

Collections

BLM Collections in 1998, 1999, 2000, and 2001 (\$000s)

Collection Source	1998 Actual	1999 Actual	2000 Estimated	2001 Estimated
Sale of Public Land and Materials	8,772	21,754	36,348	52,000
Miscellaneous Filing Fees	1,000	926	1,000	1,000
Mineral Leasing	1,043	8,696	1,810	1,610
Grazing Fees & LU Project Lands	14,971	14,036	14,220	14,220
Timber Sales & Vegetative Material	86,533	69,801	58,483	83,910
Recreational Use Fees	6,107	6,688	7,500	8,000
Mineral Leasing Naval Petroleum Reserve	0	0	0	0
Alaska National Petroleum Reserve	0	0	0	0
Earnings on Investments	0	32	349	949
Other Receipts, Service Charges & Fees	28,512	35,291	27,892	26,572
Total	146,938	157,224	147,602	188,261

2001 COLLECTIONS

- C In FY 2001 the BLM will collect an estimated total of \$188,261,000. Receipts are collected by BLM from sources such as the sale of land and materials, grazing fees, timber sales, recreation use fees, and other miscellaneous sources contribute to state and local governments, support the General Fund of the U.S. Treasury, and offset charges for program operations where fees collected can be retained by the BLM.
- C In addition, BLM's on-shore mineral leasing activities contribute directly to the generation of about \$1,200,000,000 in on-shore mineral leasing receipts (bonuses, rents, royalties). (These mineral leasing receipts are reflected in the Minerals Management Service (MMS) budget.)
 - The large increase in collections in 2001 compared to 2000 is due principally to the new Nevada Land Sale authority (2001 collections are expected to be approximately \$26,000,000), and an increase in timber receipts. In FY 2001, the BLM requests an

additional \$3,000,000 for special status species survey and manage work; with this increase the BLM should offer its allowable sale quantity of timber of 211 MMBF, thereby generating near to recent historic levels of timber receipts.

The following is a brief description of BLM receipt sources:

- C **Sales of Public Land and Material** - This category of receipts includes receipts from the sale of public land, including land sales in Clark County Nevada, and sale of vegetative and mineral materials. This includes new authority for 15% of the proceeds from Nevada land sales to be distributed to the State of Nevada and Clark County, and BLM may keep 85% of land sale receipts for acquisition and capital investments. BLM is also authorized to keep interest generated from the above mentioned funds. Excluded from this receipt source are the sale of timber from the public domain land, sale of land from the Oregon & California Grant Lands and from Coos Bay Wagon Road Lands, sale of land and materials from Land Utilization (LU) project lands, sale of land and materials from Reclamation Lands (reserved or withdrawn) and sale of town sites and reclamation projects. Included in the FY 2001 estimate is a \$2,000,000 proposed legislative increase for the Department of the Interior Land Bank.
- C **Miscellaneous Filing Fees** - Collections are primarily from filing fees for applications to noncompetitively lease oil and gas. Parcels offered but not leased in competitive sales, are available for non- competitive leasing. Also included are fees received for filing or recording documents, charges for registration of individual, firms or products, and requests for approval of transfer of leases or permits.
- C **Mineral Leasing** - These receipts include all rental collections from oil and gas pipeline rights-of-way associated with lands leased under the *Mineral Leasing Act (MLA)* and the *Mineral Leasing Act for Acquired Lands*. The MMS assumed responsibility for collection and distribution of most mineral leasing receipts in 1985. BLM continues to collect first-year rentals and initial bonuses from mineral leasing but deposits these receipts directly into MMS accounts.
- C **Grazing Fees from Public Lands and Land Utilization (LU) Project Lands** - This category includes all grazing fees collected from public lands and from Land Utilization (LU) Project lands administered by the BLM. It also includes certain receipts from LU lands, such as from mineral leasing. Grazing fees are collected under the authority of the *Taylor Grazing Act*, *FLPMA*, and the *Public Rangelands Improvement Act*.

From 1978 through 1985, Public Land grazing fees were based on a formula established in the Public Rangelands Improvement Act of 1978 (PRIA). The statutory authority for this formula expired on December 31, 1985. On February 14, 1986, the President issued Executive Order 12548 directing the continued use of the PRIA formula to set grazing fees for the Public Lands.

The grazing fee is updated annually based on index factors including, private land lease rates, beef cattle prices, and the cost of production. Based on the PRIA formula, the fee was \$1.35 per Animal Unit Month (AUM) for the 1998 and 1999 grazing year. To date, the fee for the 2000 grazing year has not been published.

In accordance with the new grazing regulations, a surcharge has been added to the grazing fee bill for authorized grazing of livestock owned by persons other than the permittee or lessee except where such use is made by livestock owned by sons and daughters of permittees and lessees. The surcharge is equal to 35 percent of the difference between the 1999 grazing fee and the 1998 private land lease rate for the State where the pasturing agreement occurs. Anticipated grazing receipts reflect these fee rates.

Fifty percent of all grazing receipts collected under the *Taylor Grazing Act* and 50 percent of all receipts (including mineral receipts) from LU Project Lands transferred to BLM by *Executive Orders 10787 and 10890*, are allocated to the Range Improvement Appropriation. As provided in the *Taylor Grazing Act*, FLPMA, and the *Public Rangelands Improvement Act*, when appropriated by Congress, these funds are available for the construction, purchase and development of range improvements. Appropriations are made from the receipts collected during the previous fiscal year.

C Timber Receipts from the Oregon and California Grant Lands - In FY 2001, the BLM estimates a total collection of \$75,551,570 in timber receipts from lands in the O&C. Approximately, \$8,380,000 are projected receipts from salvage timber sales and the balance is projected receipts from non-salvage timber sales. Estimates are based on historical data, anticipated changes in factors affecting timber demand, and local timber market conditions. Timber harvest levels in the O&C Grant Lands and Coos Bay Wagon Road Lands are governed by the standards and guidelines established under the Pacific Northwest Forest Plan which sets targets of allowable sale quantities of timber. Recent legal challenges surrounding the BLM's implementation of the Forest Plan temporarily suspended timber production in the O&C for most of FY 1999 and part of FY 2000. Consequently, the BLM collected lower than average timber receipts in FY 1999 (\$64,800,000) and projects shortfalls again in FY 2000 (\$50,800,000). However, if the BLM receives its requested increase in funding of \$3,000,000 in FY 2001 to address special status species survey and manage work, it anticipates being able to offer the full allowable sale quantity of timber of 211 MMBF and subsequently collect closer to recent historic levels of timber receipts.

✓ All O&C and Coos Bay Wagon Road receipts are returned to the U.S. Treasury with the exception of funds derived from timber sales using the Timber Sale Pipeline Restoration Fund and Forest Ecosystem Health and Recovery Funds (see below). However, O&C counties are guaranteed 50% of these receipts if that sum is greater than the FY 2000 guaranteed floor payment of \$62,437,000 as established in the *Omnibus Reconciliation Act of 1993* (OBRA). It is estimated that in FY 2000 the OBRA payment will be greater than 50% of the estimated timber receipts.

✓ The FY 2001 President's Budget includes a proposal to make payments to states and counties permanent at the FY 1997 payment level of \$70,824,237. The proposal would provide a stable annual payment to the counties beginning in FY 2001, "de-linking" the payments from actual timber sale receipts and providing a guaranteed payment that is higher than future payment levels established in OBRA.

✓ Salvage timber sales are prepared using the *Forest Ecosystem Health and Recovery Fund* (FEHRF), which was established in 1993, and further amended in 1998, for the

purposes of completing forest ecosystem health projects, including preparing salvage timber sales, reforestation, and fuels reduction. The Federal share of receipts equals 100% of the collected receipts, which is fully deposited back into the Fund for future forest health initiatives. (Refer to the Permanent Operating Funds section for additional details on FEHRF). The BLM estimates collecting approximately \$8.4 million in salvage timber receipts on the O&C Grant Lands in FY 2001.

Ÿ The **Timber Sale Pipeline Restoration Fund** was established to address, in part, the need to prepare timber sales and establish a timber pipeline in western Oregon. Receipts from the release of Section 201(k), *P.L. 104-134*, timber sales provided the start-up funding to start this Fund. The Fund finances timber sales; any receipts from these sales are then deposited back into the Fund. In FY 2001, it is estimated that \$4 million in receipts will be generated from the Department of Interior portion of the Pipeline Fund; these receipts will be deposited back into the Pipeline Fund.

Ÿ **Timber Receipts from the Public Domain Forest Lands** - Estimated timber receipts from public domain forest lands in FY 2001 are \$5,730,000, an amount approximately equal to the estimated receipts for FY 2000. In FY 2001 the BLM expects to offer approximately 25.6 MMBF of non-salvage timber and 6.4 MMBF of salvage timber in FY 2001. Approximately \$1,000,000 of the estimated receipts are from salvage timber sales that will be deposited into the Forest Ecosystem Health and Recovery Fund. The balance are receipts from non-salvage timber sales, of which 4% of the receipts will be returned to the states and the balance will be deposited in the Treasury. The proposal included in the FY 2001 President's Budget to provide a stable payment to states and counties at the 1997 payment level, and that it is not based on current timber production, also applies to the public domain forest lands. This payment would be approximately \$760,000, an amount greater than what would be provided under the current payment law.

- **Recreation Use Fees** - Recreation use fees are derived from the fees collected on public lands at recreation sites, from issuing recreation use permits, and from selling Federal recreation passports (Golden Eagle, Golden Age, etc.). These funds are used to improve the facility conditions and user services provided at recreation sites where the fees were generated. In FY 2001 the BLM anticipates collecting \$8,000,000 in recreation receipts under all authorities.

The Omnibus Budget Reconciliation Act of 1993 amended the *Land and Water Conservation Fund Act (LWCF)* and BLM's authority to collect recreation use fees. Recreation fees collected by the BLM are deposited into a special Treasury account and are made available through appropriation in the following fiscal year in the Management of Lands and Resources Appropriation. A 1993 amendment allowed the BLM to retain and spend up to 15 percent of the recreation receipts collected during the current year to offset fee collection costs. The 1993 amendments also broadened the range of recreation sites at which fees could be collected and allowed the BLM to charge entrance fees for National Conservation Areas and to collect fee for Federal recreation passports, i.e. Golden Age and Golden Eagle. In FY 2001 the BLM anticipates collecting \$1,500,000 under the LWCF authority, of which \$200,000 will be used for collections. The remaining \$1,300,000 will be deposited into the special Treasury account to be made available for appropriations back to BLM in FY 2002.

The 1996 *Department of the Interior and Related Agencies Appropriations Act*, provided the BLM with additional authority to develop recreation fee demonstration pilots. The goals of the pilots are to foster innovative, creative, and cost-effective methods of collecting recreation use fees, in consultation with recreation site users and local communities. The language in the FY 1996 Act was amended by both the FY 1997 and 1998 Appropriation Acts which waived the base year and enabled the BLM to approve up to 100 recreation fee demonstration pilot projects. The FY 1999 Appropriation Act extended the recreation fee demonstration pilot program through FY 2001. The fees collected under this authority are to be directed back to the sites where fees were collected to enhance facility conditions and improve user services. By the end-of FY 1999 BLM had approved all 100 pilot projects. In FY 2001, the BLM anticipates collecting \$6,500,000 under this new authority.

- C **Mineral Leasing Naval Petroleum Reserve** - These receipts include revenue derived from the bonuses, rents, and royalties from mineral leasing under the *Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)*, collected in 1999 from the developed lands within the Naval Oil Shale Reserve No. 3 (NOSR 3) in Colorado. BLM is authorized to keep these receipts under the 1998 *National Defense Authorization Act* and to seek appropriation of these funds for environmental restoration of the NOSR 1 and 3 properties which were transferred to BLM management in 1998.
- **Alaska National Petroleum Reserve** - The Minerals Management Service (MMS) collects all monies from sales, MMS transfers 100% of the collections to the BLM. BLM then distributes the money: 50% of collections to the State of Alaska, and 50% to the General Fund of the Treasury.
- C **Other Receipts, Service Charges, and Fees** - The major categories of other receipts collected by the BLM are from rent of land for authorized commercial, industrial and residential purposes, annual rentals from rights-of-way permits (except those issued under the authority of the Mineral Leasing Act), and the following:
 - Ÿ **Service Charges, Deposits, and Forfeitures** - These receipts included revenue from providing special program services such as road maintenance fees, rights-of-way application processing fees, wild horse and burro adoption fees, fees charged to timber sale purchasers when BLM performs work required by the contract, reimbursement to the government for damage to lands and resources, and copy fees;
 - Ÿ **Contributions** - Funds contributed to BLM from non-federal sources for projects or work as authorized by the *Federal Land Policy and Management Act*, *Taylor Grazing Act*, *Sikes Act*, and other laws;
 - Ÿ **Mining claim-related fees** - The *Department of the Interior and Related Agencies Appropriations Act for 1989 (43 U.S.C. 1474)*, provided that receipts for 1989 and thereafter from fees established by the Secretary of the Interior for processing actions relating to the administration of the General Mining Laws shall be immediately available to BLM for Mining Law Administration program operations.

Additionally, the *Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66)*, provided that the annual \$100 per claim maintenance fee for unpatented mining claims and sites would

continue through 1998. This authority was extended to 2001 in the *Department of the Interior Appropriations Act*, as included in *Public Law 105-277, Section 101(e)*. The law allows a waiver from the fee for those claimants who hold 10 or fewer claims. The Act also established a \$25 per claim location fee for new claims, to be paid at the time of recordation. Funds derived from mining claim maintenance fees are available to BLM for Mining Law Administration program operations.

Payments of Bureau of Land Management Receipts to States, 1999 (\$000's)

State	Mineral Leases and Permits	Grazing Receipts Outside Grazing Districts	Grazing Receipts Inside Grazing Districts	Sale of Public Land and Materials	Other	Total
Alabama	0	0	0	0	0	0
Alaska ¹	0	0	0	3	0	3
Arizona	22	78	58	86	0	244
California	70	60	18	48	0	196
Colorado	97	28	80	16	0	221
Idaho	16	21	196	20	0	253
Montana ²	16	100	124	29	397	666
Nebraska	0	1	0	0	0	0
Nevada ³	33	13	278	531	1,661	2,516
New Mexico ⁴	324	147	215	26	9	721
N. Dakota	1	5	0	0	0	6
Oklahoma	0	0	0	0	3	3
Oregon ⁵	4	29	138	152	65,233	65,556
S. Dakota	0	74	0	0	0	74
Utah	54	0	155	18	0	227
Washington	0	20	0	3	0	23
Wyoming	262	360	194	38	0	854
Total	899	936	1,456	970	67,303	71,564

¹ No receipts for Alaska National Petroleum Reserve in fiscal year 1999.

² Bankhead-Jones Act, Executive Order 10787, November 6, 1958, from grazing and sale of other resources.

³ Includes Clark County land sales under the Santini-Burton Act of December 23, 1980.

⁴ Same as footnote #2.

⁵ Fiscal Year 1999 special O&C payments of \$64,718,262 and 1999 special CBWR payment of \$514,589 as required by P.L. 103-66 (107 Stat. 682) dated August 10, 1993, as amended by P.L. 103-443 (108 Stat. 4631) dated November 2, 1994.

Page intentionally left blank