

**Statement of Ed Shepard
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**Senate Committee on Energy and Natural Resources
Subcommittee on Public Lands and Forests**

**Oversight Hearing
on
Secure Rural Schools and Community Self-Determination Act of 2000**

February 8, 2005

Thank you for the opportunity to participate in today's hearing on the Secure Rural Schools and Community Self-Determination Act (Act) of 2000 (P.L.106-393). My name is Ed Shepard and I am the Assistant Director for Renewable Resources and Planning at the Bureau of Land Management (BLM). For much of my professional career, I have worked extensively on O&C issues and the management of forest resources. Prior to my current position, I was BLM's Oregon Deputy State Director for Resources and previously had been District Manager in the BLM's Coos Bay (Oregon) District. I am the BLM Director's representative on the Forest Counties Payment Committee, a Congressional Advisory Committee.

Although rangelands comprise much of the land administered by the Bureau of Land Management (BLM), the agency also manages 55 million acres of forests and woodlands on the public lands, some 2.5 million of which are located in the 18 western Oregon counties covered by the "O&C Act" (Revested Oregon and California Railroad and Reconveyed Coos Bay Wagon Road Grant Lands Act of 1937.)

Of the public lands managed by the BLM, the Secure Rural Schools Act applies exclusively to the 18 O&C counties in western Oregon.

Background

Congress set the stage for the long and close association between the BLM and the O&C counties when, in the O&C Act, it directed the Department of the Interior to manage the O&C lands for "the purpose of providing a permanent source of timber supply, protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries, and providing recreational facilities." The O&C counties receive approximately 50 percent of the receipts from timber harvested from public lands in the counties.

By the late 1980's, intensive harvest of timber from the public lands in the O&C counties annually yielded over one billion board feet and brought in receipts of over \$200 million. As provided in the O&C Act, approximately 50 percent of that amount was returned to the counties to fund local government services such as roads, schools, law enforcement, and public safety. For example, in Fiscal Year 1989, at the height of timber production from O&C lands, total payments to the O&C counties, based on the volume of timber harvested off the public lands in the counties, amounted to \$110,891,232.

Litigation in the 1980's and early 1990's 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 to fund essential local government services. In the years between 1989 and 1993, income to O&C counties from timber harvests dropped by nearly 30 percent, to approximately \$79 million.

Congress enacted "safety net payments" to stabilize income flow to timber-dependent counties during this tumultuous period, through the Omnibus Budget Reconciliation Act of 1993 (P.L.103-66).

In 2000, Congress repealed the “safety net payments” and enacted the Secure Rural Schools Act to set a stable level of payments to counties. The Act provided the O&C counties with the option of receiving a full payment amount equal to the average of their three highest timber receipt years from 1986 through 1999. In addition, under the Act the counties elect the percentage of the payment (80-85 percent) to be distributed directly to the counties (Title I), and the remaining percentage (15-20 percent) to be allocated between Title II projects (administered by the BLM), Title III projects (administered by the counties), or returned to the Treasury.

Under Title II of the Act, funds are used to support cooperative projects, under the guidance of Resource Advisory Committees (Committees), to restore healthy conditions on public lands or on private lands for the benefit of public land resources. Such projects include wildfire hazard reduction, stream and watershed restoration, forest road maintenance, and road decommissioning or obliteration, control of noxious weeds, and improvement of fish and wildlife habitat. Under Title III of the Act, counties may use funds for emergency services, community service work camps, purchase of easements for recreation or conservation, forest related after-school programs, and fire prevention activities. The total paid to date directly to the 18 O&C counties under the Act (Titles I and III) is \$412,069,610. In addition, to date the BLM has retained \$33,391,672 million to be used in conjunction with Resource Advisory Committees for Title II restoration projects on public lands or for projects on private lands that enhance public lands. The Act expires on September 30, 2006.

Resource Advisory Committees and Cooperative Efforts

The Act set in place a structure for cooperative working relationships among the people who use and care about public lands and the federal agencies responsible for managing these lands. Through Resource Advisory Committees (Committee), community members including counties, State and local governments, watershed councils, individuals, private and non-profit entities, and landowners work closely with federal agencies to develop and approve projects for the restoration of public lands, or for projects on private lands that enhance the restoration of public lands.

Under the authority of the Act, on December 4, 2001, the Secretary of the Interior authorized the establishment of Committees for the five BLM administrative districts in western Oregon (Coos Bay, Eugene, Medford, Roseburg, and Salem) which cover the 18 O&C counties. Each of the five Committees has 15 members and six alternates representing the many counties and varied stakeholder groups in the O&C counties. Terms for Committee members appointed in December 2001 have just expired, and we are currently in the process of renewing or refilling those positions.

The BLM's western Oregon Committees have recommended approval of projects for road and trail maintenance, soil productivity improvement, fuels reduction, watershed restoration, fish habitat improvements, and noxious weed eradication. Through these Title II projects, the O&C counties are making an investment in activities to improve the health of the O&C lands. In some cases, for example, noxious weed eradication in Douglas County, intensive early intervention to avert further spread of the noxious weed would not have been possible without the Title II funding.

Examples of collaborative projects approved by the western Oregon Committees include the following.

- A project in Clackamas County (BLM's Salem District) involves an aggressive approach to prevent and clean up illegal dumping through a partnership among the Longview Fibre Timber Company, the Oregon Department of Forestry, Clackamas County, and Port Blakely Timber Company. In addition to the funds authorized by Title II of the Act, each party either contributed matching funds, direct donations, or in-kind labor. The initial goal of the project was to reduce the incidence of illegal dumping by 50 percent through public education of environmental impacts, proper disposal, and the consequences that can result from such illegal indiscriminate acts. These partners also worked collaboratively to clean up and properly dispose of illegally dumped waste materials, and to enforce violations of local state and federal illegal dumping laws.

- In Douglas County, a project involving the Northwest Youth Corps (coordinated with Roseburg BLM District personnel) has completed a variety of projects, including forest stand improvement, noxious weed eradication, habitat improvement, trail maintenance, recreation site maintenance, and fence construction. The Northwest Youth Corps established an education curriculum called “Something Educational Every Day” (SEED), which introduces Northwest Youth Corps members to a wide variety of topics related to natural resource management and wildlife conservation. Recent educational sessions have centered on fire ecology, forest and stream ecology, native species protection, nature observations, and timber harvesting methods.
- Working across land ownership boundaries, a project to eradicate the “Portuguese Bloom” noxious weed in Douglas County (BLM’s Roseburg District) was approved three years in a row for Title II funding. This noxious weed was discovered in Douglas County in 1999, and the BLM’s partners in the project—various private landowners, the Oregon Department of Agriculture, the Douglas Soil and Water Conservation District—intend to eradicate it while it is still fairly localized (at 7,000 acres). Control efforts became much more comprehensive with the availability of Title II funds. Intensive early activities to inventory the area and develop a comprehensive treatment plan would not have been possible without the Title II funding.
- Fish passage is a significant issue on public lands and surrounding private lands in the BLM’s Roseburg District (Douglas County). The Committee has identified this problem as one of its priorities, and approved Title II funding for fish passage restoration each year since FY 2002. Sixteen culvert replacement projects already have been completed, improving not only fish habitat (these projects will open access to over 50 miles of streams for both juvenile and adult fish) but also road quality, assuring that roads needed for recreation, timber harvest, fire suppression, and other activities will be reliable.

As of November 15, 2004, the BLM’s western Oregon Resource Advisory Committees have reviewed approximately 707 proposed Title II projects. Of these, the Committees recommended approval of 465 Title II projects at an estimated funding level of \$33 million; to date, 61 projects have been completed.

In addition, the success of the Committee process in developing community-based solutions is encouraging the O&C counties to consider using funds available under the Act to help local communities develop protection plans in the event of catastrophic wildfire. For example, the Healthy Forests Restoration Act (P.L.108-148) encourages communities to work with federal agencies to develop Community Wildfire Prevention Plans (CWPP). It is our understanding that several O&C counties have used Title III funds to begin the fuels assessments and/or data collection (GIS) for the Community Wildfire Protection Plans, and have recommended Title II funding for on-the-ground projects to implement the CWPPs.

The authorities of the Secure Rural Schools Act have enabled the BLM to accomplish on-the-ground improvements in land and resource conditions, including wildfire hazard reduction. The Resource Advisory Committee process has served as a catalyst to bring together diverse groups and individuals with the shared goal of improving the condition of our public lands. In projects selected through collaborative decision-making, the BLM has worked in partnership with corporations, state and local governments, and stakeholders to improve the condition of the O&C lands and support the development of community-based strategies to protect these communities from catastrophic wildfire.

Thank you again for the opportunity to discuss the BLM’s implementation of the Secure Rural Schools Act. I will be glad to answer any question you may have.