

CHAPTER SEVEN

External Influences on Forest Service Planning

In this chapter, the Committee addresses two issues that are sometimes perceived as beyond the scope of land- and resource-management planning, yet have the potential to undercut its effectiveness: the budgeting process and the requirements of other laws and regulations.

The Budgeting Process and Planning

For planning to be meaningful, it must correspond to the current and likely future situation. To achieve this goal, there must be some relationship between the plan and the budget available to undertake the plan.

Independence of the Planning and Budgeting Processes

One of the common criticisms of the current Forest Service planning process is its failure in implementing plans. This problem originates with the weak link between the planning process and the budget. In public meetings across the country, the Committee heard a repeated complaint: Plans often are not accompanied by matching budgets. Thus, the budget available does not provide sufficient funding to allow the plan to be implemented as developed.

The discrepancies between budgets and plans come from two sources. First, the total budget provided by Congress is typically less than that required for the planning. Second,

the congressional budget is allocated by “programs” and bears little relationship to the configurations of individual forest plans. For example, the budget passed by the Congress may allow funding of 110% of the total timber called for in the plan, but only 30% of the planned recreation.

Although some have argued that budgeting is an internal problem, which the Forest Service can circumvent, it appears to be driven more by congressional prerogatives than by agency decisions. The Forest Service has some discretion in developing the initial budget request and in reallocating funds among budget categories after congressional action and also retains some funds from timber sales. In sum, though, the ability to obtain funding for the plans as approved is typically beyond the control of the Forest Service.

This problem was exacerbated in the first round of plans developed under the NFMA, where fiscal realities often received little consideration. Those plans developed both the goals for forest management and a set of actions for the plan to achieve these goals. The activity set was generally developed without restricting the budget needs to current experience. Instead, the plans were developed to help define the budget that would be needed, based on conclusions reached by the Forest Service after much analysis and public involvement.

The current budgeting process is approximately as follows:

- 1) The forest supervisors estimate the budget required to carry out the forest plan on an annual basis.

2) These budgets are totaled by the Forest Service and submitted to the Department of Agriculture.

3) The Department of Agriculture provides a budget ceiling, typically less than the amount requested by the Forest Service.

4) This budget goes to the Office of Management and Budget and is negotiated, with the Forest Service included in the negotiations.

5) The budget proposed by the administration is presented to Congress.

6) Congress then produces a budget (based on its priorities) that is signed by the president.

The budgeting process, as described above, is largely independent of the planning process and the plans for the national forests and grasslands except that Congress generally accepts upper limits on commodity outputs, such as the allowable timber-sale levels, defined in the plans. Furthermore, because the final allocations in the congressional budget are on the basis of programs, not plans, the budgeted items often relate poorly to the various plan items. Finally, the total budget appropriated by Congress is usually less than what is required to finance the forest plans.

This disconnect between budgets and plans has led to a number of unfortunate consequences. First, the Forest Service has to patch together budget provisions for the different programs to undertake the integrated management increasingly mandated by the plans and courts. Second, the unequal budgeting for different resources and outputs means that goals for each plan are unequally met. Finally, the disconnect undermines public confidence in the Forest Service's planning process as people find that the hard-earned compromises they fought for in the forest plans cannot be fully implemented.

Improving the Relationship Between Land- and Resource-Management Planning and Budgets

In concept, the RPA/NFMA envisioned that Congress would craft thoughtful and deliberate budgets to complement widely accepted forest plans. If Congress paid close heed to the plans and their components, funding presumably would reflect the size and priorities of the plans.

Some have argued that alternative approaches to budgeting are likely to be more efficient. For example, the National Park Service receives Congressional funding by individual park. Such an approach has been suggested for the Forest Service, and in fact, the Quincy Library legislation provides for separate funding for the National Forests of Northern Sierra Nevada in California. If Congress were to use a line-item, forest-by-forest funding approach to provide the total Forest Service budget, the correspondence between forest plans and budgets might improve.

Within the current budgeting process, however, some changes could be undertaken to enhance the connection between likely budgets and plan assumptions about them. The Committee recognizes that for plans developed under the NFMA to have any credibility, there must be some reasonable expectation that those plans can be implemented. In general, the recommendations below recognize that planning must adhere to the likely budget rather than assuming that the budget will adhere to the plan. At the same time, the suggestions below allow for the role of planning in describing possibilities, the "wish list" for the national forests and grasslands that might be achieved with sufficient funds.

The Central Role of Budgets: Affecting the Rate of Achievement of the Desired Future Condition

In general, strategic (large-landscape) plans should focus on long-term goals for management of the national forests and grasslands and different areas within them, leaving the details of achievement of these goals to the tactical, year-to-year implementation (small-landscape) plans. In our model, strategic plans focus on setting the goals for different areas of the public lands and the desired future conditions and outcomes associated with these goals. The plans also estimate the pathway (mix of actions over time and expected conditions along the way) to achieve the desired future condition considering likely budgets.

It would be useful for the strategic plans to outline progress toward achieving desired future conditions and outcomes under a number of budget levels, in addition to expected budgets, and to estimate how these budgets would affect progress. As an example, hazard reduction needed to achieve the desired future condition would take a long time under current budgets but could be expedited under a higher budget level. This type of information would be useful in formulating budget requests and in alerting the public to the implications of different budget levels.

In each year, analysis of the actions needed to move toward the long-term goals would provide the basis of the budget request. Resulting budgets would determine the mix of actions actually used to move toward the goals and how rapidly progress would be made.

Under this scheme, year-to-year budget variations would not necessitate changes in the choice of the desired future condition of the forest. However, reduced or increased budgets would likely change the time it would take to achieve those conditions.

It would be useful to all those interested in management of the national forests and grasslands to understand how the annual

budget level and distribution among programs are affecting progress toward long-term goals. Therefore, an annual report should be published that outlines the budget for the year for each forest and its impact on progress toward long-term goals. Also, as plans are revised, they should compare actual budgets for the plan period to those that were expected.

The Role of Budgeting in Setting the Desired Future Condition

In setting the desired future condition (the long-term goals for management of the national forests), two aspects of budgeting must be considered. First, it would be important to understand whether the budgets required to maintain the desired future condition, once it is achieved, are at all reasonable. As an example, some strategies for maintaining forest structures in fire-prone landscapes rely on a prescribed fire every few years. It may be that the total budgets for these activities on a given forest would add up to an amount much higher than would likely be funded. Although it is improbable that the desired future condition would stay constant over the time necessary to achieve it, it would nevertheless be instructive to evaluate the feasibility of the budget projected to maintain it. If the budget levels so calculated seem out of line with likely budgets in the long-term, planning would need to investigate other future conditions that were more compatible with likely budgets.

Second, the long-term management goals may need adjustment if it becomes clear that Congress is unlikely to fund accomplishment of those goals. Although we would not want the strategic plan to react to each year's budget level and distribution, five or ten years of budgets that systematically do not fund achievement of some goals in the strategic plan would send a signal about the realism of the plan.

The Importance of Self-Funding Programs

One way to reduce the uncertainty of budgeting is to fund activities out of a percentage share of the net returns from user fees. As many have pointed out, such an approach should reduce the dependence of the Forest Service on the vagaries of the budget process, encourage managers to be efficient in their expenditures, and provide signals indicating the value that members of the public place on different goods and services. Some forms of recreation, as an example, would seem perfect for this approach. Recent Resources Planning Act assessments suggest the American people would be willing to pay hundreds of millions of dollars per year for the right to undertake recreation on national forests and grasslands. As another example, developing stand-treatment projects that contribute to sustainability while paying for themselves will be a major challenge for the next decade. While it is difficult or impossible to charge individually for collective goods, such as the protection of endangered species, self-financing activities will be one key to a stable future for programs on the national forests.

Recommendations for Improving the Relationship Between Planning and Budgeting

1) The strategic plan should concentrate on setting long-term goals and the associated desired future conditions and on making a first estimate of the pathway (mix of actions over time and conditions along the way) to achieve these future conditions. The estimated rate of accomplishment of the desired conditions should be keyed to expected budgets, along with analysis of how increased or decreased budgets will affect the rate of progress. The details of actions necessary to achieve

progress toward these goals, however, should be left to implementation planning.

2) As part of strategic planning, the budgets necessary to maintain the desired future condition should be examined; if they appear unrealistic, less-budget-intensive desired future conditions should be considered.

3) Implementation plans, updated annually, should be the basis for budget requests.

4) Budget shortfalls will affect implementation plans and the rate of progress toward goals; they do not automatically trigger a revision in the strategic plan

5) If it becomes clear over time that Congress is unlikely to fund achievement of the long-term goals and associated desired future conditions, then the strategic plan itself may need revision. During plan revision, a comparison should be made between the expected and actual budget during the plan period.

6) An annual report should be published that outlines how the budget for the year is affecting progress toward long-term goals. [Items 5 and 6 repeat what is said on p. 209.]

7) Both strategic planning and implementation planning should consider activities that have the potential to pay for themselves in addition to activities that rely solely on appropriated funds.

8) The national forests and grasslands should continue experiments to fund entire programs for individual national forests and should report on the experience with this approach so far.

Requirements of Other Laws and Regulations

Numerous observers, including the General Accounting Office and a former Forest Service chief, have maintained that the overlapping of various environmental laws (e.g., the National Environmental Policy Act, Endangered Species Act, National Forest Management Act, and Clean Water Act) generates substantial planning difficulties. Given Congress's apparent reluctance to "harmonize" the environmental laws through legislation, it appears that administrative reform is the best route to overcoming these problems. Toward that end, the Committee has made a number of suggestions throughout this report which are summarized here:

- 1) Representatives from agencies responsible for implementing these other laws should be included on the teams doing land- and resource-management planning.
- 2) The project review of these plans' implementation should be conducted by a team that includes representatives of these agencies.

- 3) A coordinated strategic plan (large-landscape plan) should be developed across federal ownerships within a region.

- 4) The planning processes associated with the other laws, including the Endangered Species Act and the Clean Water Act, should be examined and integrated with the planning process mandated under NFMA.

The Committee realizes that the regulatory agencies, especially the U.S. Fish and Wildlife Service, National Marine Fisheries Service, and Environmental Protection Agency, are part of the check-and-balance system for land management to ensure that these agencies do not neglect legal mandates for protection of species and ecosystems. While the Committee fully expects the continuation of that role by these agencies, it feels that the changes suggested here will improve planning by getting the concerns of other agencies addressed early in the process and by coordinating the planning of large landscapes across agencies.

