

JOINT STATEMENT with
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ASSISTANT SECRETARY, POLICY, MANAGEMENT AND BUDGET
DEPARTMENT OF THE INTERIOR;

Mr. Chairman:

On May 20, 2003, President Bush called on Congress to move as quickly as possible to pass H.R. 1904 and get it to his desk for signature, and we appreciate your willingness to schedule this hearing today. The Departments of Agriculture (USDA) and the Interior (DOI) strongly support H.R. 1904. We would also like to work with the Committee to make technical amendments to clarify and strengthen the bill.

Background

The need for action to restore our Nation's public forests and rangelands to long-term health has never been greater. Catastrophic fires are just one consequence of the deteriorating forest and rangeland health that now affects more than 190 million acres of public land, an area twice the size of California. Last year alone, wildfires burned over 7.2 million acres of public and private lands, leading to the destruction of thousands of structures and the evacuation of tens of thousands of people from hundreds of communities. Although nationally wildland fire activity so far this year had been less than the average of the last few years, on June 17, 2003, the Aspen Fire blew out of the Pusch Ridge Wilderness in southern Arizona and overwhelmed the community of Summerhaven, Arizona destroying an estimated 250 homes, businesses and other structures. This fire continues to burn out of control. We are seeing critical situations in the southwest and these conditions are spreading northward. Large portions of Arizona, California, Idaho, Oregon, Nevada, Utah, and Washington, as well as sections of Colorado and Wyoming, are predicted to have above average fire activity this fire season.

In addition to fire, Federal forests and rangelands across the country face unusually high threats from the spread of invasive species and insect attacks. Insects and pathogens have historically existed in our forests and rangelands. However, the frequency, extent and timing of recent outbreaks are out of the ordinary. Changes in tree stand density, species composition and structure caused by fire exclusion, the lack of active management and drought are factors that have significantly affected outbreak patterns. The result is the death of millions of trees across many thousands of acres in California, Utah, Arkansas, Michigan, Minnesota, the Mid-Atlantic States and the South. Often when these areas burn with uncharacteristic intensity, they become very susceptible to invasive species, further prolonging poor forest and rangeland health.

While Federal, State and local land managers have attempted to restore forest and rangeland health and prevent these catastrophic wildfires and infestations, their efforts have been severely hampered by unnecessary and costly procedural delays that can prevent them from acting in a timely manner to protect communities and avert ecological crises. Excessive analysis, ineffective public involvement, and management inefficiencies trap land managers in costly procedural delays, where, in some cases, a single project can take years to move forward. In the meantime, communities, wildlife habitat and forests and rangelands suffer. Fires and insect infestations that begin on public lands can spread to private lands as well, causing significant property damage and threats to public health and safety. The current Aspen fire in Arizona is a case in point.

Recognizing the impending crisis, President Bush proposed the Healthy Forests Initiative (HFI) in August 2002. The President directed Federal agencies to develop several administrative and legislative tools to restore deteriorated Federal lands to healthy conditions and assist in executing core components of the National Fire Plan.

Since the President's announcement last August, Federal agencies have taken several regulatory steps to implement components of the HFI.

The Secretaries have taken several administrative actions to accomplish these objectives, which include the following:

*Endangered Species Act Guidance -On December 11, 2002, the Fish and Wildlife Service (FWS) and National Oceanic and Atmospheric Administration Fisheries (NOAA Fisheries) issued joint guidance documents to facilitate and improve the design, review, approval and implementation of HFI projects. The guidance allows multiple projects to be grouped into one consultation and provides direction on how to consider and balance potential short- and long-term beneficial and adverse impacts to endangered species when evaluating projects. The goal is to recognize that project-specific, short term adverse impacts need to be weighed against the longer-term watershed level benefits such projects will achieve.

*CEO Memorandum & Model Environmental Assessment (EA) Projects -CEQ Chairman Connaughton issued guidance addressing the preparation of environmental assessments for fuels treatment projects. The guidance addresses the purpose and content of an EA, specifically, that EAs should be focused and concise. These guidelines are now being applied on both Forest Service and DOI agency projects and some resultant EAs are currently out for public comment.

*Appeals Process Reform -Both USDA and DOI made rule changes designed to encourage early and meaningful public

participation in project planning, while continuing to provide the public an opportunity to seek review or appeal project decisions. This allows more expedited application of hazardous fuels reduction projects.

*Categorical Exclusions (CE) -Both USDA and DOI have established new categorical exclusions, as provided under the National Environmental Policy Act, for certain hazardous fuels reduction projects and for post-fire rehabilitation projects. These new CEs shorten the time between identification of hazardous fuels treatment and restoration projects and their actual accomplishment on the ground. The agencies have compiled an extensive historical record demonstrating that similar projects did not result in significant environmental effects.

*Proposed Section 7 Counterpart Regulation -FWS and NOAA Fisheries have proposed Section 7 joint counterpart regulations under the ESA to improve Section 7 consultation procedures for projects that support the National Fire Plan.

The proposed regulations would provide an alternative, in some situations, to the existing Section 7 consultation process by authorizing the agencies to make certain determinations without project-specific consultation and concurrence of the FWS and NOAA Fisheries.

The recently passed Consolidated Appropriations Resolution, 2003 (PL 108-7) contains stewardship contracting authority, which gives agency land managers a critical tool to implement projects necessary to achieve land management goals. This provision allows the BLM and the Forest Service to enter into long-term stewardship contracts with the private sector, non-profit organizations, local communities, and other entities. In FY2003, the Bureau of Land Management will implement stewardship contracting on a limited basis, and the Forest Service will implement stewardship contracting much as it did during the pilot program, while joint guidance for long-term implementation is developed.

We believe these administrative actions will provide Federal land managers with important tools they need to restore these lands to a condition where they can resist disease, insects, and catastrophic fire. However, the additional tools and authorities that are provided in H.R.1904 are still needed.

H.R. 1904

Title I would improve processes which now significantly contribute to costly delays, and allow timely implementation of critical fuels reduction projects. The title would provide streamlined procedures for USDA and the DOI to plan and conduct hazardous fuels projects on up to 20 million acres of Federal land that are most at-risk from wildfires while preserving public input in the decision-making process. The bill would allow the agencies to limit the range of proposed alternatives they would have to analyze for proposed hazardous fuels reduction projects, and would maintain requirements for public notice and input. We believe this authority would provide the agencies with the latitude necessary to reduce the risk of damage to communities and municipal water supplies and at risk Federal lands from catastrophic wildfires. It would also require the Secretary of Agriculture to establish an administrative appeals process for these projects as an alternative to the current legislatively mandated appeals process. The title also would provide for a standard for injunctive relief and timeframes for judicial review.

Title II, which would parallel already existing authority, would authorize a \$25 million grant program for each of the fiscal years 2004 through 2008. The Secretaries would be authorized to make grants to persons who own or operate a facility that uses biomass or to offset the cost of projects to add value to biomass. This authority would help encourage energy generation and other commercial utilization of low value or nonmerchantable biomass, including wood, chips, brush, thinnings, and slash removed to reduce hazardous fuels, to reduce the risk of disease or insect infestation, or to contain disease or insect infestation.

Title III would authorize a \$15 million program within the Forest Service for each of the fiscal years 2004 through 2008, to provide State forestry agencies technical, financial and related assistance for the purpose of expanding State capacity to address watershed issues on non-Federal forested lands. This authority which would parallel existing authority, would allow USDA and Dept of Interior to work collaboratively with other interests to manage and conserve non-Federally forested lands.

Title IV would require the Secretaries of Agriculture and the Interior, with the assistance of universities and forestry schools, to develop an accelerated basic and applied assessment program on certain Federal lands to combat infestations by bark beetles, including Southern pine beetles, hemlock woolly adelgids, emerald ash borers, red oak borers, and white oak borers. This title also would authorize the Secretaries to conduct applied silvicultural assessments on certain Federal lands. An assessment of a site of less than 1,000 acres would be deemed to be categorically excluded from further analysis under the National Environmental Policy Act. We believe this will allow us to quickly design and test methods of responding to insect outbreaks.

Title V authorizes a \$15 million Healthy Forests Reserve Program within the Forest Service working in cooperation with the Secretary of the Interior, for each of the fiscal years 2004 through 2008 for the purposes of protecting, restoring and enhancing " degraded forest ecosystems on private lands to promote the recovery of threatened and endangered species.

Title VI would direct the Secretary of Agriculture to carry out a comprehensive program to inventory, monitor, characterize,

assess and identify forest stands nationwide. In carrying out such a program, the Secretary would also be directed to develop an "early warning system" for potential catastrophic threats to forests. Title VI authorizes \$5 million for each of the fiscal years 2004 through 2008.

Conclusion

Mr. Chairman, USDA and DOI are committed to working with Congress, State, local and tribal officials and the public to advance common-sense solutions to protect communities and people, and to restore forest and rangeland health. H.R. 1904 provides the much needed authorities sought by the President's Healthy Forest Initiative to achieve these goals. We strongly support this bill and look forward to working with the Committee as it moves through the legislative process.

Thank you for the opportunity to comment on this bill. We will be glad to answer any questions you may have.