STATEMENT OF

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U.S. DEPARTMENT OF AGRICULTURE

BEFORE THE

COMMITTEE ON NATURAL RESOURCES,

SUBCOMMITTEE ON PUBLIC LANDS AND ENVIRONMENTAL REGULATION

UNITED STATES HOUSE OF REPRESENTATIVES

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Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to present the views of the U.S. Department of Agriculture (USDA) regarding H.R. 818, the "Healthy Forest Management and Wildfire Prevention Act of 2013", H.R. 1294, the "Self–Sufficient Community Lands Act", and H.R. 1345 "The Catastrophic Wildfire Prevention Act of 2013".

USDA will not be testifying today on the draft bills "Restoring Healthy Forest for Healthy Communities Act", "O&C Trust, Conservation and Jobs Act", and "Depleting Risk from Insect Infestation, Soil Erosion, and Catastrophic Fire Act of 2013". USDA reserves the right to provide written testimony after the bills are introduced.

The Forest Service agrees with many of the goals of the bills being addressed today. We support protecting forest lands from excessive impacts of wildfire, bark beetle, and other disturbances. Many of the restoration initiatives and programs we are implementing are designed to address these concerns.

The national forests and grasslands were established to protect the land, secure favorable conditions of water flows, and provide a sustainable supply of goods and services. National Forest System (NFS) lands are managed using a multiple-use approach with the goal of sustaining healthy terrestrial and aquatic ecosystems while addressing the need for resources, commodities, and services for the American people. Rural and urban communities depend on the forests for a variety of resources, commodities, and services, but for the rural communities in particular, national forest management can impact local economic and social conditions. With our many partners, the Forest Service is working to maintain the functions and processes characteristic of healthy, resilient forests and watersheds, and through delivery of our programs, maintain and enrich the social and economic environment of our local communities.

Our forests are important to all of us, and people understand that forests provide a broad range of values and benefits, including biodiversity, recreation, clean air and water, forest products, erosion control, soil renewal and more. Forests, which cover a third of the country's landmass, store and filter more than half of the nation's water supply and absorb 20 percent of the country's carbon emissions. Our mission of sustaining the health, resilience, and productivity of our nation's forests is critically important to maintaining these values and benefits. Restoring the

health and resilience of our forests generates important amenity values. A study by Cassandra Moseley and Max Nielson Pincus has shown that every million dollars spent on activities like stream restoration, hazardous fuels reduction, forestry or road decommissioning generates from 12 to 28 jobs. For example, implementation of projects under the Collaborative Forest Landscape Restoration Program – which relies heavily on stewardship contracting – has created or maintained 1,550 jobs through 2011.

The Forest Service recognizes the need for a strong forest products industry to help accomplish forest restoration work. The best opportunity for reducing the cost of these restoration treatments is through timber harvest and stewardship contracting.

The benefits of maintaining a robust forest products industry flow not only to local communities and the nation but also to the Forest Service itself as the agency relies on local contractors and mills to provide the workforce to undertake a variety of restoration activities. The industry's workforce is larger than either the automotive or chemical industries, currently employing nearly 900,000 workers. Fortunately, recent upturns in the housing market and lumber prices have contributed to higher demand and prices for sawtimber. The capacity exists within current infrastructure to meet this increased demand for lumber through adding extra shifts, reopening mills, and gains in efficiency. The higher demand and prices for timber will enable the Forest Service (FS) to complete more restoration treatments.

Stewardship contracting is a critical tool that allows the Forest Service to more efficiently complete restoration activities. Permanently reauthorizing stewardship contracting and expanding the use of this tool is crucial to our ability to restore landscapes collaboratively at a reduced cost to the government by offsetting the value of the services received with the value of forest products removed. In fiscal year 2012, approximately 25 percent of all timber volume sold on NFS lands was under a stewardship contract. Under the stewardship contracting authorities, the Forest Service has carried out watershed and wildlife habitat improvement projects, invasive species control and removal, road decommissioning, and hazardous fuels reduction activities.

To accomplish more effective vegetation management, the Forest Service is fostering a more efficient National Environmental Planning Act (NEPA) process by focusing on improving agency policy, learning, and technology. These NEPA process improvements will increase decision-making efficiencies and public engagement, resulting in on-the-ground restoration work getting done more quickly and across a larger landscape. In addition to the Forest Planning rule, the agency has initiated a NEPA learning networks project to learn from and share the lessons of successful implementation of efficient NEPA analyses. The goal of this effort is to maintain decision making transparency for the public and ensure that the Agency's NEPA compliance is as efficient, cost-effective, and up-to-date as possible. Specifically we are looking at expanding the use of focused Environmental Assessments (EAs), iterative Environmental Impact Statement documentation (EISs), expanding categories of actions that may be excluded from documentation in an Environmental Assessment (EA) or an Environmental Impact Statement (EIS), and applying an adaptive management framework to NEPA.

Our landscape-scale NEPA projects will also increase efficiencies. For example, our Mountain Pine Beetle Response Project on the Black Hills National Forest is implementing a landscape-scale adaptive approach for treating current and future pine beetle outbreaks. We are also implementing the Four Forest Restoration Initiative (4FRI) project in the Southwest, as well as other landscape-scale forest restoration projects such as the 5-Mile Bell project in Oregon. The Draft EIS for the first 4FRI area covers about one million acres. All of our efforts are aimed at becoming more proactive and efficient in protecting the nation's natural resources, while providing jobs to the American people.

The National Cohesive Wildland Fire Management Strategy is another important strategy in addressing the nation's wildfire problems by focusing on three key areas: 1) Restore and Maintain Landscapes, 2) Fire Adapted Human Communities, and 3) Response to Fire. This collaborative process has the benefit of active involvement of all levels of government and non-governmental organizations, as well as the public, to seek national, all-lands solutions to wildland fire management issues. We are now moving into Phase III where a tradeoff analysis of national risk will be conducted. We expect one result will be a better understanding of how the Forest Service can play a larger role in restoring and maintaining fire-adapted ecosystems and landscapes within an all-lands context. This understanding should help focus and support efforts for restoring landscapes.

Using these tools, and more, we are working toward accelerating our restoration activities on the ground to restore the functions and processes characteristic of healthy, resilient ecosystems. Our goal is to sustain and restore ecosystems that can deliver all the benefits that Americans want, need, and deserve. Due to changing climate, we may not be able to restore them to their original condition, but we can move directly toward resilience and health directly on the lands we manage, and indirectly through collaboration with others on state and private lands. The Forest Service recognizes that increasing the pace and scale of restoration and active management of the National Forests is critically needed to address these threats to the resiliency of our forests and watersheds and the health, prosperity, and safety of America's forest-dependent communities.

H.R. 818 "Healthy Forest Management and Wildfire Prevention Act"

The Department opposes H.R. 818.

The purpose of H.R. 818 is to address the bark beetle epidemic, drought, deteriorating forest health conditions, and high risk of wildfires on NFS land and public land under the jurisdiction of the Bureau of Land Management in the United States. The bill contains provisions that would:

- Provide a Congressional declaration that the bark beetle epidemic, drought, and deteriorating forest health conditions on NFS lands and public lands are an "imminent threat" within the meaning of section 36 CFR 294.12(b)(1) in effect since 2002. That regulation provided for road construction or reconstruction in an inventoried roadless area upon a determination that "a road is needed to protect public health and safety in cases of an imminent threat of flood, fire, or other catastrophic event that, without intervention, would cause the loss of life or property."

- Allow a Governor to designate high-risk areas of NFS and public lands, outside of Wilderness and National Monuments, to address deteriorating forest conditions and future risks, after consultation with county governments and affected Indian tribes.

- Allow the Secretary of Agriculture or the Secretary of the Interior to designate high-risk areas of NFS and public lands, outside of Wilderness and National Monuments, to address deteriorating forest conditions and future risks after consultation with Governors, county government, and with affected Indian tribes.

- Provide for the use of emergency hazardous fuel reduction projects in areas designated as high-risk.

- Require the Secretary to implement emergency hazardous fuels reduction projects within 60 days of the date the Secretary receives the proposal from the Governor.

- Provide that emergency hazardous fuels reduction projects in designated high-risk areas shall be subject to the expedited procedures in Title I of the Healthy Forest Restoration Act (HFRA) of 2003, including expedited requirements for environmental analysis under NEPA, pre-decisional administrative review, and the application of these expedited procedures to high-risk areas that are outside the Wildland Urban Interface (WUI).

- Establish a categorical exclusion from the requirement to prepare an environmental assessment or an environmental impact statement under NEPA for hazardous fuels projects in high risk areas within 500 feet of utility or telephone infrastructure, campgrounds, roadsides, heritage or recreation sites, schools or other infrastructure.

- Expand Good Neighbor Authority nationally and include the Bureau of Land Management.

- Extend Stewardship Contracting from 2013 to 2017 and increase maximum contract length to 20 years.

Consistent with the purposes of H.R. 818, USDA supports Forest Service efforts to increase the amount of forest restoration work on NFS lands. USDA opposes the enactment of H.R. 818 except for sections 8 and 9, which respectively expand Good Neighbor Authority and reauthorize Stewardship Contracting Authority. For those sections, we support the expansion of the Good Neighbor Authority and reauthorization of stewardship contracting, but have some minor technical suggestions. However, the Department cannot support a bill that would remove the authority vested in the Secretary of Agriculture to manage NFS lands by authorizing Governors to designate high risk areas of NFS lands and propose projects for those areas, and requiring projects to be implemented within 60 days of the date on which the proposal is finalized. Many conditions, including weather, economics, contractual requirements, availability of workforce, and other priorities can influence the timing of a project. We also have concerns with other

provisions of H.R. 818 including the effect of the bill on designated roadless areas, as well as the costs of implementing the bill.

HR 1294 "Self Sufficient Community Lands Act"

While USDA appreciates the Committee's interest in collaborative management of NFS lands, the Department opposes this legislation.

H.R. 1294 would:

- Require the Secretary of Agriculture to establish community forest demonstration areas comprised of NFS lands at the request of a Board of Trustees appointed by the Governor of the State in which the lands are located.

- Provide for the establishment of a community forest demonstration area if the Secretary determines that the area contains at least 200,000 acres of NFS land and that the State has a law or regulatory structure providing for forest practices applicable to State or privately owned forest land.

- Provide that the Board of Trustees would manage NFS lands that are established as community forest demonstration area in accordance with the bill and applicable State law.

- Provide that Federal laws would apply but only to the extent that laws would apply to State administration and management of forest lands. Treatments, such as timber harvest, would be subject to Federal environmental laws only to the extent that State lands are subject to those laws.

- Provide that receipts from activities would be retained by the Board and be used to fund administration and management of the community forest demonstration area and that any remaining funds would be distributed to counties.

USDA supports efforts to increase the amount of forest restoration work on NFS lands. I, and past Chiefs have testified on numerous occasions that this work is one of our highest priorities. However, USDA opposes this bill because it would remove the authority vested in the Forest Service to manage NFS lands by authorizing a Board of Trustees nominated by the Governor to manage the land and resources of the community forest demonstration areas under laws and regulations applicable to management of State forest lands.

While USDA appreciates the provisions allowing time frames to be extended for public involvement, ultimately we support the right of citizens to be involved in the management of their forests as demonstrated in our new Forest Planning Rule.

USDA appreciates state and local community interest in the management of the National Forests. However, this bill limits the ability of American citizens to participate in an open decision making process and leaves many fundamental questions of responsibility unanswered.

H. R. 1345 "Catastrophic Wildfire Prevention Act of 2013"

The Department opposes HR 1345.

USDA supports the purposes of H.R. 1345 to address the risks to forest health, public safety, and wildlife habitat posed by wildfire. In general, we support Title I of the bill, which would reauthorize and amend the Stewardship Contracting Authority and the Good Neighbor Authority. We would like to work with the committee to address some technical concerns. In addition, we would like to discuss the impact of the requirement of paying 25% of stewardship contracting receipts to counties. Furthermore, changing the requirement to obligate cancellation costs upfront sets up a process different than other contracting activities and could potentially lead to an inability to pay if unobligated funds are inadequate to cover cancellation costs at the time of cancellation. Expanding authorized use of FLAME funds would reduce the amount of funds available for fire suppression. In addition, there are other programs that support burned area rehabilitation activities. We do not support Title II of H.R. 1345, which would provide for an expedited process for carrying out certain projects. Specifically, the Department opposes this bill because it would remove the authority vested in the Secretary, shortchange the environmental review process, cut out public engagement and collaboration, give the agency targets it can't accomplish, and override roadless protections.

Specifically, Title I contains provisions that would:

- Extend the Stewardship Contracting Authority from 2013 to 2023; increase maximum contract length to 20 years; change the funding obligations to cover the cost of the cancelling or terminating a contract; and require that 25 percent of the receipts from a contract or agreement be paid to the county in addition to payments made under PILT.
- Extend the Good Neighbor Authority nationally and authorize the Bureau of Land Management to utilize the authority.
- Amend the purpose of the FLAME Act to provide that FLAME funds shall be available not only for large or complex fire events but also for burn area responses, including flood prevention.

Title II contains provisions that would:

- Require the Secretary to implement eligible wildfire prevention projects in at-risk forests and in threatened and endangered species habitat. Eligible wildfire prevention projects would include livestock grazing and timber harvests.
- Provide that an Environmental Assessment (EA) or an Environmental Impact Statement (EIS) would only need to study, develop, and describe the proposed action and the no action alternative. Without this language, NEPA would require the development of other reasonable alternatives to the proposed action.
- Require completion of an EA within 60 days of commencement of preparation and an EIS within 90 days; projects would be deemed compliant with NEPA if these deadlines were not met.
- Provide that an EA under the bill would be deemed to be sufficient for purposes of NEPA for 10 years if the eligible wildfire prevention project involves livestock grazing and 20 years if the project involves timber harvest.

- Establish a Categorical Exclusion from the requirement to prepare an EA or EIS for certain eligible wildfire prevention projects.
- Require the Secretary to pursue alternative arrangements under the Council on Environmental Quality (CEQ) regulations if the county in which the eligible wildfire prevention project is to be carried out declares an emergency because of wildfire or the threat of wildfire; establish procedures for requesting the alternative arrangements; direct the Secretary to carry out the project without regard to NEPA if CEQ fails to comply with the 15-day deadline for submitting the alternative arrangement; and provide that actions taken would not be subject to notice and comment or judicial review.

In addition, we have concerns the provisions of Title II that provide for timelines for environmental analysis and timelines and requirements for alternative arrangements. More specifically:

- Section 203(a)(1) requires either an EIS or an EA for the proposals, leaving out the possibility for using existing categorical exclusions.
- Section 203(a)(3) sets deadlines that make it impossible to comply with NEPA on most projects and would in effect result in the projects being exempted from NEPA.
- Section 203(a)(4) would deem an EA to be sufficient for 10 or 20 years depending on the type of project and despite the changes that may likely occur within that timeframe that would otherwise trigger the need to update the EA.
- Section 203 (f) requires the Secretary to request alternative arrangements with the Council on Environmental Quality and lays out a number of requirements for that request. The request alone would take field resources otherwise committed to the emergency situation when alternative arrangements may not even be necessary. Additionally, given the timeframes imposed by the bill for completing and EA or EIS, alternative arrangements may not be necessary.

SUMMARY

The Department recognizes the important role of the timber industry in maintaining rural communities; particularly in light of the urgent forest restoration needs many areas face with the beetle epidemic and the ongoing needs to reduce the risk of uncharacteristic wildfire effects – especially in the wildland-urban interface. The Department wants to work closely with the Committee on these bills to enhance our ability to get more restoration work done.

This is also why the Forest Service is investing considerable effort in finding ways to maximize the effectiveness of our collaborative management procedures: in streamlining our implementation of NEPA to anticipate the needs of large landscapes and watersheds; in maximizing the use of special authorities such as pre-decisional administrative review and stewardship contracting; and in exploring ways to make more efficient use of scarce budgets. Collaborative efforts such as these must be fostered and broadened if local communities are to reap increasing benefits from their National Forests.

In summary, the Forest Service continues to work toward accomplishing restoration objectives, providing information, research and quality recreation experiences, all linked to healthy rural

communities. I want to thank the Committee for its interest, leadership, and commitment to our national forests and their surrounding communities. I would be pleased to answer any questions you may have.