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Concerning A 2023 Review of the Farm Bill: Forestry and Conservation March 1, 2023

Chairwoman Stabenow, Ranking Member Boozman, and members of the Committee, thank you for the opportunity to address this Committee regarding the Farm Bill. The U.S. Department of Agriculture's Forest Service greatly appreciates the valuable programs that Congress has authorized over the past five decades through the Farm Bill to support our mission and help us confront both long-standing and emerging threats to the nation's forests and grasslands. USDA looks forward to our work with the Committee to ensure the Forest Service has the tools and flexibility it needs to address the wildfire crisis, as well as successfully implement the full breadth of the Agency's mission.

Along with the tools and investments Congress enacted in the 2018 Consolidated Appropriations Act, the bipartisan Infrastructure Investment and Jobs Act (IIJA), and the Inflation Reduction Act (IRA), the Forest Service is using Farm Bill authorities to confront the wildfire crisis, create new markets and technology for wood products, and restore forest health and resiliency through partnerships and collaboration across landscapes.

Today, I will share recent developments in implementing our Wildfire Crisis Strategy and highlight accomplishments in our use of six areas of authority from the 2018 Farm Bill that are particularly important in addressing the wildfire crisis: (1) the reauthorized Insect and Disease treatment authority (Section 603, Healthy Forests Restoration Act), (2) the expanded Good Neighbor Authority, (3) the new Tribal forestry demonstration project, (4) the Collaborative Forest Landscape Restoration Program, (5) the Wood Innovation grant programs, and (6) the Landscape Scale Restoration Program.

Climate change, wildfire and other natural disturbances do not respect land management boundaries; therefore, we need policies and management approaches - like those included in previous Farm Bills - that remove barriers and allow for shared stewardship and cross-boundary management. Throughout the 2018 Farm Bill, there are many authorities and provisions that assist the Forest Service in accomplishing our priority work across boundaries, particularly ecological restoration, support to communities, vital voluntary conservation efforts, and reducing hazardous fuels. Many of these provisions support our overall emphasis in USDA to work with private forest landowners and ranchers in looking for ways to foster new and better markets for them and continue to keep those producers on the land. In keeping with the Biden-Harris Administration's commitment to rebuild and strengthen the middle class from "the bottom up and the middle out," we're looking for ways in which we can encourage and increase the number of revenue streams available to private forest landowners and producers in forested communities so that they can benefit, not only from the sale of timber, crops, and livestock, but also be incentivized to conserve critical resources and invest in climate smart agriculture and forestry practices to sustain resilient, healthy forests and grasslands. Together, our work with all the innovative Farm Bill provisions demonstrates our commitment to shared stewardship of the nation's forests and grasslands, while strengthening relationships with Tribes, States, and local communities.

The Wildfire Crisis Strategy

In Forest Service, we are entering our second year of carrying out our 10-year strategy for confronting the wildfire crisis in the West. Our Wildfire Crisis Strategy aims to increase science-based fuels treatments by up to four times previous treatment levels, especially in those areas most at risk. Fuels treatments by the Forest Service, together with partners, have made a difference over the years. However, the scale of treatments is outmatched by the rapid increase in the scale and severity of wildfires as climate change accelerates. This strategy calls for treating up to 20 million additional acres of National Forest System (NFS) lands over the coming decade, and working with partners, including colleagues at the U.S. Department of the Interior, to treat up to 30 million additional acres on adjoining lands of multiple ownerships, while building a long-term maintenance plan. The intent for these treatments is to reduce the wildfire risk to communities, critical infrastructure, municipal water sources, and natural resources, and to restore and maintain fire-adapted landscapes so they are more resilient.

Within IIJA, Congress provided a \$1.4 billion down payment that greatly assists in putting our Wildfire Crisis Strategy into action with investments on ten landscapes in eight Western States (Arizona, California, Colorado, Idaho, Montana, New Mexico, Oregon, and Washington). Through work on these landscapes and others, we completed treatments on 3.2 million acres nationally in 2022. We also accomplished these treatments in 118 of the 250 high-priority fire sheds identified in the Wildfire Crisis Strategy. This work was accomplished despite numerous barriers including internal staffing capacity, lack of markets for small-diameter wood, and high post-fire workloads from previous seasons. The work on these acres directly reduced risk to communities, infrastructure, and critical watersheds.

IRA funding provides the Forest Service an additional \$1.8 billion for hazardous fuels funding in the wildland-urban interface. With IRA funding, we recently selected 11 additional landscapes for treatment in seven Western States (Arizona, California, Idaho, Nevada, Oregon, Utah, and Washington). Combined with the initial investment landscapes, our actions will span 134 of the 250 high-risk fire sheds in the western U.S., with the investment we announced in January 2023 of \$930 million on 21 landscapes. These investments will help reduce the risk of wildfire to atrisk communities, Tribal lands, critical infrastructure, utility corridors, and public water sources. We listened to our partners, the public we serve, Tribes and many others regarding what mattered most to them, where opportunity is, and where challenges remain. Their feedback and our experience on these landscapes helped us identify both challenges to implementation and enabling conditions for future success. This work will mitigate risks to approximately 200 communities within these landscapes. The Wildfire Crisis Strategy builds on current work and leverages congressional authorities such as those from the 2018 Farm Bill highlighted below, as well as other authorities such as stewardship contracting which has proven invaluable in our work. The Wildfire Crisis Strategy strengthens partnerships to support our work to mitigate wildfire risk and restore forest health and resiliency over the next decade.

The Forest Service is very grateful to Congress, and this Committee in particular, for providing the resources through the Infrastructure Investments and Jobs Act and the Inflation Reduction Act to seed our initial work and put the Wildfire Crisis Strategy in motion. It is important to note that fully executing the strategy to treat 50 million acres will take continued federal investment, coupled with funding and capacity delivered from States and all of our partners in this work. I look forward to continuing this important discussion with this panel and others.

2018 Farm Bill Implementation Highlights

Insect and Disease Provisions

The 2014 Farm Bill's Insect and Disease provisions (Section 8204) set requirements for designating affected NFS lands, enabling streamlined environmental review procedures to expedite projects that reduce the risk and extent of, or increase the resilience to, insect or disease infestations. Approximately 77.5 million acres across NFS lands have been designated under Section 8204 as already experiencing, or at risk of experiencing, insect and disease infestations. We work with State forestry agencies to survey almost 500 million acres across the nation each year to understand where infestations are occurring. We have the partnerships to work across boundaries – on NFS; tribal; state and private lands; as well as other federal lands.

Through amendments to the 2003 Healthy Forests Restoration Act (HFRA), the 2014 Farm Bill also categorically excluded from the requirements of NEPA certain insect and disease projects that meet certain stringent criteria, including an acreage limitation, and are located within the designated treatment areas. The 2018 Farm Bill, through amendment to HFRA, established an additional categorical exclusion for projects that reduce hazardous fuels to be carried out in the designated treatment areas and that also meet other specific criteria and acreage limitations (Section 8407). The Forest Service has signed decisions for, or is in the process of analyzing, 287 projects encompassing approximately 565,000 acres in 35 states using these categorical exclusions. Using the Farm Bill amendments to HFRA Section 602(d), the Forest Service has expedited the NEPA process, with signed decisions or analysis underway, on 26 projects involving an EIS or an EA, encompassing over 1.5 million acres in 11 states. Additionally, the 2018 Farm Bill extended authorization of the categorical exclusion from HFRA Section 605 for wildfire resilience. The Forest Service has signed decisions for, or is in the process of analyzing, 79 projects encompassing approximately 125,000 acres in 34 states using the wildfire resilience categorical exclusion. Taken together, projects carried out under all these authorities help improve forest health while also reducing the risk of catastrophic wildfire to people, communities, utility corridors, water sources, and other natural resources.

Good Neighbor Authority

The Good Neighbor Authority (GNA) allows the Forest Service to work with States, Tribes, and counties to perform treatments across larger landscapes through partnerships. In 2014, this authority allowed the Forest Service to enter into cooperative agreements or contracts with States and Puerto Rico to perform authorized watershed restoration services by our partners on Federal lands. The 2018 Farm Bill expanded this valuable authority to Tribes and counties and allows States to maintain revenues generated from the sale of National Forest System timber for future

GNA activities (Section 8624). To date, the Forest Service has completed 380 GNA agreements in 38 states to accomplish a variety of restoration work. Timber volume awarded under GNA agreements tripled from 2018 to 2022, and we completed over 178,000 acres of restoration-based activities through GNA agreements in 2022.

Our GNA agreements are predominately with State agencies, but also include 16 Tribal agreements and 15 agreements with counties. In our Southern Region alone, for example, we have GNA agreements with one or more of the state agencies in each State and these have assisted greatly in restoring and improving forest health on thousands of acres affected by Southern Pine Beetle infestation and other natural disasters. Under a Good Neighbor Agreement with the Eastern Band of Cherokee Indians, we will work to integrate cultural and traditional ecological knowledge with silviculture and fire management on the Pisgah and Nantahala National Forests in North Carolina. In the Pacific Northwest Region, the Washington Department of Natural Resources used GNA with us to replace a perched culvert with a bridge, allowing restoration of critical upstream salmon habitat on the Olympic National Forest and improving public access. GNA authority is extremely beneficial because it improves the Agency's access to State, Tribal, and county expertise and capacity to accomplish restoration and hazardous fuels reduction work across larger landscapes. This authority also supports working and learning with our partners so we can apply collective knowledge broadly on public lands.

Tribal Forestry

USDA is responsible for managing millions of acres of Federal lands and waters that contain cultural and natural resources of significance and value to Tribes, including sacred religious sites, burial sites, wildlife resources, and sources of Indigenous foods and medicines. The 2018 Farm Bill authorized a new Tribal forestry demonstration project for tribes to propose projects on NFS lands that border or are adjacent to tribal lands using the Indian Self-Determination and Education Assistance Act. This new Forest Service authority allows the agency to enter contracts and agreements with Indian tribes to protect the tribal lands and resources from threats such as fire, insects, and disease while being informed by Tribal values and knowledge The demonstration authority pertains exclusively to the Tribal Forest Protection Act of 2004 (TFPA). As of January 2023, agreements using this authority have been executed with Confederated Tribes of the Colville Reservation, Leech Lake Band of Ojibwe, Pueblo of Acoma, Pueblo of Jemez, The Tulalip Tribes, Kalispel Tribe, San Carlos Apache Tribe, Yakama Nation, Mechoopda Indian Tribe, Pueblo of Santa Clara, and the Cow Creek Band of Umpqua Tribe of Indians. These agreements are implementing vegetation management projects to protect tribal assets and reduce hazardous fuels in critical and cultural landscapes while strengthening our government-to-government relationships with tribal nations to achieve shared stewardship and co-stewardship objectives.

In one noteworthy example, the Cow Creek Band of Umpqua Tribe of Indians and the Umpqua National Forest in Oregon signed one of the largest of all Forest Service TFPA proposals, and the largest Forest Service self-determination agreement to date, to reduce fuels in strategically important areas of NFS lands that border tribal lands, the wildland urban interface, and private property. This collaborative work will simultaneously reduce fuel concentrations enough to enable firefighters to use treatment areas as potential control lines in the event of future wildfires and reduce the severity and intensity of fire in the treated areas.

The IIJA authorizes the Forest Service to fund and implement projects using GNA and TFPA. As of today, we have received 17 TFPA proposals exceeding \$8.7 million for FY23 with a projected \$25 million in subsequent years. This is a demonstrated commitment to invest in collaborations and co-stewardship as articulated in Joint Secretarial Order 3403, *Fulfilling the Trust Responsibility to Indian Tribes in the Stewardship of Federal Lands and Waters*.

Collaborative Forest Landscape Restoration Program

The 2018 Farm Bill reauthorized and increased the authorization for appropriations for the Collaborative Forest Landscape Restoration Program (CFLRP) (Section 8629). Through the CFLRP, we can accomplish critical collaborative, science-based ecosystem restoration of priority forest landscapes. These projects produce significant outcomes on the landscape, including reducing the risk of catastrophic wildfire, eradicating invasive plants, restoring stream habitat, and accomplishing vital forest vegetation work through planting, seeding, and natural regeneration. Since the program inception in 2009 through fiscal year 2022, the Forest Service has funded 31 CFLRP landscapes nationwide, with fifteen such landscapes currently receiving funding. These projects have advanced treatment on over 4.6 million acres to reduce the risk of catastrophic wildfire, with treatments prioritized in high-risk areas. CLFRP projects have improved habitat for over 70 species of animals and plants and have enhanced over 1,800 miles of stream habitat. In addition, CFLRP has significant economic benefits in rural communities, supporting an average of nearly 5,000 jobs per year and a total of \$2.5 billion in total local labor income to date, including youth engagement and job training opportunities.

Wood Innovation and Community Wood Grants

The 2018 Farm Bill codified the existing Wood Innovation Grant Program and established a new program, the Community Wood Grant Program. These two grant programs support Forest Service efforts to build innovative markets for wood products and wood energy that support rural economies with more jobs and income. The financial support provided by these programs help create additional and more robust markets and capacity for sustainable forest management and hazardous fuels reduction.

The Wood Innovation Grant Program (Section 8643) allows the Forest Service to award grants to individuals, public or private entities, or State, local or Tribal governments for the purpose of advancing the use of innovative wood products. The program stimulates and expands sustainable wood products and wood energy markets, with a focus on mass timber, tall wood buildings, renewable wood energy, and technological development that supports fuel reduction and sustainable forest management.

The Community Wood Grant Program (Section 8644) supports facility expansion or new equipment for thermal wood energy (wood-to-heat) projects and innovative wood products manufacturing. In Fiscal Year 2022, the Forest Service awarded over \$32 million in grants for 99 projects using these two authorities. Just last month, we announced a Funding Opportunity for

these programs, offering \$41 million to spark innovation and create new markets for wood products and renewable wood energy. This was made possible in part by the IIJA and the IRA.

The Farm Bill has catalyzed U.S. growth in mass timber construction, supporting forest management and creating jobs. Twelve new mass timber plants have been constructed across the U.S. and over 1,600 buildings utilizing mass timber construction have been built, are under construction, or are in the design phase. For example, Vaagen Timbers in Colville, Washington, produces cross-laminated timber from forest restoration on the Colville National Forest and employs over 40 people. Building with wood is beneficial to our environment as it replaces traditional building materials that can take a great deal of energy and emissions to manufacture. It's commonsense but worth underscoring that trees keep much of the carbon that they store over their lifetime when they're milled into long-lived wood products.

Through the Community Wood Grant Program, we have supported 34 projects for wood energy facilities to produce heat or combined heat and power. Located in a range of facilities including schools, businesses, manufacturing, and government, these projects use over 136,000 green tons of wood residues and chips annually. This supports renewable energy goals, economic development, and cost-effective heating. One project benefitting from a wood energy grant in Truckee, California, produces electricity through a biomass energy system for 14 municipal buildings, using hazardous fuels material removed from high wildfire risk areas.

Landscape Scale Restoration Program

Authorized in the 2018 Farm Bill, the Landscape Scale Restoration Program is a competitive grant program that promotes collaborative, science-based restoration of priority forest landscapes and furthers priorities identified in a science-based restoration strategy, such as a State Forest Action Plan. The Forest Service delivers the program through our long-standing partnerships with State Forestry agencies, Tribes, and other stakeholders to deliver conservation projects on non-federal land.

From 2018-2022 the Forest Service awarded 255 competitive grants to support projects to 46 States, and 5 territories. \$62,000,000 in federal funding leveraged approximately \$71,000,000 in additional partner support. Funded projects reflect local forest conditions and state and regional priorities. In the western United States, many of the Landscape Scale Restoration projects reduce wildfire risk and restore priority watersheds. In the Northeast and Midwest, projects protect water quality and mitigate invasive species that threaten forest ecosystem health, wildlife, climate resilience, and economic value of forests. In the South, wildlife habitat protection to conserve threatened and endangered species is an important priority to ensure continued economic productivity of rural working lands.

In FY 2023, the Landscape Scale Restoration Program issued its first Request for Proposals for Federally Recognized Tribes and Alaska Native Corporations to restore priority forest landscapes on Tribal land, including Tribal trust land. By working across landownerships, including on Tribal Forest land, the Landscape Scale Restoration program is an important tool to restore resilience to the nation's forests. With support from IRA funding, the Forest Service is standing up new activities, using the Landscape Scale Restoration authority, to provide incentives to Tribes and non-industrial private forest landowners to implement climate smart forestry practices that improve forest resilience.

Through educational and technical assistance supported, in part, by the agency's Forest Stewardship Program, forestry experts will provide management advice and assistance to help landowners, on a voluntary basis, implement practices and access emerging market opportunities, including carbon markets. The Forest Stewardship Program is a partnership between the Forest Service and State forestry agencies to assist private forest landowners who are responsible for the stewardship of 300 million acres of forests (nearly 40 percent of the Nation's forests).

Congressionally Authorized Land Conveyances

I am pleased to report the completion of all three NFS land conveyances authorized by the 2018 Farm Bill:

- Section 8627, Kisatchie National Forest parcel in Louisiana to Collins Camp Properties;
- Section 8631, Okhissa Lake parcel on the Homochitto National Forest in Mississippi to Scenic Rivers Development Alliance for rural economic development; and
- Section 8707, parcel to Dolores County, Colorado for the West Fork Fire Station.

Conclusion

We recognize that this Committee and others expend significant effort to draft, negotiate, and pass a new Farm Bill every five years. We appreciate your efforts and look forward to providing input as you frame and develop the 2023 Farm Bill.