

**STATEMENT OF BRIAN STEED,
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BEFORE THE SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
HOUSE COMMITTEE ON APPROPRIATIONS
ON THE 2020 PRESIDENT’S BUDGET REQUEST
APRIL 4, 2019**

Madam Chair and Members of the Subcommittee, I am pleased to be here today to discuss the Bureau of Land Management (BLM) Fiscal Year (FY) 2020 budget request.

Introduction

The BLM manages approximately 245 million acres of surface land and over 700 million acres of subsurface mineral estate on behalf of the American people.

The Federal Land Policy and Management Act of 1976 (FLPMA) sets forth the BLM’s multiple-use and sustained yield mission, directing that public lands be managed for a variety of uses, ranging from conventional and renewable energy development, livestock grazing, conservation, mining, watershed protection, to hunting, fishing, and other forms of recreation. The BLM manages lands with some of the most advanced energy development in the world and some of North America’s most wild, historic, and scenic landscapes. Because of this, Federal lands support the production of goods and services that create jobs and promote economic development in communities across the Nation. This multiple use mission advances the President’s priorities of energy security, shared conservation stewardship, safe borders, and putting Americans back to work, while also emphasizing the interconnection between people, the public lands, and the economy.

Collaboration and cooperation are hallmarks of the BLM’s multiple use management approach. The Bureau engages a wide range of stakeholders and communities to inform its land management decisions. These efforts are essential in order for the Federal government to be a good neighbor and steward for local communities.

FY 2020 Budget Overview

The Bureau’s 2020 budget requests \$1.2 billion, including \$1.08 billion for the Management of Lands and Resources (MLR) appropriation and \$107.0 million for the Oregon and California Grant Lands (O&C) appropriation – the BLM’s two main operating accounts.

The FY 2020 budget supports opportunities for outdoor recreation, sustainable timber harvesting, grazing, and promotes responsible energy and mineral development. In tandem with the budget, the Administration proposes a package of forest management legislative reforms to provide the Department with tools to reduce the threat of catastrophic wildfires.

The BLM FY 2020 budget request reflects and strengthens the Administration's commitment in the following areas:

- Sustainable Energy Development and Natural Resource Protection
- Restoring Trust and Being a Good Neighbor
- Conserving Our Land and Water Resources
- Expanding Outdoor Recreation

Sustainable Energy Development and Natural Resources

The BLM supports an “all of the above” energy development approach, fulfilling the Administration's promises to facilitate domestic energy production, generate revenue, and support jobs in the energy sector. Oil, natural gas, coal, and other mineral resources generate the highest revenue values of any uses of the public lands from royalties, rents, bonuses, sales, and fees.

The Administration's commitment to a comprehensive “all of the above” energy strategy is demonstrated with a \$29.1 million request for the Renewable Energy program. The request continues the BLM's timely processing of leasing and development applications for geothermal energy, and rights-of-way (ROW) and leasing applications for wind and solar energy and transmission lines connecting to renewable energy-related projects. To date, the BLM has approved a total of 127 renewable energy projects with the potential to provide nearly 18,000 megawatts of generation capacity. Laws enacted in most western States require energy companies to supply a portion of their energy from renewable resources. As a result, the BLM anticipates a continued interest in public lands for renewable energy development.

Onshore oil and gas production on BLM-managed public lands contributes to the Nation's energy supply and plays a significant role in supporting hundreds of thousands of jobs for hard-working Americans. The BLM has approximately 26 million surface acres currently under lease for oil and gas development, including over 96,000 active wells on about 24,000 producing leases. The BLM oversees onshore oil and gas development on Federal lands and lands held in trust for the benefit of various Tribes. Collectively, these lands contain world-class deposits of energy and mineral resources, which power millions of homes and businesses and support the broader economy. The Department of the Interior Economic Report for FY 2017 estimates the Federal onshore oil and natural gas program alone provided approximately \$59.6 billion in economic output and supported approximately 284,000 jobs nationwide.

Revenues generated from the public lands represent one of the Federal government's largest sources of non-tax revenues, benefitting local communities as well as the U.S. Treasury, providing a significant source of funding to many States and to the U.S. Treasury, and providing direct benefits to the U.S. taxpayer and local communities. In FY 2018, production from Federal

lands generated in excess of \$3.0 billion in Federal royalties, rental payments and bonus bids. Approximately half of this revenue was shared with the State where the oil and gas and coal activities occur, while the rest went to the U.S. Treasury. States and counties utilize these important funds to support the building and maintaining of roads, schools, and other community needs.

Under the Department's commitment to responsible energy development, the BLM consistently conducts quarterly oil and gas lease sales, as required by the Mineral Leasing Act. In calendar year 2018, BLM State offices generated over \$1.1 billion from oil and gas lease sales, an amount nearly equal to the BLM's discretionary budget for FY 2018. This also represented the highest-grossing year on record for onshore lease bonus bids, nearly tripling the collections received from BLM oil and gas lease sales held in 2008, the previous high year. The 28 oil and gas lease sales held in calendar year 2018, resulted in 1,412 parcels leased, covering almost 1.5 million acres.

The BLM is also working diligently to improve its permitting process and our efforts are generating real results. In FY 2018, the BLM approved 3,991 Applications for Permit to Drill (APDs) on Federal and Indian lands. By prioritizing permitting, modernizing databases, and shifting resources across the BLM offices, the average APD processing time for an administratively complete application continues to drop – now averaging 63 days spent with the BLM (compared to an average of 120 days in FY 2017) and 176 days overall.

The 2020 budget reflects the continuation of actions the BLM has taken to streamline responsible impact analysis while consulting with stakeholders associated with such development. The BLM requests a total of \$198.4 million in discretionary funds for the Energy and Minerals Management portfolio to maintain the commitment to attaining American energy independence. Within the Energy and Minerals portfolio, the budget requests \$137.3 million in discretionary funds for oil and natural gas production activities, which includes permitting, inspection, and enforcement. The budget estimates an additional \$53.1 million in permanent appropriations will also be available to support oil and gas permitting activities.

The BLM continues to invest in national economic development and the West's mining communities by proposing \$19.8 million for the Coal Management Program and \$12.3 million for programs associated with the mining of other minerals such as precious metals, trona, limestone, phosphates, sand, and gravel. The funds would be used to streamline program activities, expedite processing of applications, and provide for more timely inspection and enforcement actions.

The BLM is proud of the priorities established over the past two years, and the many policies we have implemented to promote sustainable and responsible energy and mineral development from the Nation's public lands.

Active Forest Management and Being a Good Neighbor

The budget request reflects the Administration's priority of restoring regulatory balance, expanding access to public lands, and enhancing public trust and being a good neighbor in the communities that are home to BLM lands. On the heels of one of the Nation's most devastating wildland fire seasons, the Budget supports the important objectives laid out in President Trump's Executive Order 13855, *Promoting Active Management of America's Forests, Rangeland, and Other Federal Lands to Improve Conditions and Reduce Wildfire Risk*. The BLM budget prioritizes active forest management as necessary to achieve the targets set forth in the E.O., and invests \$10.2 million in 2020 for forest management on public domain lands. The 2020 BLM budget also requests \$107.0 million in the Oregon and California Grant Lands appropriation, much of which will lay the groundwork to increase the amount of timber offered for sale there to 280 million board feet (MMBF) in 2021, reflecting the BLM's commitment to advance timber production and forest health. Approximately 226 MMBF were sold in 2018.

In tandem with the Budget, the Administration is proposing a package of forest management legislative reforms, which includes categorical exclusions for fuels management work. These authorities will promote shared stewardship across ownership boundaries and improve the ability to treat additional acres more efficiently and effectively, thereby reducing fire risk and making meaningful progress toward resilient landscapes and fire-adapted communities. This will provide the Bureau with the necessary tools to help protect firefighters and communities from wildfire by emphasizing forest management strategies that significantly increase resilience from wildfire, insects, disease, and drought, as well as support timber harvests and biomass utilization.

Conserving Our Land and Water Resources

The BLM continues to focus on high priority work across the Land Resources, Wildlife and Aquatics, Recreation Management, and Resource Protection and Maintenance activities. These activities support many of the Department's high priority goals, including energy independence, expanded recreation, and shared conservation.

Balancing habitat conservation and responsible development of public land resources ensures the best outcome for the people and wildlife that rely on these lands. The BLM's 2020 budget request builds on the results of ongoing efforts including implementing "outcome based grazing" and sage grouse management plan amendments, which better align Federal habitat conservation efforts with State wildlife management plans.

The BLM will invest \$7.0 million in habitat identification and habitat restoration efforts across multiple programs, which will help implement Secretarial Order 3362, *Improving Habitat in Western Big-Game and Migration Corridors*. This funding will be used in coordination with States to support big game as well as evaluation and implementation of habitat restoration.

In addition, the 2020 budget request provides \$92.0 million for the Rangeland Management program. To better leverage resources and focus funding on more complex grazing permit processing requirements, the BLM will continue to use the authority provided under section 402(c) of the FLPMA. The BLM administers about 18,000 grazing permits and leases within almost 22,000 grazing allotments on approximately 155 million acres of public land. Grazing permits are generally issued for ten years, which means that renewing grazing permits is a cyclical process and not a one-time event. The BLM will continue efforts to improve and streamline grazing permit processing to achieve greater efficiencies and service to permittees while striving to meet land condition objectives. The BLM plans to continue or expand recent demonstration projects using Outcome Based Grazing Authorizations.

Finally, the budget seeks \$75.7 million for the BLM's Wild Horse and Burro program, which in 2020 will continue to identify innovative ways to address the burden that growing wild horse and burro populations put on fragile rangeland resources and taxpayer resources. The program will seek to increase public/private partnerships to place more animals into private care while also working with organizations to create private/public partnerships on pasture or sanctuary lands. The program will also work with academia and Federal partners to enhance existing sterilization methods and fertility control vaccines, and develop new population controls through research projects, and continue to pursue adoptions and sales, including incentivizing adoptions.

Expanding Outdoor Recreation

The BLM is committed to the Administration's priority of expanding access for the American public to the vast recreation resources on BLM-managed public lands, including enhancing opportunities for hunting, fishing, and many other uses.

In 2018, DOI records indicate visitor recreation exceeded 67 million visitors on public lands, and it is estimated in 2020 the BLM will exceed over 70 million visitors. Visitors to these lands enjoy countless types of outdoor adventure – participating in activities as widely varied as camping, hunting, fishing, hiking, horseback riding, boating, whitewater rafting, hang-gliding, off-highway vehicle driving, mountain biking, wildlife viewing, photography, climbing, many types of winter sports, and visiting remarkable natural and cultural sites.

Currently, the BLM manages over 3,600 developed recreation sites and areas; administers over 4,500 permits for commercial, competitive and organized group activities; and provides the

public with thousands of miles of motorized and non-motorized trails. Recreational experiences are especially important in the growing West and contribute to local economies.

The FY 2020 budget request promotes a holistic approach to managing our recreational lands and cultural resources, which will be implemented through more streamlined recreational and cultural resources management. The budget proposes \$54.8 million for Recreation Resources Management to meet the growing public demand and will focus on areas in need of visitor services at the highest visitation sites.

The budget also includes \$37.1 million for the National Monuments and National Conservation Areas program to manage designated historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest on the public lands, and to support outstanding recreational opportunities and public access.

The Cultural Resources Management program, which supports the inventory, protection, and stabilization of BLM cultural sites will receive \$15.6 million in FY 2020. The program will continue to provide support and guidance on consultation with Tribes to other BLM programs.

Modernizing the BLM

In 2018, the Department announced the designation of Interior's 12 new unified regional boundaries. Establishing unified regional boundaries across Interior bureaus will improve Interior's service delivery to the public. Within each shared region, bureaus will focus work on the same resources and constituents and improve coordination across the Department. For the public, fewer regions make it easier to do business with Interior, particularly when it involves several bureaus or jurisdictions. The FY 2020 budget request includes an increase of \$7.7 million to support implementation of the Department's reorganization efforts.

Conclusion

The President's FY 2020 budget request for the BLM provides sustainable benefits across the West and for the Nation. The BLM takes pride in its collaborative efforts to promote responsible energy production that helps create and sustain jobs and secure American energy independence, increase access and enhance outdoor recreation opportunities nationwide, and to maintain productive working landscapes for grazing and timber. I look forward to working with the Subcommittee to provide the BLM with the tools and resources necessary to achieve these important Administration objectives.

Thank you for the opportunity to present this testimony.