

**Statement of Rebecca Watson
Assistant Secretary for Land and Minerals Management
U.S. Department of the Interior**

**Subcommittee on Forests and Forest Health
Resources Committee
U.S. House of Representatives**

The Administration's Implementation of the Healthy Forests Restoration Act

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Thank you for the opportunity to testify on the U.S. Department of the Interior's progress toward implementing the Healthy Forests Restoration Act (HFRA) [P.L.108-148]. I am Rebecca Watson, Assistant Secretary of the Interior for Land and Minerals Management. The testimony of my colleague, Mark Rey, Under Secretary for Natural Resources and Environment at the Agriculture Department, addresses implementation of HFRA by the U.S.D.A. Forest Service. My statement will address the implementation of HFRA by the Bureau of Land Management (BLM).

The authorities of the HFRA build upon, and work in conjunction with, other programs, including the President's Healthy Forests Initiative (HFI), the National Fire Plan, and stewardship contracting under the 2003 Omnibus Appropriations Act, to reduce the threat of wildland fires and restore the health of our public lands.

Implementation of Healthy Forests Initiative

The HFRA complements administrative reforms developed and implemented since the President announced the HFI in August 2002. These administrative reforms facilitate hazardous fuels treatment and restoration projects on Federal land, including:

- Two new categorical exclusions under the National Environmental Policy Act (NEPA) to facilitate implementation of fuels treatment projects and post-fire rehabilitation activities that do not have significant environmental effects;
- Streamlined consultation procedures for threatened and endangered species with the U.S. Fish and Wildlife Service and National Marine Fisheries Service for National Fire Plan projects;
- Improved direction from the Council on Environmental Quality (CEQ) on conducting environmental assessments under NEPA;
- Improved procedures for administrative appeals of proposed agency actions; and
- Publication of a Federal Register Notice for wood biomass removal in all service contracts.

Stewardship Contracting

The BLM and the Forest Service were authorized under the FY 2003 Omnibus Appropriations Act (Section 323 of P.L. 108-7) to use stewardship contracting to reduce hazardous fuels and restore forest and rangeland health. Stewardship contracts allow private companies, tribes, non-profit organizations, and others to retain forest and rangeland products in exchange for performing services to improve forest and rangeland health. This authority allows Federal land management agencies to achieve important land health goals. Long-term contracts (up to 10 years) foster a public/private partnership by giving those who undertake stewardship contracts the security to invest in equipment and infrastructure that will enable them to harvest or productively use the biomass generated from these stewardship services to make products or to produce biomass energy.

By the end of FY 2005, the BLM will have used stewardship contracting authority for over 90 projects to restore forest health and treat fuels on approximately 40,000 acres of public land. For example, the

forested areas near Canyon City, a community of 700 residents in central Oregon, experienced significant mountain pinebeetle infestation mortality. In response, in 2004 the BLM issued a 10-year stewardship contract to reduce fuels, improve forest health, and reduce soil erosion on nearly 1,850 acres of public land. Under the stewardship contract, the BLM will exchange approximately \$120,000 of small diameter sawtimber (2.5 million board feet) for fuels reduction services and other restoration activities.

BLM's Implementation of HFRA

Since HFRA was signed into law in December 2003, the BLM and Forest Service have developed procedures and guidance for the use of this new authority on projects to reduce the risk of severe wildland fire and restore forest and rangeland health, including:

- Issuing an interim field guide in February 2004 that was jointly prepared by the BLM and the Forest Service to assist Federal land managers in better understanding the requirements for implementation of the HFRA;
- Developing a variety of educational and training tools for agency employees on HFI and HFRA, stewardship projects, Endangered Species Act counterpart regulations, and biomass programs;
- Applying these new tools (such as categorical exclusions, HFRA, and CEQ guidelines on environmental assessments) in 2005 in planning nearly half of all new fuels treatment projects, an increase of approximately 85 percent over FY 2004;
- Certifying 413 BLM staff to use the new counterpart regulations for consultation on threatened and endangered species; and
- Issuing a variety of materials on the HFI and HFRA that are available to the public on the Internet at the website: www.healthyforests.gov.

Implementation of Specific Titles of HFRA

Title I – Hazardous Fuels Reduction on Federal Lands

The HFRA provides for the collaborative development and expedited environmental analysis of authorized projects on public lands managed by the BLM that are at risk of catastrophic wildland fire. The HFRA authorizes expedited action on public lands: located in wildland-urban interface (WUI) areas; identified as condition class 3 (high fire frequency) where there are at-risk municipal water supplies; where threatened and endangered species or their habitats are at-risk of catastrophic fire and fuels treatments can reduce those risks; and where windthrow, insect infestation, or disease epidemics threaten the forest or rangeland resources.

The HFRA builds on community and resource protection activities carried out under the National Fire Plan, and encourages local communities to work with Federal agencies to develop Community Wildfire Protection Plans. These plans assist local communities, as well as State, Federal, and Tribal cooperators to clarify and refine priorities, roles and responsibilities in the protection of life, property, and critical infrastructure in the WUI. The BLM has developed guidance and conducted workshops on the roles and responsibilities of the BLM in the development of Community Wildfire Protection Plans. Thus far in FY 2005, the Department has assisted 140 communities in completing their Community Wildfire Protection Plans. Several counties in western Oregon have used funds available under Title III of the Secure Rural Schools and Community Self-Determination Act (P.L.106-393) to begin the fuels assessments and Geographic Information Systems data collection needed for these plans, and have recommended Title II funding for projects to implement them.

The BLM began using the HFRA authorities in FY 2004 to expedite the planning of new hazardous fuels reduction projects. Using HFRA authorities in FY 2004, the BLM undertook fuels reduction activities on some 1,500 acres and used HFRA in planning for out-year fuels reduction projects. The BLM plans to use HFRA on some 9,000 acres of treatments to be implemented in FY 2005, and will use HFRA in planning approximately 20 fuels projects in FY 2005 and FY 2006.

In order to assist land managers in identifying areas at risk due to the accumulation of hazardous fuels and to help prioritize hazardous fuels reduction projects, the Department of the Interior and the Forest Service are implementing a wildland vegetation mapping project known as "LANDFIRE." The LANDFIRE project is a six-year, \$40 million interagency partnership sponsored by the Wildland Fire Leadership Council. When complete, LANDFIRE will allow us to target those critical acres for fuels treatment that will provide the maximum protection to communities and other important resources identified by communities. LANDFIRE will generate consistent, comprehensive, standardized, landscape-scale maps and data describing vegetation, fire, and fuels characteristics across the United States. It will provide spatial data and predictive models needed by land and fire managers to prioritize, evaluate, plan, complete, and monitor fuel treatment and restoration projects. Additionally, LANDFIRE will improve hazardous fuels treatment coordination between agencies and support implementation of the National Fire Plan and the HFRA.

We believe that this capability is a vital tool for identifying and mitigating risks identified in Community Wildfire Protection Plans. The agencies are evaluating the use of prototype LANDFIRE data in helping land managers and local communities collaboratively select fuels treatment projects for FY 2006.

Title II – Utilization of Wood Biomass

Wood biomass is predominantly the by-product of hazardous fuels removal projects that reduce the risk of wildland fire and improve forest health. In June 2003, the Secretary of the Interior joined the Secretaries of Agriculture and Energy in signing a Memorandum of Understanding (MOU) that commits the Departments to support the utilization of wood biomass by-products from restoration and fuels treatment projects wherever ecologically, economically, and legally appropriate, and consistent with locally developed land management plans.

Early in 2004, Secretary Norton charged the Department and its agencies with development of a coordinated biomass implementation strategy. Interior agencies were directed to implement the interagency MOU by April 2004. Under this direction, and using the authorities provided in the HFI, the National Fire Plan, stewardship contracting, and the HFRA, the BLM implemented its strategy for increasing biomass utilization from BLM-managed lands. Stewardship contracts alone produced nearly 30,000 tons of biomass in 2004, the first full year the BLM had this authority.

A key provision in the MOU requires the BLM to encourage the sustainable development and stabilization of wood biomass utilization markets. Tamarisk and juniper removal is a priority and offers a real opportunity to develop new biomass projects. To that end, we are working closely with the Forest Service's Forest Products Lab in Madison, Wisconsin. The BLM also is working to increase its use of bio-based products, such as in mulch used to stabilize soils following wildfire or in signs. In addition, the Department has several projects in which local field offices are working with nearby communities to increase biomass utilization. For example, in Oregon, the Bureau of Indian Affairs has funded a study for the Confederated Tribes of the Warm Springs to determine the feasibility of generating power from available biomass, partially from BLM and Forest Service lands. Finally, as noted earlier, the Department has issued an Interim Final Rule to allow the option for biomass removal in land management service contracts wherever ecologically appropriate and in accordance with the law (60 FR 52607-52609). This will provide easier access to Federal biomass supplies while we prepare the Final Rule.

Outlook

The authorities for expedited agency decision-making provided by the HFI, stewardship contracting, and the HFRA, are helping the BLM to expedite important projects to treat hazardous fuels, restore fire-adapted ecosystems, restore healthy conditions to public forests and rangelands, and reduce the threat of catastrophic wildland fire to at-risk communities. While the BLM is using the HFRA to conduct fuels treatment projects, much work remains. The BLM's field offices will continue to learn from their

experiences in implementing and seeking the most effective ways to use all of the important authorities provided by the Congress for Healthy Forests.

Conclusion

The BLM and Forest Service are achieving significant improvements in the health of the public forests and rangelands. The agencies will continue to work in partnership with other Federal agencies, as well as State, local, and Tribal governments, to accomplish additional fuels reduction and restoration projects. We appreciate your support. I would be glad to answer any questions.