

BLM Budget Fiscal Year 2007



The Bureau of Land Management *Today*

Our Vision

To enhance the quality of life for all citizens through the balanced stewardship of America's public lands and resources.

Our Mission

To sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations.

Our Values

To serve with honesty, integrity, accountability, respect, courage, and commitment to make a difference.

Our Priorities

To improve the health and productivity of the land to support the BLM multiple-use mission.

To cultivate community-based conservation, citizen-centered stewardship, and partnership through consultation, cooperation, and communication.

To respect, value, and support our employees, giving them resources and opportunities to succeed.

To pursue excellence in business practices, improve accountability to our stakeholders, and deliver better service to our customers.

"One of the most appealing aspects about America is that the best ideas in our country are not thought up by a committee, handed down by edict from a high official or invented in the back office of a government bureaucracy. Rather, they come from the people, often working in partnership with each other, who capture a vision and then pursue it until it becomes real."

**- Interior Secretary
Gale A. Norton**



February 6, 2006

Public Lands USA: Use, Share, Appreciate





Ensuring the Health and Productivity of the Nation's Public Lands

The Bureau of Land Management (BLM) administers more land than any other Federal agency. Most of this land—261 million surface acres—is located in 12 Western States, including Alaska. The BLM, an agency of the U.S. Department of the Interior, also administers 700 million acres of subsurface mineral estate across the nation. Under the Federal Land Policy and Management Act of 1976, the Bureau manages the public lands for multiple uses, a mission that the agency carries out with a budget of about \$1.8 billion in appropriated funds.

In the fast-growing West, the 12-State population has risen from 19.6 million in 1950 to more than 60 million today, placing new pressures on the public lands—particularly in the form of “urban sprawl” and the increased use of public lands for new and diverse forms of outdoor recreation. The public expects the BLM to keep pace with these impacts and demands that affect nearly every aspect of the Bureau's work. This challenging work involves managing a host of public land uses—such as livestock grazing, energy development, and timber harvesting—and protecting a wide array of natural, cultural, and historical resources, including 32,000 wild horses and burros that roam BLM-managed public lands.

To succeed in its role as a steward of the land, the BLM—while regarding itself as a “can do” agency—does not try to go it alone. Rather, the Bureau, with a staff of less than 11,000 full-time employees, works in cooperation with a host of partners: States, counties, local communities, government agencies, private organizations, businesses, and individuals. This management approach, known as Cooperative Conservation, seeks to strengthen partnerships and promote citizen stewardship of the public lands and resources.

The President's fiscal year (FY) 2007 budget proposal advances the BLM's efforts to fulfill its multiple-use mission in the most effective and efficient way

possible. This proposed budget, while furthering deficit-reduction efforts, will enable the Bureau to meet the challenges of managing public land resources and uses in the fast-changing West. In particular, the President's budget supports the BLM's top priorities in the upcoming fiscal year, which are to contribute to the nation's energy supply; manage healthy and productive rangelands, forests, and watersheds; improve recreational opportunities; and protect cultural and natural heritage resources. These priorities support the BLM's core mission—to ensure the health and productivity of the public lands for the use and enjoyment of current and future generations.



Contributing to the Nation's Energy Supply

Recent natural disasters have reminded Americans of how dependent we are on reliable supplies of energy. Beyond the immediate impact from these events, the United States faces the challenge of an ever-widening gap between its production and consumption of energy—a gap that, if not narrowed, poses long-term risks to America's economic well-being and national security.

In response to this challenge, President Bush developed a National Energy Policy that led to congressional passage of the Energy Policy Act of 2005. This legislation will help secure America's energy future by promoting dependable, affordable, and environmentally sound energy production. The new law also encourages energy conservation and efficiency through tax incentives, technological innovation, and the expanded use of alternative and renewable forms of energy, such as wind, geothermal, and biomass.

The BLM plays a key role in implementing this law, as do other Interior Department agencies. In fact, Federal lands and waters, which already account for 30 percent of America's energy production, are a critical part of the effort to meet the nation's energy needs. A detailed inventory of Federal lands in five key Western geographic basins found that these lands contain nearly 140 trillion cubic feet of natural gas—enough to heat

more than 55 million homes for nearly 30 years.

In managing energy exploration and development on the public lands, the BLM makes sure that these activities are conducted in a manner that minimizes impacts on the environment. In the case of oil and gas exploration and development, less than 1 percent of the land managed by the BLM experiences surface disturbance from such activities.

Energy Initiatives

The President's FY 2007 budget proposes a \$25.4 million energy funding increase that would advance the agency's implementation of the Energy Policy Act.

Alaska's North Slope

Of this energy funding increase, \$12.4 million would support exploration and development of energy resources on Alaska's North Slope. The budget proposal assumes that Congress will authorize oil and gas development in the Arctic National Wildlife Refuge (ANWR) on Alaska's North Slope in 2006. If Congress authorizes such development, the BLM would use a portion of the money to prepare an environmental impact statement and take steps leading toward exploration and development in ANWR, where anticipated lease sales in 2008 and 2010 would generate a projected total of \$8 billion in bonus bids. (A bonus bid is what a bidder offers above the minimum bid requirement.) The BLM would also use a portion of the \$12.4 million North Slope funding increase to address environmental risks and accelerate the plugging of old government-owned wells known as “legacy wells.”

Oil and Gas Permit Processing

The proposed energy funding increase includes \$9.2 million to ensure the BLM's timely processing of oil and gas drilling permit applications known as Applications for Permits to Drill (APDs). Of this \$9.2 million, \$4.3 million would be used by the BLM to process an additional 1,100 APDs in FY 2007, \$2.8 million would go towards inspections relating to



environmental compliance and production verification, and \$2.1 million would cover needed monitoring in areas with active oil and gas development. (Under the Energy Policy Act, the BLM is already authorized to use at seven field offices in the West an estimated \$20 million in oil and gas rental revenues for processing APDs, ensuring environmental compliance, and verifying production.)

Oil Shale

The President's FY 2007 budget also proposes a \$3.3 million increase for the BLM's oil shale research and development leasing program. This funding would be added to the Bureau's base funding of \$1 million for the program. On January 17, 2006, the BLM announced the names of eight applicants whose proposals for oil shale research, development, and demonstration (RD&D) leases were judged eligible for continued consideration. The next step in the evaluation process will be the BLM's environmental analysis of the eight proposals under the National Environmental Policy Act.

Other Forms of Energy

The FY 2007 budget proposes a \$425,000 increase for research on gas hydrates, a potentially promising new form of natural gas production. Three agencies of the U.S. Department of the Interior—the BLM, Minerals Management Service, and the U.S. Geological Survey—are assessing the potential of gas hydrates, both offshore in the Outer Continental Shelf and onshore in Alaska's Arctic North Slope. As for other forms of energy, the BLM is offering more woody biomass from forestry projects to energy production companies and has recently completed national guidance, through a programmatic environmental impact statement, that will expedite wind energy development on BLM-managed lands.



Other Budget Features

Forestry

The proposed FY 2007 budget includes a request for a \$3 million increase for the BLM's Western Oregon forestry program. The funding will focus on increasing the

volume of timber offered for sale to meet the settlement requirements of certain forestry-related litigation against the BLM. The overall budget request for the BLM's Western Oregon forestry program is \$30.3 million.

Heritage Resources

The President's budget proposes a \$3 million increase for a cultural resource enhancement initiative called “Enduring Legacy,” which would strengthen protection for cultural sites, increase the number of partnerships and volunteers, and support heritage tourism workshops. The initiative would also fund the cataloging and interpretation of two major BLM heritage collections now held in a non-Federal repository. The overall funding for the agency's cultural resource management program would be \$18.1 million in FY 2007.



Challenge Cost Share

The budget proposal contains \$9.3 million for the Challenge Cost Share program, in which Federal dollars are supplemented by private and State funds to support a variety of conservation-related projects on the public lands. In FY 2007, the BLM plans to fund over 400 such projects, which, among other things, will maintain or enhance habitat for sage grouse and will help control the spread of invasive weeds.

Recreation

The FY 2007 budget proposes \$47.5 million—about the same level as 2006—for the BLM's recreation program, through which the agency manages a staggering array of outdoor recreational activities. Effective management of increasingly popular off-highway vehicles is one of the BLM's most pressing challenges, as is the need to designate and manage a network of roads and trails on 261 million acres of public land.



Law Enforcement

The budget proposes a \$720,000 increase in FY 2007 for the BLM's law enforcement program to fund six ranger positions. These positions, which would complete the Bureau's law enforcement reorganization plan, are aimed at improving the coordination of law enforcement efforts among the BLM and other agencies at the Federal, State, and local levels.



Indian Settlement Funding

The budget requests \$200,000 for the BLM's implementation of part of a land and water claim settlement with the Nez Perce Tribe. As part of the settlement, the BLM will transfer certain lands to the tribe and will make a \$200,000 payment to affected local governments to compensate for the loss of funds due to them under the Payments in Lieu of Taxes (PILT) program.

Wild Horses and Burros

The FY 2007 budget proposes \$36.3 million—about the same level as 2006—for the BLM's wild horse and burro program, a funding request that will enable the Bureau to move closer to the appropriate management level of 28,000 wild horses and burros on public rangelands. The appropriate management level is the number of free-roaming wild horses and burros that the Bureau has determined can thrive in balance with other public land resources and uses. The estimated free-roaming population in 2005 was 32,000, or 4,000 more than the appropriate management level.

Range Improvement Fund

To further deficit-reduction efforts, the FY 2007 budget proposal calls for several funding decreases, including a proposed \$10 million reduction by eliminating the Range Improvement Fund. Under the BLM's forthcoming grazing regulations, grazing permittees and lessees will be able to share title with the Federal government for range improvements, giving them an incentive to undertake and bear more of the costs for such improvements.