

Statement of Tom Lonnie
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on
H.R. 3249, Forest Counties Payments Committee Term Extension
Senate Energy Subcommittee on Public Lands and Forests
March 10, 2004

Thank you for the opportunity to present the views of the Department of the Interior on H.R. 3249. This bill would extend the term of the Advisory Committee on Forest Counties Payments until September 30, 2007, to coincide with the expiration date of the Secure Rural Schools and Community Self-Determination Act. The Department would have no objections to the enactment of H.R. 3249.

Litigation in the 1980s and early 1990s regarding the Northern Spotted Owl resulted in steep reductions in timber harvests in the Pacific Northwest, and correspondingly steep reductions in income to counties that depended on revenues from timber harvests on public lands and national forests to fund local government services. Timber harvests were greatly reduced in the 18 counties in western Oregon that the Bureau of Land Management (BLM) managed for sustainable timber production under the Oregon and California Grants Lands Act of 1937 (the O & C Act).

In 2000, Congress enacted Public Law 106-393, the Secure Rural Schools and Community Self-Determination Act, to make up the shortfall to counties dependent on Federal timber revenues by providing a temporary payment to counties covered under the O & C Act at 85 percent of the average of their three highest timber receipt years from 1986-1999. Public Law 106-393 also provided an additional 15 percent of the average of their three highest receipt years from 1986-1999 to support two types of projects: restoration (including watershed restoration, forest road maintenance, and road decommissioning or obliteration) and other county uses connected with BLM lands, including reimbursement for search, rescue, and other emergency services; reimbursement for expenses related to community service on Federal lands; and the purchase of conservation easements. As authorized by Public Law 106-393, since FY 2002, the BLM has paid directly to the 18 O&C counties \$332.2 million, and expects to pay an additional \$112.7 million to these counties during fiscal year 2005. The Act expires on September 30, 2007.

The Advisory Committee on Forest Counties Payments, authorized by Section 320 of the Department of the Interior and Related Agencies Appropriations Act, 2001 (P.L.106-291), was charged with developing recommendations, consistent with sustainable forestry, regarding methods to evaluate the Federal payments that States and counties in which Federal timber lands are situated (for BLM, the 18 O&C counties). The provisions of the Federal Advisory Committee Act (FACA) apply to this Advisory Committee. Its membership includes representatives of the Federal government (BLM Director, Chief of the U.S. Forest Service, and Director of the Office of Management and Budget), or their designees, and eligible counties (county-elected officials and elected members of school boards or superintendents of school districts).

Specifically, Section 320 states that the Committee was required to evaluate:

- the method by which payments under the O & C Act are made to eligible counties and States under provisions of the law;
- the impact on eligible counties and States of revenues derived from historic multiple activities of the Federal lands;
- the economic, environmental, and social benefits that accrue to counties containing Federal lands, including benefits to the recreation and natural resources industries, and the value of environmental services that result from Federal lands; and
- the expenditures by counties on activities on Federal lands which are Federal responsibilities.

The Advisory Committee's authorization expired on Oct. 11, 2003--before it was able to examine fully the impact of the Secure Rural Schools and Community Self-Determination Act. Extension of the termination date would allow the Committee to fulfill the requirements of the enacting legislation, continue the monitoring and evaluating of implementation of P.L. 106-393, and provide continued assistance to the six committees of jurisdiction.

This concludes my statement. I would be happy to answer any questions.