed a survey of all states to determine progress in developing CWPPs. The NASF found that states are reporting over 650 completed CWPPs covering almost 2,700 communities, and approximately 600 additional CWPPs progress. It is important to note that a one-to-one ratio of plans to communities is not required as a single CWPP may include multiple communities.

We have observed that this collaboration between communities and local Forest Service offices has resulted in some very innovative hazardous fuels reduction projects. An outstanding example is the White Mountain Stewardship Project involving the Apache-Sitgreaves National Forest and the communities of Navaho and Apache and Coconino counties in Arizona. This project integrates elements of stewardship contracting, Title I project development and the biomass grant program under Title II Section 202.

The White Mountains Stewardship Contract was awarded in August 2004 as one of the first 10-year stewardship contracts under section 323 of Public Law 108-7. This stewardship contract is designed to restore forest health, reduce the risk of fire to communities, reduce the cost of forest thinning to taxpayers, support local economies and encourage new wood product industries and uses for the thinned wood fiber. Forest Service collaboration with citizens and conservation groups has been critical and ongoing and originally resulted in 70,500 acres of NEPA analysis completed, using tools under HFRA Title I, with only one objection filed and no lawsuits. A second HFRA EA was completed in May of this year without objection. This decision will add another 25,000 acres to the contract.

The 10-year guaranteed supply of wood fiber enables wood product businesses to invest in equipment designed specifically to treat and mill small diameter wood. Prior to the stewardship contract, forest restoration costs were as much as \$1,100 per acre. That cost now ranges from \$350 to \$550 per acre.

Title II – Utilization of Woody Biomass

Title II provides authority to help overcome barriers to the production and use of woody biomass material produced on fuels reduction and forest restoration projects. Title II contains three focus areas.

Section 201 amends the Biomass Research and Development Act of 2000 (Title III of P.L. 106-224) to provide for research on woody biomass production and treatment. Working with the Department of Energy, USDA added specific language to the 2004 Request for Funding Proposal (RFP) to conduct this research and two research proposals were funded at \$1 million each. The two projects were designed to increase the utilization of woody biomass from the wildland urban

interface throughout the Southeast. Sec. 202 authorizes the chief, in consultation with the State and Private Forestry Marketing Unit at the Forest Service Forest Products Laboratory to carry out programs to accelerate adoption of biomass technologies and to create community-based enterprises through market activities. In FY2005, 20 grants were awarded for \$4.4 million. In FY 2006, 18 applications, totaling almost \$4.2 million were selected. Applications came in from all parts of the country with a significant number coming in from the West because of the preponderance of national forest lands, as well as significant amounts of fire class condition 3 lands.

Six of the USDA Forest Products Laboratory grants have been awarded to White Mountain Stewardship Contract-based businesses over the last two years. These grants are a vital source of "seed-money" to purchase equipment and technologies to utilize and manufacture value-added products from small-diameter wood. There are 13 businesses harvesting and utilizing wood from the stewardship contract that support 450 full-time jobs in Arizona, and 318 of these new jobs are in the local area. These 13 businesses spent over \$12 million for goods and services in the local White Mountain region in the first year.

Title III – Watershed Forestry Assistance

Title III authorizes the Forest Service to provide technical, financial and related assistance to state foresters or equivalent state officials or cooperative extension officials aimed at expanding their forest stewardship capacities and to address watershed issues on non-federal forested land and potentially forested land. Title III also directs the Secretary to provide technical, financial and related assistance to Indian tribes to expand tribal stewardship capabilities to address watershed issues. The Forest Service, working with state forestry agency personnel and tribal members, has developed separate draft guidelines to implement the State and Tribal Watershed Forestry Assistance programs.

Title IV—Insect Infestations and Related Diseases

Title IV directs the Forest Service and U.S. Geological Survey to establish an accelerated program to plan, conduct, and promote systematic information gathering on forest damaging insect pests, and the diseases associated with them; to assist land managers in the development of treatments and strategies to improve forest health; and to disseminate the results of such information. Title IV directs the Secretary to carry out the program in cooperation with scientists from colleges and universities, governmental agencies and private and industrial landowners. The Secretaries of Agriculture and the Interior announced in the summer of 2004 the formation of a series of partnerships to help implement HFRA in the southern United States. Since then, two landscape-scale applied Title IV silvicultural assessments on the Ozark-St. Francis National Forest were developed to address infestations of the southern pine beetle and red oak borer, which threaten forest health in the region. Another applied silvicultural assessment for maintaining habitat diversity and reducing the risk of mortality from gypsy moth and oak decline is underway on the Daniel Boone National Forest. Another assessment on the effects of silvicultural treatments for gypsy moth control is taking place on the Monongahela and Wayne National Forests. The Forest Service also has two assessments concerning hemlock woolly adelgid agency lands in western North Carolina and on the Allegheny National Forest in Pennsylvania.

Title V – The Healthy Forest Reserve Program (HFRP)

HFRP is a voluntary program established to restore and enhance forest ecosystems to: 1) promote the recovery of threatened and endangered species; 2) improve biodiversity; and 3) enhance carbon sequestration.

The program is authorized through 2008. Restoring and protecting forests contributes positively to the economy of our Nation, provides biodiversity of plant and animal populations, and improves environmental quality. HFRP includes a safe harbor provision for landowners who enroll and agree, for a specified period, to restore or improve their land for threatened or endangered species habitat. In exchange, they avoid future regulatory restrictions on the use of that land protected under the Endangered Species Act.

On May 18, 2006, I announced the availability of \$2.3 million for the HFRP in selected forest ecosystems. In FY 2006, HFRP will focus on habitat recovery for the endangered red-cockaded in the Lower Ouachita River Flatwood region of Arkansas, the Canada lynx in the northern boreal forest of Maine, and the gopher tortoise in the longleaf pine ecosystem along the Gulf Coast in Mississippi. The work in the Lower Ouachita River area will also benefit the very rare Ivory-billed woodpecker. Signup for this program is currently underway from June 19 through July 7, 2006.

Title VI – Forest Inventory/ Monitoring and Early Warning Systems

Title VI directs the Secretary of Agriculture to carry out a program to monitor forest stands on some National Forest System lands and private lands to improve detection of and response to environmental threats.

The Forest Service announced in October 2004 a national strategy to prevent and control the threat of invasive species and non-native plants on 193 million acres of the National Forest System and to guide research and technical and financial assistance. The strategy focuses on four key elements: preventing invasive species from entering the country; finding new infestations before they spread; containing and reducing existing infestations and restoring native habitats and ecosystems. The strategy is relying on "The Early Warning System for Forest Health Threats in the United States," developed as part of HFRA, which describes for the first time, in one place, the nation's system for identifying and responding to forest health threats, including web sites to obtain further information.

The Forest Service is proactively identifying potential threats and treating pathways of entry that may bring invasives to the United States. For example, we are conducting surveys of ports in the Russian Far East for activity and infestations of the Asian variety of gypsy moth in cooperation with the Animal and Plant Health Inspection Service (APHIS) and the nation of Russia. In 1992 alone, it cost USDA \$32 million to eradicate an infestation of Asian gypsy moth in the United States, so our early detection efforts could save millions of dollars in eradication costs.

To facilitate the direction in Title VI, the Forest Service has established two threat assessment centers to evaluate, on a broad scale with our federal, state and local partners, the impacts of invasive species and diseases and other threats to the health of ecosystems. The Western Threat Assessment Center established in March 2005, in Prineville, Oregon, shares facilities with the Ochoco National Forest, and employs six permanent scientific and administrative staff and a visiting scientist. The Eastern Threat Assessment Center was established in October 2004 in Ashville, North Carolina. The center is housed with the Southern Forest Research Station and plans to employ five permanent staff and five visiting scientists.

The centers are developing user oriented technology and cutting edge research on invasive species. Additionally, the Centers have initiated a major cooperative venture with NASA's Stennis Space Center to identify promising remote sensing and geospatial technologies for early detection of environmental hazards and response or susceptibility of forests to multiple stresses. This technology will be incorporated within an early warning system that will use combinations of low and high-resolution imagery with information gathered in field samples to alert managers of developing threats.

OUTLOOK FOR FUTURE IMPLEMENTATION OF HFRA

We will continue to make headway treating hazardous fuels to restore fire adapted ecosystems and to help make communities safer. As I have stated, the Administration is very encouraged by the application of the HFI and HFRA authorities which truly are helping to restore healthy forest and rangeland ecosystems. We also know we have much work ahead of us. Small diameter woody material makes up a considerable amount of hazardous fuels but is extremely costly to remove and currently has little commercial value. We will continue working with our partners exploring opportunities to improve utilization of this material and reduce the cost of removing these hazardous fuels. We will also continue working closely with community organizations to increase public understanding of the need to reduce hazardous fuels, and to increase public awareness that the removal of some merchantable trees is a financially responsible and ecologically appropriate part of that work. We know that in the end what is important is that we are leaving a healthier, more resilient forest on the landscape for future generations.

CONCLUSION

Mr. Chairman, the HFI and HFRA authorities are proving to be very helpful in our efforts to make significant improvements to the health of this country's forests and rangelands. I would say that we also have the need for similar tools to help us recover and restore areas after natural events which are catastrophic in nature such as wildfires, wind events, ice storms and insect and disease infestations. This administration strongly supports, HR 4200, which we believe provides the tools to allow us to expedite recovery and restoration of lands following catastrophic events. We appreciate your leadership on this issue.

I would be happy to answer any questions the committee members may have.