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U.S. DEPARTMENT OF THE INTERIOR
HOUSE RESOURCES COMMITTEE
SUBCOMMITTEE ON FORESTS AND FOREST HEALTH
OVERSIGHT HEARING ON THE BUREAU OF LAND MANAGEMENT'S
FY 2006 BUDGET REQUEST
MARCH 9, 2005**

Thank you for the inviting me to testify on the Bureau of Land Management's (BLM) fiscal year (FY) 2006 Budget request. My testimony today will focus on the BLM's budget proposal except as it relates to our Energy and Minerals programs. Congressman Gibbons' Subcommittee on Energy and Minerals will review our budget proposal on those programs. Accompanying me today is Mike Ferguson, the BLM's Budget Officer.

The BLM manages over 261 million acres of federal land, primarily in the western United States, and over 700 million acres of Federally-owned subsurface mineral estate. Our mandate from the Congress is to manage the public lands for multiple uses and to sustain the health, diversity and productivity of the public lands for the use and enjoyment of present and future generations.

The range of activities on the public lands managed by the BLM is as diverse as the land itself. Commercial uses such as oil and gas production, mineral development, livestock grazing, and timber harvest coexist with various other uses, such as recreation, and cultural and historic preservation. Congress also has designated certain public lands to be managed for particular uses, such as wilderness and National Conservation Areas.

Most of our public lands are managed under a full multiple-use concept. Responsible stewardship of the public lands means the BLM must balance multiple and potentially conflicting uses, including increased demands for recreation, grazing, and energy production. The BLM's mission is further complicated by the need to ensure that the public rangelands, forests, and woodlands are healthy, functioning ecosystems that provide habitat for species ranging from elk to sage-grouse. Additionally, the BLM provides important public services such as wildfire management and enforcement of Federal laws on the public lands. This is a tall order, but one that the BLM continually strives to meet with the help of its many partners.

The challenges and opportunities of this complex mission are made greater by the burgeoning populations in many parts of the West. The increasing population and changing demographics of the West are also changing the ways in which Americans seek to use the public lands. In efforts to build consensus as to how the public lands should be used, we have cultivated a community-based, citizen-centered approach to decision-making. Recent internal and regulatory changes formally recognize the participation of state, local, and Tribal governments in cooperative planning for the use of the public lands. This change affirms that the lands administered by the BLM belong to the public and are managed in partnership with the public to serve public needs and interests.

Restoring long-term health to public forests and rangelands marked by drought, wildland fire, invasive species, development of adjacent private lands, and degradation as a result of increased use, is another challenge facing the BLM. Recent initiatives developed in concert with our partners, such as Community Wildfire Protection Plans, Comprehensive Wildlife Conservation Strategies, efforts to reduce hazardous fuels under the President's Healthy Forest Initiative and the Healthy Forests Restoration Act, the Sage-Grouse Habitat Conservation Strategy, and hundreds of other partnerships the BLM uses to engage the public, are essential to the BLM's ability to fulfill its mission and are fundamental to the BLM's FY 2006 Budget request.

The President's FY 2006 Budget request for the BLM incorporates the following themes which Secretary of the Interior Norton has articulated:

- the power of partnerships to leverage resources and achieve results;
- the imperative of fiscal restraint to maintain a dynamic economy;
- the need for investments that will help the Department work smarter, more efficiently and more effectively; and
- the importance of funding activities linked to core Departmental responsibilities.

Within these themes the BLM budget request identifies the following four emphasis areas that establish the BLM's priorities for FY 2006:

- contribute to the Nation's energy supply consistent with the President's National Energy Policy;
- improve dispersed recreation opportunities;
- manage rangelands and forests to achieve healthy and productive watersheds; and
- protect and preserve heritage and cultural resources.

These themes recognize the contribution of the BLM to the sustainability of the Nation's energy supply and the importance of managing the public lands in a manner that supports healthy environments. They also ensure that the BLM continues to play a significant role in cooperating with local communities and citizens to meet the challenges described above, and most importantly, enhancing the quality of life for all citizens through a balanced stewardship of the public lands.

FY 2006 BLM Budget Overview

The BLM's FY 2006 Budget request is \$1.75 billion for the BLM's major appropriations, including the Management of Lands and Resources, Oregon and California Grant Lands (O&C), Construction, Land Acquisition, Miscellaneous Trust Funds, and the Department of the Interior's Wildland Fire Management Appropriation. Excluding a one-time supplemental appropriation of \$98.6 million for fire suppression in 2005, this represents a \$27.1 million increase over the 2005 enacted levels. When you include receipt-based accounts, the BLM's total appropriation is \$2.23 billion.

In FY 2006, the BLM will collect an estimated total of \$1.35 billion in revenue. BLM's onshore mineral leasing activities also contribute directly to the generation of another \$3.7 billion in receipts (bonuses, rents, and royalties collected by the Minerals Management Service) for a total of approximately \$5 billion. In FY 2005, the BLM estimates it will collect \$5 billion. These levels are steadily increasing from amounts collected in prior years. The increase is attributable to receipts from land sales under the Southern Nevada Public Lands Management Act, higher hardrock mining claim filings, increased timber harvests, helium sales, and expected gains from cost recovery efforts.

Improved Dispersed Recreational Opportunities – Recreational use of the public lands continues to grow dramatically. Off highway vehicle (OHV) use, in particular, is an increasingly popular activity on the public lands. In order to more effectively provide for continued public use and access to the public lands, the BLM is requesting an increase of \$3.7 million to develop and implement travel management plans in areas of high recreation use. This will more effectively provide for OHV use in a manner that coexists with other needs and uses of the public lands. The requested increase in funding will be used to initiate road and trail inventories, hold meetings with user groups, and complete interdisciplinary route analyses.

To complement this request, the BLM is also requesting an increase of \$2.2 million in the Challenge Cost Share (CCS) program specifically for conservation and resource damage mitigation work. Working with partners, the BLM will use the requested increase for re-routing or removing existing roads and trails; signing and mapping to direct and educate the public; repairing damaged resources through re-vegetating sage-grouse habitat; and conducting archaeological recovery or restoration actions.

By improving trail and OHV management, the BLM will minimize impacts to wildlife habitat, reduce the introduction and spread of invasive weeds, and prevent damage to cultural resources resulting from the expansion of roads and trails on public lands. Moving towards a rational system of a designated network of roads and trails through travel management planning will protect recreational access to the public

lands. In the long run, these plans will prevent unnecessary closures or restrictions due to preventable resource damage or user conflicts.

Managing Rangeland and Forests to Achieve Healthy and Productive Watersheds – Among the BLM's top priorities in FY 2006 are achieving healthy forests and rangelands; improving sagebrush habitat for the sage-grouse; and controlling invasive weeds. In large part, these efforts will be completed cooperatively through partnerships with state, local and tribal governments, businesses, and local organizations. By taking these actions, the BLM hopes to prevent litigation, ensure thriving and dynamic ecosystems, improve species' habitat, and allow for the continued multiple use of the public lands. The initiatives for which the BLM is requesting funding increases include:

- **Healthy Forests and Rangelands** – The BLM's FY 2006 Budget request includes a redirection and an increase in funding for improving forest and rangeland health and implementing the President's Healthy Forests Initiative and the Healthy Forests Restoration Act. The BLM proposes to re-direct a total of \$5.7 million from the Jobs-in-the-Woods program (JITW) in the O&C Appropriation to the O&C Forest Management, Other Forest Resources, and O&C Resource Management Planning programs. These re-directed funds will be used to increase thinning in the Late Successional Reserves of the Northwest Forest Plan area, continue restoration and fish passage projects traditionally funded through JITW, and continue the planning revisions for the six western Oregon resource management plans. The increase in commercial timber harvest is consistent with the goals of the Northwest Forest Plan, and will result in increased economic benefits and jobs in timber-dependent communities in western Oregon. In addition, the increased level of harvests will accelerate development of old-growth characteristics by thinning younger stands of trees in the Late Successional Reserves.

Outside of western Oregon, the BLM is requesting a programmatic increase of \$1.5 million in its Public Domain Forestry program to promote healthy forests by completing 2,100 acres of forest restoration treatment on the public domain lands using the full complement of Healthy Forest Restoration Act tools, including stewardship contracts. The BLM will use \$1.1 million of the requested increase to offer for sale an additional 4 million board feet of wood products, bringing the total volume to 42 million board feet of timber offered for sale from the public domain lands. The BLM will use a portion of the \$1.1 million to expand the use of stewardship contracts under authority granted by Congress in 2003. The remaining \$400,000 will be used to increase capacity and restore technical and field expertise where the need is greatest.

- **Wildland Fire Management** – The BLM's FY 2006 Budget request reflects the Administration's continued commitment to preventing the loss of life and property and environmental damage caused by catastrophic wildfires through implementation of the National Fire Plan, the President's Healthy Forests Initiative, and the Healthy Forests Restoration Act. In FY 2006, the BLM, on behalf of the DOI, is requesting programmatic increases of \$6.9 million for preparedness activities, \$15.7 million for suppression operations, and \$7.8 million for hazardous fuels reduction. These requested increases will allow the Department to address 479,000 acres of hazardous fuels build-up in the wildland urban interface and 575,000 acres in the outside the wildland urban interface; improve and enhance preparedness capabilities, especially aerial attack via contracting for more single engine airtankers; ensure that all personnel and resources are ready to respond to fire emergencies; and fund suppression operations at the 10-year average.
- **Sage-Grouse and Sagebrush Habitat Conservation** – In November 2004, the BLM released its national Sage-Grouse Habitat Conservation Strategy, which emphasizes partnership efforts intended to conserve the remaining sage-grouse habitat on public lands. Developed in coordination with Federal and State partners, the Strategy lists 48 actions under four goals that are intended to maintain, enhance, and restore sagebrush habitat while ensuring the continued multiple use of the public lands. To implement the Strategy, and continue cooperative, on-the-ground conservation and restoration initiatives, the BLM is requesting a total increase of \$7 million, \$3.4 million of which is requested in the CCS program. By taking aggressive restoration

efforts with partners, the BLM hopes to prevent the further decline of sagebrush ecosystems, increase the viability of the species, and continue multiple use of the public lands.

- ***Invasive Species*** – Coupled with the requested increases for sage-grouse / sagebrush habitat restoration, the BLM's FY 2006 Budget request also includes a proposed increase of \$300,000 to address the spread of noxious weeds in native sagebrush communities. The control of invasive weeds is a key to improving the health of sagebrush ecosystems and reducing hazardous fuels. A requested increase of \$1.0 million in the CCS program will be used for additional weed treatments, weed inventories, evaluation of weed treatments, and other restoration efforts in key areas, including leafy spurge in the Northern Great Plains and Tamarisk in the Rio Grande River Basin.
- ***Challenge Cost Share Contributions (CCS)/Cooperative Conservation Initiative (CCI)***
– The BLM's CCS and CCI programs leverage appropriated funds with private and state funds for conservation efforts that benefit resources on public lands. CCI projects emphasize on-the-ground restoration activities, while CCS projects focus on all other conservation initiatives. Both CCI and CCS programs have been highly successful in engaging the public and local groups and in addressing important conservation initiatives on the public lands through innovative, results-oriented projects. The number of partners for CCS and CCI projects continues to grow, with over 100 partnerships and millions of Federal dollars annually leveraged with national-level conservation groups, and other partnerships at the local level. Typical projects include the stabilization and conservation of cultural resources; streambed restoration; eradication of noxious weeds or invasive species; wildlife species monitoring; off-highway vehicle use management; recreation site enhancement; and providing educational opportunities.

In FY 2006, the BLM is requesting an increase of \$6.6 million for CCS and \$6 million for CCI to continue building goodwill and partnerships with a wide variety of individuals and groups. As discussed above, the budget request includes increases in CCS of \$2.2 million for 30 new travel management projects; \$3.4 million to implement 108 new sagebrush habitat projects; and \$1 million for 40 new weed management projects. The remaining \$6.0 million requested increase is for CCI, \$3 million of which will be used for on-the-ground range improvement projects that support habitat restoration, and \$3 million of which will support on-the-ground implementation of the National Sage-Grouse Habitat Conservation Strategy. In FY 2004, the BLM funded 437 CCS projects and obtained \$17.5 million in cash and in-kind contributions of labor and services, and funded 150 CCI projects and obtained \$11.8 million in cash and in-kind contributions of labor and services. In FY 2005, The BLM will fund 284 CCS projects and obtain \$11.6 million in cash and in-kind contributions of labor and services. CCI is not funded in FY 2005.

- ***Land Acquisition*** – The BLM's FY 2006 Budget request proposes \$13.4 million for BLM land acquisition, an increase of \$2.2 million over the FY 2005 enacted level of funding. BLM's acquisition strategy continues to emphasize the participation of local communities and stakeholders in projects, as well as the use of alternative and innovative conservation tools such as easements and purchases of development rights.

Protecting and Preserving Heritage and Cultural Resources – The BLM faces a number of immediate management challenges in response to increased visitation and the associated physical impacts to heritage and cultural resources on the public lands. These challenges include protecting lives, property, and resources from illegal activities in areas that have important heritage and cultural values.

Law Enforcement – In FY 2006, the BLM is requesting an additional \$1.0 million to hire new law enforcement officers and to fund agreements with State and local agencies to protect resources, public land visitors, and BLM employees. Of the requested increase, \$450,000 will be directed to the Four Corners area of Arizona, Utah, Colorado and New Mexico, to improve the BLM's on-the-ground ranger presence, and to investigate and prosecute traffickers of cultural and historical resources. Funds will be directed, in part, to units of the National Landscape Conservation System to protect archeological, historical, paleontological, and biological resources; direct off-highway vehicles to designated roads and trails; and restore, conserve, and interpret the outstanding values of these special Congressionally-designated areas.

Of the requested increase, \$450,000 will be used to hire law enforcement officers at borderland locations to protect resources and property impacted as a result of illegal immigration and increases in drug smuggling. Finally, \$100,000 of the requested increase in funding will be used to provide for law enforcement agreements with state and local agencies in an effort to improve the enforcement of state laws that are needed to provide for greater visitor safety in areas that are impacted by illegal drug and border activities.

Program Reductions – As part of the President's effort to reduce the budget deficit by one-half over the next five years, the BLM's FY 2006 Budget request makes difficult choices that reduce funding, and in some cases terminates programs that either duplicate activities of other agencies or programs, or require a lower level of funding because key programmatic goals have been reached. In contributing to this effort, the BLM's FY 2006 Budget request proposes a number of programmatic reductions and two legislative proposals, one eliminating the BLM's Range Improvement Fund and the other amending the Southern Nevada Public Lands Management Act (SNPLMA).

- **Range Improvement Fund** - The BLM's FY 2006 Budget request includes a legislative proposal to eliminate the Range Improvement Fund, a \$10 million mandatory spending account. The BLM proposes to amend the Federal Land Policy Management Act by directing that the 50 percent of grazing fees that are currently deposited in the Range Improvement Fund instead be paid directly to the Treasury of the United States. Projects formerly funded through the Range Improvement Fund will be funded, where appropriate, with discretionary spending in the BLM's Maintenance program and within the Cooperative Conservation Initiative program, for which the BLM is requesting an increase of \$3 million. Work will focus on seeding and treatments for non-native plant species, as well as fence and water development projects that improve restoration and livestock management.
- **Southern Nevada Public Lands Management Act (SNPLMA)** – The BLM's FY 2006 Budget request also includes a legislative proposal to amend SNPLMA by redistributing the proceeds from land sales in Clark County, Nevada, so that 70 percent are paid to the United States Treasury, thus reducing the amount deposited into the special account to 15 percent. The proposal would not change the amounts paid directly to the State of Nevada General Education Program (5 percent) or to the Southern Nevada Water Authority (10 percent). When SNPLMA passed in 1998, proceeds generated from land sales under the bill were estimated at roughly \$70 million per year. However, receipts have been larger than anticipated in earlier budget estimates, and to date total approximately \$1.4 billion. As a result, available funding has outpaced land acquisition and project needs. This proposal serves the general taxpayer while still providing about four times the level of spending in Nevada as originally anticipated in 1998.
- **Rural Fire Assistance Program** - The proposed Wildland Fire Management budget also includes a decrease of \$9.9 million for the Rural Fire Assistance Program to avoid duplicating similar initiatives in other Federally-mandated programs. However, \$1.9 million in Preparedness funding is requested to expand firefighter training for volunteer and rural fire departments.
- **Wild Horses and Burros** – The BLM proposes a reduction of \$2.5 million in the Wild Horse and Burro Program, consistent with BLM efforts to reduce the number of animals in long-term holding facilities by 5,000 animals and undertake other programmatic efficiencies. In FY 2006, the BLM plans to place more animals in good homes. In part, this will be accomplished by working with the National Wild Horse and Burro Foundation to identify new opportunities and promoting new ways to market the image of wild horses and burros. Further, the BLM is working hard to continue reducing its adoption unit cost per animal.
- **Transfer of Base Funding for DOI Office of Appraisal Services** – In FY 2003, the Department centralized its appraisal function in a newly created Office of Appraisal Services. The BLM's FY 2006 Budget request proposes a permanent base transfer of \$3.1 million. The BLM will transfer \$2.4 million from the Management of Lands and Resources Appropriation, \$172,000 from the O&C Grant Lands Appropriation, and \$641,000 from the Land and Water Conservation Fund to the DOI Office of Appraisal Services.

- **Central Hazardous Materials Fund** – The BLM's FY 2006 Budget request proposes to transfer the \$9.8 million Central Hazardous Materials Fund to the Office of the Secretary. DOI's Office of Environmental Policy and Compliance will continue to provide policy oversight for the program.
- **Applications of Science** – The Application of Science program was initiated in FY 2003 to assist the BLM in using the best available data and science in decisionmaking. In FY 2006, the BLM proposes to eliminate this program, currently funded at \$1 million, and, in part, move its primary function to other activities.

Conclusion

Mr. Chairman, thank you again for the opportunity to discuss the BLM's FY 2006 Budget request. We believe that the budget proposal discussed above positions the BLM to tackle the difficult challenges that lie ahead in cooperation with our many partners. We look forward to working with your Subcommittee on these and other issues in fiscal years 2005 and 2006.