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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 2003

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HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

JOE SKEEN, New Mexico, *Chairman*

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JIM KOLBE, Arizona
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NOTE: Under Committee Rules, Mr. Young, as Chairman of the Full Committee, and Mr. Obey, as Ranking Minority Member of the Full Committee, are authorized to sit as Members of all Subcommittees.

DEBORAH WEATHERLY, LORETTA BEAUMONT, JOEL KAPLAN, and CHRISTOPHER TOPIK, *Staff Assistants*

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DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 2003

WEDNESDAY, FEBRUARY 27, 2002.

DEPARTMENT OF THE INTERIOR

WITNESSES

HON. GALE A. NORTON, SECRETARY OF THE INTERIOR
P. LYNN SCARLETT, ASSISTANT SECRETARY, POLICY, MANAGEMENT AND BUDGET
JOHN D. TREZISE, DIRECTOR OF BUDGET

OPENING REMARKS OF CHAIRMAN SKEEN

Mr. SKEEN. Good morning, Madam Secretary. We are looking forward to hearing your testimony on the fiscal year 2003 budget. I anticipate that this will be a lean year from the allocations standpoint for the Interior bill, as we will need to support the war on terrorism and homeland security needs.

We are also pleased to see Lynn Scarlett, the Assistant Secretary for Policy, Management and Budget, joining with you.

I would ask you to summarize your opening statement for us. Your statement will be made part of the official record.

Before I begin, I would like to defer to Mr. Dicks, my good friend and Ranking Member, for any opening remarks he may wish to make at this time.

OPENING REMARKS, CONGRESSMAN DICKS

Mr. DICKS. Good morning, Madam Secretary, and thank you for being here today.

As you know, my highest priority in the bill is the conservation spending category that this Subcommittee enacted in fiscal year 2001. I was pleased to see that the President's proposed budget for the coming fiscal year maintains the basic statutory framework, but disappointed that it was not fully funded.

Last year when faced with a similar budget, our Subcommittee worked on a bipartisan basis to restore full funding to the conservation program at its authorized level of $1.32 billion. It is my hope that we will do so again and provide the $1.44 billion authorized for fiscal year 2003. I understand that because of other budget priorities, the Interior Department request is essentially flat funded. However, when reviewing the proposed Interior budget, I am concerned about the introduction of new or expanded initiatives that have the effect of reducing existing programs.

I look forward to hearing more details about the new proposals in the budget this year, especially the Cooperative Conservation

Initiative and its impact on the Land and Water Conservation Fund. Similarly, it is my great hope that the Subcommittee will restore funding for the Urban Park and Recreation Recovery Program, which unfortunately was eliminated in the Administration request.

I look forward to hearing directly from you about the status of Indian trust reform. Two weeks ago, your staff briefed the Chairman and myself about the litigation and its impact on the Department. I know this is a matter of great concern to you, as it is to us. Probably a little more to you, because your name is on a lot of these lawsuits.

As you are no doubt aware, this Subcommittee has been extremely supportive of the efforts to fix this problem, approving every funding request made from both this Administration and the last. I know that you are spending an enormous amount of time on this personally, and I hope for all of our sakes that a solution is soon within reach.

Lastly, I was extremely pleased to see the Park Service construction budget contains full funding for the Elwha River Recovery Project on the Olympic Peninsula in my district and State, enabling the project to proceed as scheduled. Our Subcommittee members had a chance three years ago to see this project personally. I look forward to bringing them back out there when it is completed, or before if necessary.

Again, welcome, and I look forward to hearing your testimony. I regret the fact that we are going to have a vote here, but I think the Chairman was wise to get us started.

Mr. SKEEN. You guys who do not have anything else to do can go over there and vote.

Secretary NORTON. We will go ahead and start until we have to break. Good morning, Mr. Chairman and members of the Committee. I am pleased to be here with you today to talk about our 2003 budget request.

You have already mentioned Lynn Scarlett, but let me for the record introduce her. She is our new Assistant Secretary for Policy, Management and Budget, and we are delighted to have her involved this year in development of our budget.

Also with me is John Trezise, who is our Department's Director of Budget and who has been with me here in the past.

OPENING STATEMENT OF SECRETARY NORTON

Let me just briefly talk about the Department of the Interior's overall responsibility. We have a huge impact on the lives of Americans. We are responsible for over one out of every five acres of land in this country. We have some of the most beautiful and pristine areas that are part of our responsibility. The pictures you have on these walls are many of our wonderful areas.

We also have some of the Nation's patriotic symbols, such as the Statue of Liberty, Independence Hall, and the Washington Monument. We provide approximately one-third of the Nation's domestic energy supply, natural gas, oil and coal, from our lands. We supply the water that has made the arid west bloom. We serve visitors from around the Nation. There are approximately half a billion visits to our lands and our water areas every year. Over 200,000 won-

derful volunteers assist us. We have more volunteers than we have employees by nearly three to one, and they are a tremendous help for us.

In the most recently completed fiscal year, we collected $11 billion in revenue from the lands and the offshore areas that we manage, which was approximately $1 billion more than was appropriated to us.

As we began the process last June to build this year's budget, we were guided by President Bush's commitments to build a new environmentalism through cooperative conservation partnerships, to improve our management of public lands and waters, to advance the development of domestic energy, to improve both the classrooms and the classroom performance of Indian students, and to manage for excellence through citizen-centered governance.

Obviously, as for all of the agencies of the Federal government, our priorities were reshaped by September 11th. Our employees have responded to the call to increase our vigilance and our preparedness for the changed world that we face. In the wake of those events, we have put in place security measures to protect our important national assets, our visitors, and our employees. We have increased park police patrols in our urban areas, we have increased guard services and protection at our other significant areas, and have instituted around the clock security at several of our major dam facilities.

The Department's 2003 budget request for programs funded by this Subcommittee is $9.5 billion in current appropriations. There is an additional $245.6 million for a Government-wide accounting adjustment for retirement and employee health benefits. This budget is essentially level with the budget enacted in 2002. It sustains a 21 percent increase over the fiscal year 2000 budget, well above increases in costs due to inflation.

COOPERATIVE CONSERVATION INITIATIVE

One of the most significant aspects of this budget is the Cooperative Conservation Initiative. We are very excited about this proposal and view it as a real landmark approach to improving our management and our cooperation with States, local governments, and other partners. It fosters innovation and creates incentives for stewardship through a competitive process. It fills a void by giving our land managers a tool to work with their neighbors, volunteers, States, tribes, and community groups to achieve conservation goals.

Of the $100 million requested for the Cooperative Conservation Initiative, half would go to the States through the Land and Water Conservation Fund State grant program. The other half would be divided among our land management agencies, the Bureau of Land Management, the National Park Service, and the Fish and Wildlife Service. It would address unmet needs for natural resource restoration in refuges, parks, and other public lands and adjacent areas. It complements existing grant programs that fund conservation by States and private landowners.

The Cooperative Conservation Initiative targets conservation of areas for the benefit of multiple species. It will complement existing grant programs that focus on migratory bird and endangered species conservation. It is significant in creating a shared partner-

ship kind of approach to these issues. Instead of our Federal land managers just sitting back and thinking about what they will ask for through the appropriations process, this calls on them to be creative to reach out to non-Federal partners and construct partnership approaches to solving their problems. That allows us to amplify the Federal resources and to build partnerships that will be valuable for management of those areas in the long term. So it fulfills both a budget need and also the need to build cooperative partnerships with long-term benefits.

TRUST REFORM

I would like to highlight a few other aspects of our budget. One of those is trust reform that fulfills the needs of American Indians and Alaska Natives. I would also like to focus on education that affects those groups.

I appreciate the support of the members of this Subcommittee for our efforts in both of these areas. We face difficult and complex challenges in our management of trust assets. I have announced an outline for reorganization and consolidation of Indian trust management functions. We are in the process of consulting with the tribes on what a reorganization might look like. We have put together what I believe is a very valuable process of having a task force of tribal representatives who will look in-depth, not just at our proposal, but at proposals that have been generated by the tribes.

Then we have our management consulting organization, EDS—Electronic Data Services—that will go through and analyze each of the different proposals to see what the management benefits would be from the different types of reorganization, so that we have a good basis of the pros and cons of each approach. We can then sit down and work with the tribes to determine what would be the best approach, one that we can get broad consensus on for the long term. This process is now underway, and we are working over the next few months to reach consensus on a reorganization proposal.

We also have other challenges including the recent concerns identified with our information technology security measures related to Indian trust data. As you know, many of our computer systems were disconnected from the internet. We are working with the special master to obtain approval to reconnect them. The internet shut-down prevented us from making some payments to tribes and to individuals as well as to others. Some of our systems are now operating again, and we are able to go through the regular computer process to be able to handle those payments. I believe through that process we have sent out approximately $15 million in payments since the court's injunction went into effect in December. We can provide you with specific figures if you would like.

There are also some other areas that deal with the Minerals Management System computer that processes royalty payments and has information on royalties. That system has not yet been approved for renewed operation, so we have made estimated payments. We are in the process of providing estimated payments to individuals based on what they would receive in their royalty payments.

For the longer term, we have concluded that there is a need for a dedicated network to secure trust data. We briefed the Subcommittee on February 13th on this issue, and will be providing you with a reprogramming proposal for the network in the near future.

Our 2003 budget request is based on the current organizational structure and does not reflect our conclusions on reorganization or the computer network. We will be getting back to you as we get the plans finalized on the computer system and what needs to be done on that. And we will work with you on exactly how the money we have requested for the Indian trust reform is to be allocated.

The budget provides significant new resources to address these needs. These are very important requests for us, and we believe very important for the future of trust reform. We have requested an increase of nearly $84 million, which is the largest increase in the history of trust reform.

INDIAN EDUCATION

I would now like to turn to Indian education. Our budget continues a high level of funding for Indian school repair and replacement and includes an increase of $19 million for school operations. Our request promotes tribal management of schools seeking increased funding for the costs related to contracting out, including administrative cost grants. This would allow us to out-source to the tribes themselves, and not just to private organizations, so this is something that we want to explore.

In his State of the Union address, the President emphasized the importance of early childhood development programs. Our budget includes an increase of $3 million for BIA's successful early childhood education program.

PARK FUNDING

The budget continues robust funding to manage the maintenance backlog in the parks. We are requesting an increase of $18 million for the Natural Resource Challenge, which provides scientific management of resources in the Park Service.

REFUGE FUNDING

In 1903, President Teddy Roosevelt established the first national wildlife refuge at Pelican Island, Florida. Our budget commemorates the 100th anniversary of the refuge system by requesting a $56.5 million increase in the National Wildlife Refuge System. This is an 18 percent boost in spending, and represents the largest dollar increase ever requested in the history of the National Wildlife Refuge System.

OTHER FUNDING

To continue to protect our national assets, our employees, and our visitors, the budget includes $62 million for security and protection measures essentially continuing the amounts provided in the 2002 emergency supplemental. In support of the President's National Energy Policy, the budget includes increases totaling $28 million in four bureaus. We continue working with the Corps of En-

gineers in the Everglades, including implementation of the comprehensive plan.

MANAGING FOR EXCELLENCE

Finally, we are committed to managing well the resources entrusted to us in this budget. We are working diligently to improve the quality, effectiveness, and efficiency of the services we deliver and to enhance the accountability and transparency of the work we do with the resources of the American people. We have developed a plan for citizen-centered governance that builds on the President's management agenda.

Lynn Scarlett has led an effort that has resulted in an outstanding plan. It has been well received by both the Office of Management and Budget and the President's Management Council.

We are working to bring innovation, competitiveness, and accountability to all that we do. I would like to thank the members of the Subcommittee. Your support on our management and funding issues has been very significant. I look forward to our continued collaboration.

I would also like to thank the work of the Subcommittee staff. They have been very helpful. Their knowledge of our programs and their involvement in our initiatives have been very positive.

Thank you very much for the opportunity to be here today.

[The written statement of the Secretary follows:]

STATEMENT OF GALE A. NORTON
SECRETARY OF THE INTERIOR
BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE
ON INTERIOR AND RELATED AGENICES

FEBRUARY 27, 2002

I am pleased to be here today before the Subcommittee on Interior and Related Agencies to present the fiscal year 2003 budget for the Department of the Interior. I appreciate the opportunity to highlight a number of important initiatives and to answer questions that you might have.

Before I move to the details of the budget request, I'd like to offer some observations as to the breadth of the Department's responsibilities and the impact of our programs on the lives of Americans.

- We manage more than one of every five acres of land in this Nation. These lands include some of the most beautiful and pristine places on earth. We are entrusted with some of the most patriotic symbols of our Nationhood, including the Statue of Liberty in New York and Independence Hall, the home of the Liberty Bell in Philadelphia, Pennsylvania.

- We provide approximately one-third of the Nation's domestic energy. We supply the water that has made the arid West bloom, providing water to over 31 million people.

- We serve visitors from around the world who take delight and find recreation through nearly half-a-billion visits to our lands each year.

- Over 200,000 volunteers assist us, a volunteer workforce that outnumbers our own employees by nearly three to one.

- In the most recently completed fiscal year, we collected $11 billion in revenue from the lands and waters we manage. This is $1 billion more than we had appropriated to us. We also shared $1 billion of that with the States, our partners in the onshore petroleum-leasing program.

Our approach to citizen-centered government at the Department is organized around the Four C's: conservation through consultation, cooperation, and communication. Empowerment of citizens to bring about this approach is the touchstone of all that we do on the land, and this approach is reflected in the budget that we present to you today.

As we began the process last June to build this budget, we were guided by President Bush's vision of a shared approach to conservation, and his commitments to restore our national parks, improve both the classrooms and the classroom performance of Indian

students; and meet our environmental responsibilities in a manner that best reflects the innovative nature of our nation.

Our budget priorities were reshaped by the events of September 11th. Interior's employees have responded to the call to increase our vigilance and our preparedness for the changed world we face.

Our 2003 budget request balances these responsibilities and commits to:

- build a new environmentalism through cooperative conservation partnerships;
- improve our management of public lands and waters;
- advance the President's National energy policy;
- improve the lives of Native Americans; and
- manage for excellence through citizen-centered governance.

Our commitment to management excellence means managing well the resources entrusted to us. We are working diligently to improve the quality, effectiveness, and efficiency of the services we deliver and to enhance the accountability and transparency of the work we do with the resources of the American people. We have developed a plan for citizen-centered governance that builds on the President's management agenda, and our plan has been well received by both the Office of Management and Budget and the President's Management Council. It will ensure that we bring innovation, competitiveness, and accountability to all that we do.

Budget Overview

The Department of the Interior's 2003 budget request is $10.6 billion in current appropriations, including $270.5 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the Federal employee health benefits program for current employees. Permanent funding that becomes available as a result of existing legislation without further action by the Congress will provide an additional $2.6 billion, for a total 2003 Department budget of $13.2 billion.

Excluding the pension and health benefits legislative proposal, the 2003 current appropriations request is $10.3 billion, a net decrease of $12.7 million from the amounts provided in the 2002 Interior and Related Agencies and Energy and Water Development Appropriations Acts. The 2003 budget proposal maintains a robust funding level compared to historic levels for the Department. The proposal is over 21 percent higher than the 2000 appropriation level of $8.6 billion.

The budget request proposes funding increases for priority programs and initiatives, while discontinuing or reducing funding for lower priority projects funded in 2002. In addition, the 2003 budget reflects the Department's commitment to operate programs more effectively and efficiently, by proposing to absorb $57.4 million in uncontrollable fixed cost increases and a $20.6 million reduction in travel and transportation costs.

For 2003, the budget request for programs funded in the Interior and Related Agencies Appropriations Act is $9.5 billion, an increase of $20.5 million over the Act. This comparison excludes $59.2 million appropriated in 2002 for emergency response/counter-terrorism. The 2003 request for programs under the jurisdiction of this Subcommittee is $320.6 million above the 2002 President's budget request.

Cooperative Conservation Initiative

If there is one item in this budget that deserves special attention, it is our Cooperative Conservation Initiative. It fully reflects the President's framework for a "new environmentalism." The Cooperative Conservation Initiative will fund on-the-ground stewardship projects across the Nation and stimulate innovative approaches to conservation. It will allow us to leverage Federal funding and to work in partnership with States, local governments, Tribes, and private citizens to give all stakeholders a greater role in how to protect the Nation's great natural resources. It is a collaborative approach to tap the ingenuity, imagination, and innovative spirit of our people. It is an approach that is landscape-based, citizen-centered, and incentive-driven. In short, it is a new way of meeting our environmental responsibilities in partnership with our fellow Americans. The Department proposes $100.0 million to promote partnerships in conservation.

The program will fund restoration, protection, and enhancement of natural areas through established programs and new pilot programs that feature creative approaches to conservation. These projects will be in keeping with the President's commitment to a shared responsibility for conservation. One-half of the initiative, $50.0 million, will be managed through the Land and Water Conservation Fund State Assistance program and will benefit State lands as well as adjacent lands. The balance of the initiative will be used for cost shared projects funded in the operating accounts of the Bureau of Land Management, Fish and Wildlife Service, and the National Park Service and will benefit Federal and adjacent lands. Benefits to State and Federal lands will complement the private lands conservation activities conducted with private stewardship funding.

Landowner Partnerships

The budget for the Fish and Wildlife Service also promotes working with partners on conservation issues by proposing to continue two Presidential initiatives, the Landowner Incentive and Private Stewardship programs. The budget request includes $50.0 million, an increase of $10.0 million over the 2002 level for grants to States for landowner incentives that protect and restore habitats on private lands that benefit species at risk. A model for this program is the Shortgrass/Black-tailed Prairie Dog Habitat incentive program, a new program piloted in Colorado in 2002. This program will provide financial assistance to landowners in four soil conservation districts to protect black-tailed prairie dogs, their habitat, and associated shortgrass prairie.

The budget includes $10.0 million for the Private Stewardship grants program to directly assist landowners and groups engaged in voluntary conservation efforts for the benefit of

federally listed, proposed, or candidate species. Technical and financial assistance to landowners will help them avoid harming imperiled species while improving habitat for native species.

Other Conservation Tools

The 2003 budget proposes $194.6 million for three other conservation programs managed by the Fish and Wildlife Service, including: $91.0 million for the Cooperative Endangered Species Conservation Fund; $43.6 million for the North American Wetlands Conservation Fund; and $60.0 million for State and Tribal Wildlife grants. These programs that we propose to fund through the Land and Water Conservation Fund in 2003 magnify the benefits of Federal funding with matching efforts for conservation.

In 2003, State Assistance and Federal land acquisition programs funded through the Land and Water Conservation Fund build upon the President's vision of cooperative conservation. The budget includes $200.0 million for the State Assistance program, an increase of $56.0 million over the 2002 level. A portion of this, $50.0 million, will be used for the Cooperative Conservation Initiative to fund competitively awarded grants. The balance of $150.0 million will fund grants to States for approved conservation and outdoor recreation plans, allocated based on a national formula established by law.

An additional $204.1 million is requested for Federal land acquisition programs, including $44.7 million for the Bureau of Land Management, $70.4 million for the Fish and Wildlife Service, $86.1 million for the National Park Service, and $3.0 million for acquisition of lands in support of the Shivwits Indian Water Settlement Act of 1999. The request emphasizes the use of innovative alternatives to fee title purchase, such as conservation easements and land exchanges to make the most efficient use of this funding, promote cooperative alliances, and leave lands on State tax roles. In the Upper Snake/South Fork Snake River project in Idaho, the Bureau of Land Management is working with eight cooperators including Ducks Unlimited, The Nature Conservancy, and the Shoshone-Bannock Tribe to protect river corridors and habitat that supports bald eagles and cutthroat trout through conservation easements.

Together with the Forest Service's budget request, the 2003 budget will provide $909.2 million for the Land and Water Conservation Fund programs, or $911.1 million including the adjustment for pension and employee health benefits that is proposed.

Trust Programs

Managing Indian trust funds and trust resources is a solemn obligation of the Federal government, and one of the Department's greatest challenges. Since taking office in January 2001, I have moved on several fronts to help improve Indian trust management. In July 2001, we established the Office of Historical Trust Accounting to provide focused efforts to produce a historical accounting for individual Indian allottees. The Office has developed a blueprint for development of its comprehensive plan for a historical accounting and will convey its comprehensive plan to Congress in June 2002.

During our formulation of the 2003 budget, various issues were identified concerning the trust asset management roles of the Bureau of Indian Affairs, Office of the Special Trustee for American Indians, and other Departmental entities carrying out trust functions. At this same time Electronic Data Systems, Inc., was undertaking an independent, expert evaluation, indicating that one of the fundamental barriers to trust reform is the disorganized scattering of trust functions throughout the Department. In November 2001, I announced the outline of a proposal to reorganize and consolidate Indian trust management functions into a separate organization. The goal of the proposal is to improve management of trust assets by creating clear lines of authority for trust reform and trust operations. We are currently consulting with Tribes to involve them in the process of reorganizing the Department's trust asset management responsibilities. I have also established a Tribal Task Force, composed of 24 tribal representatives, to continue to provide tribal input and to advise the Department on the proposed management improvements. The Tribes have made a number of suggestions and we are working with the Tribes and EDS to examine their proposals. We will continue discussions with Congress concerning the results of the ongoing consultation and the proposed reorganization.

As part of the ongoing *Cobell v. Norton* proceedings, on December 5, 2001 the Court ordered the Department to disconnect all of the computer systems that house or provide access to Indian trust data from the Internet. We are working diligently with the Special Master to obtain concurrence to complete reconnection. As we notified you on February 11, we are providing estimated payments to individual Indian money account holders until such time as automated payment systems are resumed. For the longer-term, we have concluded that there is a need for a dedicated network to secure trust data. On February 13 we briefed this Subcommittee on our plan and we will be providing you with a proposal to reprogram 2002 funding for this network in the near future.

The 2003 budget request for trust reform and operations is based upon the current organizational structure and does not reflect our conclusions about the need for a dedicated trust network. As we complete the consultation process and move forward with our plans for the network we will submit a revised budget that includes a crosswalk between the current and revised budget proposals.

Our budget request contains a major boost in spending for Indian trust reform and trust related programs, a nearly $84 million increase, the largest increase in the history of trust reform. These additional funds are necessary to address the long overdue changes that the Secretary is committed to making in the Indian trust program.

The $48.8 million increase requested for the Office of the Special Trustee is a 44 percent increase above the 2002 level. The Special Trustee allocates funds to the Bureau of Indian Affairs for trust reform efforts they carry out, to the Office of Hearings and Appeals for adjudication of probates involving ownership of Indian lands, and to the Office of Historical Trust Accounting. The 2003 request will allow continuation of trust operations improvements already implemented, such as the trust fund accounting system,

allow the Bureau and Office of Hearings and Appeals to make progress on reducing probate backlogs, improve risk management activities and oversight of trust and trust-related activities, and undertake other trust reform initiatives.

The Special Trustee's budget includes $8.0 million for the Indian Land Consolidation program. This program prevents further fractionation of Indian trust allotments by consolidating highly fractionated interests through purchase from willing sellers. The decreased fractionation aids trust reform by decreasing the number of trust asset management transactions, decreasing the number of interests subject to probate, and returning land to the control of the Tribes.

The budget for the Bureau of Indian Affairs includes $34.8 million in increases to improve its performance of trust services programs. This includes $20.3 million in trust services and natural resource programs and $14.5 million for other areas including tribal courts, social services and information resources management.

Indian Education

I am committed to the President's promise to improve education in America and "leave no child behind." The Bureau of Indian Affairs has a special, historic responsibility for educating Indian children. The Bureau manages 185 elementary and secondary schools in Indian Country that provide educational services to 48,000 students. Many schools are located in isolated, remote, rural communities, posing challenges and requiring greater operational costs than those typically facing public school districts.

The President's education plan promotes flexibility and local control of schools. The Department's 2003 budget request encourages Tribes to assume management of their schools or enter into private partnerships to manage the schools. This privatization effort is the centerpiece of the Administration's initiative to improve the performance of the lowest-performing schools. The request includes $8.0 million to address costs inherent in the outsourcing of schools, such as administrative cost grants and potential displacement of teachers. An additional $2.0 million for student transportation and $1.9 million for facilities will be available to improve operational problems that might be a disincentive for Tribes wishing to assume school management. The 2003 budget also includes a $5.8 million increase for teacher pay.

In his State of the Union Address, the President underscored the importance of early childhood development programs. The budget includes an increase of $3.0 million to expand the successful early childhood education program, Family and Child Education program. This increase will allow the Bureau to expand the program to over one-quarter of the 146 schools that serve elementary students. This program promotes greater involvement by parents in the early, critical stages of their children's education, and results in improved adult literacy, and improved parenting skills that help improve children's readiness for school.

The 2003 budget for education construction continues the President's initiative to repair and replace unsafe schools. Funding in 2003 is maintained at the 2002 level, $292.7 million, which will fund six replacement school projects and address repair and rehabilitation projects in the backlog. The goal is to fulfill the President's promise to eliminate the school repair and maintenance backlog in 2006.

Managing the Park Maintenance Backlog

President Bush pledged to address the backlog of maintenance and repair in the national park system. I share the President's commitment to maintaining park facilities to safeguard the visiting public and park employees, to preserve park resources for future generations, and to improve visitors' experiences. The 2003 budget includes $663.0 million for facility maintenance and construction, including required planning and compliance work. Within this total there is an increase of $25.0 million for cyclic maintenance to ensure that routine maintenance work is completed in a timely manner. The budget proposes an increase in facility repair and rehabilitation of $17.6 million, which will focus on moving the National Park Service toward performance-based management of its facilities.

Within the increase for repair and rehabilitation, $8.4 million will address the deferred maintenance and critical resource protection backlog. This increase will have resource protection benefits. In 2002, approximately one-fifth of the repair and rehabilitation program was devoted to resource protection. A comparable amount will be dedicated to this effort in 2003.

In addition to the request for annual appropriations, a significant amount of recreational demonstration fee receipts will be devoted to deferred maintenance projects. This program is now authorized through 2004. The 2003 budget proposes that the program be permanently authorized. This program allows Federal land managers to retain receipts to meet management goals and is an important tool in improving the quality of programs such as facility maintenance and visitor services. The Department expects to receive $146.1 million through the program in 2003. The Administration expects to propose authorizing language shortly and asks that the Congress take action on the proposal this year.

Natural Resource Challenge

There are 385 National Park units that protect and preserve unique and important natural resources. The Natural Resource Challenge – a priority for the President and me, fosters the protection of these natural resources. An increase of $18.0 million is requested for the fourth year of the National Park Service's Natural Resource Challenge. This program will continue to strengthen natural resource management throughout the park system by protecting native species and habitats; monitoring the health of natural resources within the parks; eradicating exotic species; and sharing information about natural resources with the public.

Collaborative efforts with the U.S. Geological Survey and universities assist the parks in the assessment of natural resources and help to identify and alleviate potential threats to resources. Much of this increase, $9.0 million will be accomplished through a partnership with the U.S. Geological Survey.

Everglades

A recently signed agreement between President Bush and Governor Bush of Florida ensures that water will be available for the natural system in the Everglades, restoring the natural ecological systems. The 2003 budget proposes a total of $96.0 million, including $8.9 million that will support Department-wide efforts to implement the Comprehensive Everglades Restoration Plan. The Department will continue to work cooperatively with the Army Corps of Engineers to complete the modified water delivery project at Everglades National Park. The budget includes $13.3 million for the project, a reduction of $21.9 million from the 2002 levels, as a result of progress made toward completion of the project.

An additional $20.0 million, an increase of $5.0 million over the 2002 level, is requested to fund matching grants to the State of Florida that will be used to purchase important properties within the Everglades system. Consistent with our efforts to better integrate science into land management, the budget proposes to consolidate funding for Everglades science in the U.S. Geological Survey. The 2003 Survey budget includes an increase of $4.0 million for the Critical Ecosystem Studies Initiative, funds that were previously appropriated to the National Park Service, for planning, monitoring, assessing, and providing ongoing science support essential to the adaptive management of the Everglades restoration project.

Preparing for the National Wildlife Refuge Centennial

In 1903 President Teddy Roosevelt established the first National Wildlife Refuge at Pelican Island, Florida. Today Pelican Island National Wildlife Refuge is part of a 538-unit system that spans 95 million acres. This is a unique and diverse network of lands and water that provide habitat for migratory birds and other wildlife, sanctuary for endangered species, and nursery areas for fish. Refuges also provide opportunities for wildlife viewing, hunting, fishing, and environmental education for 39 million visitors a year.

Our budget commemorates the 100th anniversary of the refuge system by requesting a $56.5 million increase for the national wildlife refuge system. This 18 percent increase in spending represents the largest dollar increase ever requested in the history of the National Wildlife Refuge system. Overall refuge operations funding will increase by $25.8 million. A $30.7 million increase for maintenance will address critical health, safety, and resource protection needs, as well as fund high priority activities that enhance visitor experiences. This historically high level of funding for operation and maintenance of the national wildlife refuge system includes $5.0 million for the Cooperative Conservation Initiative.

Endangered Species Conservation

The 2003 budget continues a partnership approach to endangered species conservation, including funding for grant programs that assist State and local communities in their conservation efforts to benefit federally listed, proposed, candidate, and other imperiled species. Among these grant programs are two Presidential initiatives to partner with private landowners and States, the Landowner Incentive and Private Stewardship programs and $91.0 million for the Cooperative Endangered Species Conservation Fund to assist States in acquiring lands essential for the recovery of species and to support development and implementation of habitat conservation plans. The budget proposed for Fish and Wildlife Service endangered species operations is $125.7 million and includes increases of $5.9 million for conservation of candidate and listed species and to assist in meeting demands for inter-agency consultation, technical assistance, and assistance with habitat conservation planning.

Harnessing Our Natural Resources

The Department's programs are key to addressing important energy supply issues and fostering a dynamic economy, while preserving and enhancing environmental quality. Energy projects on federally managed lands and offshore areas supply approximately one-third of the Nation's energy production. In support of the President's National Energy Policy, the budget includes increases of $28.6 million for energy related activities in four bureaus. Increases in the Bureau of Land Management and Minerals Management Service will allow these agencies to eliminate delays and be more responsive to increasing demands for energy while increasing environmental oversight. In addition, funds will support investments in management systems that will allow these bureaus and stakeholders to more efficiently conduct business and improve compliance oversight.

The budget proposes an increase of $10.2 million for Bureau of Land Management energy-related activities, including $1.6 million to expand rights-of-way processing, $1.0 million to conduct a study of oil and gas resources on public lands, $1.5 million to provide oversight of oil and gas operations, and $1.0 million to expedite permitting and increase responsiveness to stakeholders needs for post-lease actions. The increase for rights-of-way will allow the Bureau to process 6,900 cases in 2003, an increase of 900 or 15 percent over the 2002 level.

The President and I are committed to increasing domestic energy supplies, including oil and gas on Federal lands from a variety of sources in an environmentally acceptable manner. The energy resources of the northeast corner and the rest of Alaska's North Slope are national assets that can contribute to the Nation's energy security. The 2003 budget includes an increase of $3.0 million for activities on the North Slope. The increase will support planning for 2004 sales in the National Petroleum Reserve-Alaska and the Arctic National Wildlife Refuge. Congressional authorization will be required for a lease sale to be conducted in the Arctic Refuge. The budget assumes a lease sale in 2004 that will generate $2.4 billion in anticipated bonus bids. Of this amount, the Federal

government's $1.2 billion share will be dedicated to research and development projects on solar power, wind energy, biomass power and fuels, geothermal energy, and other alternative energy technologies.

In November 2001, Secretary of Energy Spencer Abraham and I convened a renewable energy conference. This conference served as a catalyst for the Department's renewable energy programs. The 2003 budget more than doubles funding for renewable energy programs in the Bureau of Land Management. To expand opportunities for geothermal, hydropower, and wind energy production, the Bureau is requesting an increase of $750,000.

The budget for the Minerals Management Service proposes a program increase of $5.0 million in order to meet increased workload brought about by the demand for Gulf of Mexico outer continental shelf program services. These additional funds will ensure that leasing and regulatory programs in the Gulf of Mexico keep pace with public demand for energy, industry requests for processing permits, and the need to review plans and conduct inspections. The 2003 budget includes an increase of $8.7 million to design and implement innovative business processes and advances in electronic technology and provide web-based, paperless transactions in the offshore program. The Bureau will also invest $6.0 million to develop management systems that support taking Federal royalties on oil production in-kind, rather than in-value.

Increases totaling $2.7 million are requested by the U.S. Geological Survey, including: $500,000 to produce updated information on available geothermal resources; $1.2 million to conduct estimates of undiscovered oil and natural gas resources on Federal lands in the continental United States, as required by the Energy Act of 2000; and $1.0 million to produce digital base maps in Alaska focused on potential lease areas of the National Petroleum Reserve–Alaska. The Bureau of Indian Affairs is requesting an increase of $1.7 million in its budget for energy programs to work in partnership with Indian organizations and Tribes.

Land Use Planning

The 2003 budget proposes an increase of $14.0 million for Bureau of Land Management land use planning. The land use planning process is the Bureau's primary tool for consensus building by involving the public in development of land management plans. This increase will allow the Bureau to accelerate development of 37 plans and initiate development of 12 plans. Land use plans guide land use and resource management decisions, and allow for public involvement in developing program goals for recreation, habitat conservation, energy and mineral extraction, livestock grazing, timber harvest, fire management, and community rights-of-way access.

Wildland Fire Management

A joint Interior, U.S. Forest Service National Fire Plan guides collaborative efforts to improve the effectiveness of the wildland fire program to better protect communities and

the environment from wildfire devastation. The plan is guiding joint efforts to control fires when they are small, manage large-scale fires, reduce hazardous fuel loads, rehabilitate burned areas, and assist rural fire departments to protect their communities.

In 2001, the Department made significant progress in implementing the plan's recommendations and established an unprecedented level of cooperation with the Forest Service. The Department conducted an aggressive hiring program to staff essential firefighting positions; purchased necessary equipment; contracted aircraft; and repaired fire facilities. Additional funding was allocated to the agencies and awarded to rural and volunteer fire departments. Hazardous fuels treatment projects were selected and conducted, including projects treating approximately 164,000 acres in the wildland-urban interface.

In 2002, the Department and the Forest Service are working closely on a number of collaborative efforts including: the development of joint workload and performance measures to determine progress in meeting wildland fire management goals; an independent review of wildfire suppression costs and strategies; development of an implementation plan for the 10-Year Comprehensive Strategy; and other activities.

The budget continues robust funding for the Department's Wildland Fire Management program, requesting $675.5 million for fire readiness and response, wildland firefighting, assistance to rural communities, and a comprehensive program to reduce fuels in the wildland urban interface. This budget carries forward the initiatives begun in 2001 and continued in 2002 to reduce the buildup of hazardous fuels, especially in the wildland-urban interface, and fully funds suppression based on the ten-year average.

Homeland Security

In the wake of the events of September 11, we responded with assistance to the rescue and recovery efforts. We also put in place security measures to protect our most important national assets, our visitors, and our employees. We increased park police patrols in Washington, D.C., and New York; upgraded park policy security equipment; increased guard service and protection for important national icons such as the Liberty Bell and St. Louis Arch; and instituted around-the-clock security at key Reclamation facilities such as Hoover, Glen Canyon, Shasta, and Grand Coulee Dams. The 2003 budget request includes $88.8 million to continue enhanced security measures at approximately the same level funded in 2002, including $62.1 million for agencies funded in the Interior appropriations bill. Our 2003 request includes detail on these security measures, including $23.7 million for the Park Service to begin construction of enhanced security systems at the Washington Monument and the Lincoln and Jefferson Memorials.

Office of Insular Affairs

The Office of Insular Affairs assists Territories and Freely Associated States by providing financial and technical assistance. The 2003 budget proposal for Insular Affairs

continues to provide mandatory funding to Guam and the CNMI for impact of Compact assistance. A total of $4.6 million in mandatory Covenant grant funding will be allocated to Guam and $840,000 will be provided to CNMI for this purpose in 2003. An increase of $750,000 is requested to provide enhanced oversight of Compact of Free Association financial assistance. Renewed financial assistance for two of the three Freely Associated States is currently being negotiated; improved oversight and accountability are key goals.

Uncontrollable and Travel Costs

The Department's budget includes $86.9 million in fixed cost increases; an additional $57.4 million in fixed costs will be absorbed by focusing resources on the highest priorities as well as increased administrative and program efficiencies. The budget also assumes Department-wide savings of $20.6 million in travel and transportation costs, in anticipation of reduced expenses in 2003 due to increased teleconferencing, greater use of central meeting locations, and reductions in employee relocations.

Management Excellence

Our management strategy is an integral component of the 2003 budget, implementing the President's five government-wide initiatives for strategic management of human capital, competitive sourcing, improved financial performance, expanded electronic government, and budget and performance integration. We are undertaking efforts that will improve citizen service through achievable results in 2003, including the following examples:

- The Department is developing comprehensive workforce plans to guide staffing, training, and succession management and to better manage a workforce that is facing a loss of experience. Workforce plans will help to assure that positions are staffed with appropriate skills and that programs are in place for employee retention and reward.

- To improve service delivery and effective use of resources, the Department is reviewing the potential to restructure process-oriented aspects of human resources operations, information technology support, and acquisition management and contract management.

- Interior will meet 2002 and 2003 targets to review commercial activities performed by Federal employees, for a determination as to whether activities should be performed in-house or by the private sector, as required by the Federal Activities Inventory Reform Act.

- Interior is developing a new strategic plan for 2003 that will be released in spring 2002. In order to improve the linkage of budget and performance results, the Department is using the Bureau of Land Management's activity based costing system as a benchmark for the development of comparable systems in other bureaus. Through activity based costing, managers can better understand program costs and

citizens can get answers to questions such as, "How much does it cost to run a visitor's center."

- The Bureau of Land Management will improve citizen service by expanding "Service First," working with the U.S. Forest Service to provide efficient, streamlined interagency cooperation in public lands management. The Department is also exploring opportunities for expanding this program to include other Interior agencies.

- The National Park Service will continue management reforms to assess resource and facility conditions, measure performance in improving conditions, and target funds at top priority needs.

Conclusion

In conclusion, the 2003 budget provides strong support for Interior's programs and for the approximately 70,000 employees that carry out our mission. Further, it provides expanded opportunities to partner with others and supports the President's vision of a shared approach to conservation and the Four C's.

I recently visited the John Heinz National Wildlife Refuge in Pennsylvania. There I observed first-hand the power of partnerships. Dating back to the 1950's, the citizens of Philadelphia have been the driving force behind establishment and expansion of the refuge, creation of an environmental education center, and restoration of wildlife and habitats. This community turned out to welcome us and celebrate their excitement at the results we have achieved with our partnership efforts. In the midst of some of Philadelphia's most developed areas, we witnessed the ability of local citizens to bring about real change. Our Cooperative Conservation Initiative will use government resources to remove barriers to citizen participation and give citizens a greater role in conservation. In addition, the Department will reap the benefits of the collaborative process and the innovation and creativity of the States, Tribes, local communities, and citizens that partner with us.

This concludes my overview of the 2003 budget proposal for the Department of the Interior and my written statement. I will be happy to answer any questions that you may have.

BIOGRAPHICAL SUMMARY
GALE A. NORTON
SECRETARY OF THE INTERIOR

Gale Norton, a lifelong conservationist, public servant and advocate for bringing common sense solutions to environmental policy, was confirmed as the 48th Secretary of the U.S. Department of the Interior on a bipartisan U.S. Senate vote in January 2001. Secretary Norton is the first female to head the 152-year-old federal agency.

Norton, whose more than 20-year career is highlighted with instances of bringing people with common goals and good will together to find solutions, served as Attorney General of Colorado from 1991 to 1999. In that capacity, she represented virtually every agency of the Colorado state government. She argued cases before the U.S. Supreme Court and other appellate courts, and testified numerous times before congressional committees.

As Attorney General, Norton worked with legislators and citizens to resolve matters such as hospital ownership, gasoline pricing, and antitrust enforcement. She litigated state and federal constitutional issues, defended the state against federal mandates and won a major court victory pressuring the federal government to adequately clean up hazardous wastes at Rocky Flats and the Rocky Mountain Arsenal. Norton also served as Chair of the Environment Committee for the National Association of Attorneys General. As a negotiator of the $206 billion national tobacco settlement, Norton represented Colorado and 45 other states as part of the largest lawsuit settlement in history.

A nationally recognized public policy leader, Norton was appointed by President George Bush to the Western Water Policy Commission. She also served as Environment Committee Chair for the Republican National Lawyers Association and General Counsel of the Colorado Civil Justice League. The National Federalist Society has honored her as Young Lawyer of the Year, and the Colorado Women's Bar Association has awarded her their highest honor - the Mary Lathrop Trailblazer Award.

Prior to her election as Attorney General, Norton served in Washington, D.C. as Associate Solicitor of the U.S. Department of the Interior, overseeing endangered species and public lands legal issues for the National Park Service and the Fish and Wildlife Service. She also worked as Assistant to the Deputy Secretary of Agriculture and, from 1979 to 1983, as a Senior Attorney for the Mountain States Legal Foundation.

Norton graduated magna cum laude from the University of Denver in 1975 and earned her law degree with honors from the same university in 1978. From 1983 to 1984, she was a National Fellow at Stanford University's Hoover Institution where she conducted research on innovative ways to control air pollution. Before becoming Interior Secretary, Norton was senior counsel at Brownstein, Hyatt & Farber, P.C. She and her husband, John Hughes, are avid hikers and outdoor enthusiasts. They reside near Washington, D.C.

Lynn Scarlett
Biography

Lynn Scarlett is Assistant Secretary of Policy, Management, and Budget at the Department of the Interior. Prior to joining the Bush Administration in July 2001, she was President of the Los Angeles-based Reason Foundation, a nonprofit current affairs research and communications organization. For 15 years, she directed Reason Public Policy Institute, the policy research division of the Foundation. Her research focused primarily on environmental, land use, and natural resources issues.

Ms. Scarlett is author of numerous publications on incentive-based environmental policies, including, most recently, a chapter in *Earth Report 2000* (McGraw-Hill) on "dematerialization." She co-authored a report, *Race to the Top: State Environmental Innovations*, which examines state environmental programs that utilize incentives, private partnerships, and local leadership in addressing environmental problems.

Ms. Scarlett served on Pres. George W. Bush's environmental policy task force during his presidential campaign. She was appointed by former Gov. Pete Wilson to chair California's Inspection and Maintenance Review Committee, a position she held for 6 years. Ms. Scarlett served as an Expert Panelist on the U.S. Environmental Protection Agency's full-cost accounting and "pay-as-you-throw" projects. She chaired the "How Clean Is Clean" Working Group of the National Environmental Policy Institute from 1993-98 and served at the request of former EPA Administrator William Ruckelshaus on the Enterprise for the Environment Task Force, which examined new directions for U.S. environmental policy.

Ms. Scarlett received her B.A. and M.A. in political science from the University of California, Santa Barbara, where she also completed her Ph.D. coursework and exams in political science and political economy.

Mr. SKEEN. Thank you. Thank you for the kind notes about our supporters here. We could not do very much without them. Now, we will get the heck out of here and go vote. We will be right back.

[Recess.]

BUDGET REDUCTIONS

Mr. SKEEN. Thank you for staying around.

The budget highlights a new $100 million Cooperative Conservation Initiative to foster partnerships with non-Federal partners. Yet there are substantial reductions to core Federal programs. The Payments in Lieu of Taxes Program is reduced by $45 million. The U.S. Geological Survey is reduced by $55 million. The Department's fire program is reduced by $25 million and Abandoned Mine Reclamation Grants are reduced by $29 million. Could you explain this rearrangement of priorities?

Secretary NORTON. Obviously, Mr. Chairman, whenever we are facing a budget analysis, we have to go through and make choices, and we have to make choices among good programs. The Payment in Lieu of Taxes Program, for example, is something that I understand the importance of. We had to balance that with our other priorities, and this is the allocation that we felt best met our needs.

Part of the Payment in Lieu of Taxes issue is that it is one of a number of programs that allow us to work well with local communities. Our Cooperative Conservation Initiative, for example, is designed as a way of make sure that that really happens through our management approach. We certainly will work with you to help you in providing the information that you all need in determining your allocation of those funds.

Mr. SKEEN. We appreciate that.

Mr. Dicks.

INDIAN TRUST REFORM EFFORTS

Mr. DICKS. Madam Secretary, two weeks ago your senior staff briefed the Chairman and several other members of this Subcommittee on the status of the Indian Trust reform effort. I have to tell you I find the situation pretty discouraging. Let me read a few of the findings from the latest review of the Indian trust reform activity submitted jointly by EDS and the Department last month.

Existing trust reform has lacked a vision and strategy. There is no over-arching fiduciary duty focused to trust management. Trust reform sub-projects are not coordinated or integrated. Beneficiaries are not receiving services comparable to those found in commercial bank trusts. Insufficient human, financial, and technological resources have been applied to complete trust reform initiatives.

Madam Secretary, why after so much effort and so much funding is trust reform still such a mess?

Secretary NORTON. Unfortunately, Congressman Dicks, those are the conclusions that we have reached after really looking at our trust reform process and getting EDS as an outside consultant to come in and give us their expertise on this. It is something like peeling an onion. Every time we peel one layer we find another layer of problems.

We found in part that the planning process had been lacking. People in the field and in various programs were working hard to do the things in the trenches. And yet, because they had not really been focused in a way that was productive for the overall effort, they were not prioritizing their work to really achieve productive results.

We did not have in place a management structure that provided the centralized focus. Different people in different agencies were doing different things, all in the name of trust asset management, but not with the kind of results that we wanted to see. So we have put in place an effort to bring a better performance structure into place. EDS is now working with us on an effort that will be getting underway soon to do a complete business practices model that will look at how a trust asset is managed and how the different elements of that management interconnect with each other, so that all of them are done in the right way.

We have tremendous decentralization, so that things are done differently for each different tribe and each different BIA region and so on. There has to be some standardization to have a system that is really going to work well. We have to work with the tribes on figuring out what kinds of standardization are going to be appropriate.

It is very complex. We are working with a great group of people in my office dedicated to that, headed by my Deputy Secretary, Steve Griles, to ensure that we are pushing hard to make real changes in that area, but it is not easy.

Mr. DICKS. Specifically with respect to the Cobell case, Assistant Secretary Neil McCaleb in an interview earlier this month said, the only way to settle the case is a negotiated settlement between the plaintiffs and the Government. I certainly agree that that should be looked at. But there seems to be no indication that the settlement is likely.

Madam Secretary, is there anything which you and the President in consultation with tribal leadership could do to push a settlement, so we can invest scarce dollars in services for Indians, rather than fruitless historical accounting efforts and litigation costs? It just seems to me that this thing is so, they used to say, the guy who played left field made so many errors that when they put the next guy in, he said, left field is so screwed up that nobody can play it. Well, this may be one of those situations where we have got such a mess that it would be much better to try to come up with a negotiated settlement. Even if the Congress had to legislate it. If we could work out an Administration proposal where you would come in and give a legislative settlement, we settle these disputes.

Something like that has got to be attempted, or we are just going to spend hundreds of millions of dollars trying to do accounting and detailed factual gathering over things that I am afraid we cannot do. So rather than waste the money, why not try to work out a settlement at this point, and resolve this matter?

Secretary NORTON. There are some aspects of this that might be amenable to a legislative settlement or a regular type of settlement. There are other aspects that are simply managerial problems that need to be fixed, no matter what happens with the underlying

litigation. For example, our computer system is something that we are working to bring up to the OMB circular A–130 standards. That is something that, while the litigation is providing the focus, is a management issue that we need to deal with one way or the other.

Mr. DICKS. You are saying even going forward today, that we do not have this thing under control?

Secretary NORTON. That is correct. There is a management problem. That is why we have looked at reorganization, to be able to manage it going forward. There are things we need to do that are backward looking that are really litigation focused, but very much of this problem is also forward looking and managerially focused. It is not simple. We would be happy to work with you.

Mr. DICKS. Fine. We want to help if we can.

ABANDONED COAL MINE RECLAMATION REDUCTION

Mr. PETERSON. Good morning, Madam Secretary. It is a delight to have you here.

I believe that coal is going to play a major role in the decades facing us in energy, because we are the Saudi Arabia of coal, and we have clean coal technology. But I question, for the second year in a row you have proposed cutting mine reclamation. And I am very aware of that, coming from a coal State, Pennsylvania, where those programs are very effective. Why are we cutting reclamation? Should we not be sending the message that we are going to clean up the evils of the past and we are going to do it right in the future?

Secretary NORTON. The cut that we are proposing this year is from the appropriated level. We are proposing more than we proposed last year.

Mr. PETERSON. That is progress. [Laughter.]

Secretary NORTON. This is a two-part program. We have the regular AML grants and the Federal emergency program. There are some funds on the Federal program that will be carried forward. So amounts requested for programs that are not the cut that they might appear to be.

Mr. PETERSON. Do you have that figure?

Secretary NORTON. John.

Mr. TREZISE. We will be carrying over a balance of perhaps as much as $20 million. The annual spending in that program has only been about $10 million, so program performance will not be affected.

Mr. PETERSON. So States that have money will not have problems?

Mr. TREZISE. Mr. Peterson, this is the Federal emergency program.

Mr. PETERSON. Okay. But have you consulted States on how much money? I know States that have money set aside, waiting for the Federal money, to clean up these areas. Have you inventoried, have you talked to the States before you made this cut?

Secretary NORTON. We have a new head of the Office of Surface Mining, who has been the head of the Pennsylvania State program before he came to us. He has only been in office now for a few weeks. So he is now going to——

Mr. PETERSON. He will get that corrected, we hope, right?

Secretary NORTON. This is something that we are still looking at from the perspective of the amount of acreage that we can reclaim. And it appears that this would allow us to reclaim an additional 6,900 acres.

Mr. PETERSON. I have witnessed this program in Pennsylvania where we had streams that were dead for decades and now are trout streams and almost restored to their normal habitat. When you remove that old trace coal and get the land cleaned up and reclaimed, you do reclaim the streams. I just think that is a program that should be high priority.

Secretary NORTON. We have also been looking at re-mining approaches and so forth as possibilities.

Mr. PETERSON. That is correct. That works, too. We also in Pennsylvania have a number of coal plants, I think we are building another one, that will use low BTU waste coal with the fluidized bed process and burn it cleanly. So that removes the debris, then the reclamation can move forward and the streams can be restored. I can name a number of streams that are delights today, and they were dead streams just 10 years ago.

So I personally have at the State level witnessed that progress, and I would hope we could get with the States. Maybe your new mining guy, I will have to talk to him.

LAND ACQUISITION AND MANAGEMENT

Issue of no net gain. I was reading through the proposals in your budget of land purchases. Where do you stand on, it is my view that we own enough of this, we may not own all the pieces we want, we may have some treasures we want to save. But we own a lot of this country, a third of it the Federal Government, when you add local and State, you are approaching half. I am a believer that private ownership does well. When the Government owns things, it is more communistic than free enterprise.

And I think as far as land is concerned, the Federal Government is not the best manager of land, in my view. We ought to have a no net gain policy that when we buy pristine places that we want to keep, that we ought to be looking at land especially in areas where we own 70, 80 percent of the land, and let some land go back to private ownership. What is your theory on that?

Secretary NORTON. We have looked at the issue of land management from a managerial perspective and from achieving environmental results. I think there has been in the past a tendency to look at the question as being simply, do we want to see these resources protected? If the answer is yes, we have to buy it. That is not the simple, one-dimensional approach that we want to adopt.

We are looking at a range of tools, conservation easements, the improvement of habitat through things like our landowner incentive program, and partnership kinds of managerial arrangements. So that when you look at trying to achieve the result of protecting the land and better managing resources, we can accomplish much more for a lower cost. For example, on the acquisition of a conservation easement, we have an example. I will get you the exact location, but it was about $400 an acre to purchase the land, and only $200 an acre for the conservation easement.

In St. Lawrence County, NY, we have a Partners in Fish and Wildlife program. We restored 50 acres of wetlands at a cost of $120 an acre. To acquire that land would cost much, much more. The average cost to restore a forested wetland in North Carolina is between $10 and $80 an acre, again, far less than the acquisition costs. So we are looking at those kinds of programs, not so much from a philosophical perspective but because those are the kinds of approaches that are really going to work from an environmental perspective.

Mr. PETERSON. I think my view of the Federal Government is we have not been very good land managers. We have been on a decade of land buying, often taking the money out of management to buy. So we can not manage well, so we have backlogs of road maintenance and building maintenance and our facilities are in problems, and I do not think anybody can argue with that, to buy land. It seems to me we ought to get our priorities straight.

I just want to conclude with, this week the U.S. Fish and Wildlife Service was quoted in the Philadelphia Inquirer saying that in the effort to slow the pace of sprawl on the New Jersey shore, the Service has identified 7,840 acres it says must be kept from developers. Is preventing sprawl a new criteria for the Federal Government?

Secretary NORTON. That is not a specific statutory responsibility, certainly not for our widespread types of programs. What I would like to see us do is to work with local partners to see if there are shared environmental benefits that we are trying to achieve. There may be local partners who would like to be involved and perhaps work with us on joint projects. That may be their motivation.

Our responsibilities are really much broader. I recently saw that article myself. We will be looking at that proposal.

Mr. PETERSON. I am going to be proposing legislation that will say, if we own 50 percent of a county that we need local approval to buy more, letting the locals and the governors of those States have some say. And if they approve it, it will be okay. Would you find that a reasonable position?

Secretary NORTON. I hesitate to take a formal position on that. I would be happy to work with you further on it.

There are some good examples that we have seen in the Nevada and Las Vegas area, where that kind of concern arose. Some of the land is being transferred to the private sector, and the proceeds from that are being used to improve habitat and acquire sensitive areas. The Federal government is going to own those lands that really make sense for Federal protection, and the private sector and the local governments are acquiring other lands.

Mr. PETERSON. I can be a witness to you that my district is predominantly owned, or heavily owned by State government and Federal Government. When a county is more than 50 percent owned, I want to tell you, there is huge concern there when the Government is buying more, unless they are releasing some that they have. That is why the no net gain concept. I would just urge you to think about it.

Mr. SKEEN. Mr. Nethercutt.

Mr. NETHERCUTT. Thank you, Mr. Chairman.

KLAMATH BASIN

Welcome, Madam Secretary, and to the rest of the panel. I want to address with you a subject that is of grave concern to the west, the northwest in particular, and that is the Klamath Basin issue. Congressman Greg Walden, who happens to be here in the hearing room today, and I and Mr. Dicks and others in the west are watching the Administration's actions with respect to this issue very closely, because we think it has a deep impact on all of the west and all of the rural counties who may be similarly situated.

I have submitted for the record, or will submit here for the record some specific questions that I would request that the Department answer expeditiously. But in the limitations of time we have, I am going to do my best to get through them, and would appreciate your response.

The President went to Portland on January 5th and made some encouraging remarks regarding Klamath. And that was, those words were watched carefully and listened to carefully as we looked at the budget. And as we look at the budget, there is no new money for Klamath.

So there is no money for restoration or water augmentation in the Basin, and this is a hot bed of environmental activity. The Administration assures us that something is being done, but there is not a lot to show for it. So I would ask that you address that issue with the Committee and tell us, what is the Administration going to do, will there be money, and what is the plan?

Secretary NORTON. This problem unfortunately came at a difficult time in terms of the budget cycle. We are now going through the process of the biological assessment and biological opinion that essentially will determine what needs to be done there. That information is not finalized at this point. It was difficult in the budget process to say how much we need, when we do not know what those numbers need to be.

We worked with OMB on this, and they have agreed to allow us to work further with them to identify funding for the Klamath area and for specific projects. There are some projects that are funded that we know will have a benefit, for example, a fish screen in the Bureau of Reclamation and some habitat restoration. We are continuing to work on releasing the biological assessment from the Bureau of Reclamation that forms the basis for what we do in that area. We take this very seriously and will continue to work with the congressional delegation, as well as other stakeholders on further developments.

Mr. NETHERCUTT. So in listening to your answer, I assume then that there will be, that there is a commitment on the part of the Administration that there is a dollar amount that would be appropriate to address this problem? Is that accurate? Would you agree that this is due some resources and some money with respect to the farmers and the losses, the problems that exist out there and the financial nature of those problems?

Secretary NORTON. It is due work and activities being accomplished and projects being done. I do not know what that translates to at this point in terms of a dollar figure. It is not just the Department of the Interior, it is also Agriculture and Commerce that need

to be involved in this. We are working together on these issues and will continue to do so.

We also have the National Academy of Sciences study that has been done. We are working to incorporate that study into our decisionmaking process. The study has also provided us with additional information about what needs to be done in that area. We have a very serious commitment to this. The President has stated his views on the need to address this area. So we are working to do that.

Mr. NETHERCUTT. I appreciate that. However, I think it cannot be done short of a really serious economic commitment to this region and to this problem. You mentioned the National Academy of Sciences report. That is a good review. But I am wondering, as a follow-on to that, there was an instruction from your Department that the Fish and Wildlife Service and Bureau of Reclamation would review those findings and give you a report within 10 days. I am wondering if that report is complete; if so, what where the findings from those two agencies?

Secretary NORTON. We had feedback from the heads of those agencies, and we are incorporating their views into a two-fold kind of process. One is looking at overall improvement of science within the Department. The other issue is learning what we can for the Klamath Basin specifically and the biology there. The results of that should be coming out as we release the biological assessment and as the Fish and Wildlife Service does its review of that assessment.

Mr. NETHERCUTT. I assume there will be lawsuits, there will be challenges to the biological opinions, the biological assessment. What is your strategy for preparing for that?

Secretary NORTON. We hope there will not be, but we are trying to make sure that the science and the work behind that is done in all of the appropriate ways to withstand litigation.

We are also hoping to bring together the affected parties to find some common sense solutions and avoid the litigation.

Mr. NETHERCUTT. A lot of people in rural America are watching very carefully. It is a big issue, and I know the President is beholden, with all due respect, to all the voters, to rural America for helping this Administration be in place. So I urge your continued attention.

Secretary NORTON. We will be doing some things in the coming weeks that I think you will find are a positive step.

Mr. NETHERCUTT. Thank you, Mr. Chairman.

Mr. SKEEN. Mr. Moran.

Mr. MORAN. Thank you, Mr. Chairman.

Good morning, Secretary Norton.

Secretary NORTON. Good morning.

COMPETITIVE SOURCING

Mr. MORAN. The rumor circulating in your Department that there is a grand plan to privatize or out-source as many as 25,000 career Interior jobs, maybe you could share with us what might be the origin of that rumor and if you can deny it, maybe you could do so unequivocally to put peoples' concerns to rest.

Secretary NORTON. Congressman, let me refer you to a law that you all passed as the source of that rumor. It is called the FAIR Act, and perhaps someone can supply exactly what the abbreviation stands for.

Mr. TREZISE. Federal Activities Inventory Reform Act.

Secretary NORTON. What the Act requires us to do is to look at the positions within the Department of the Interior that are providing essentially private sector, non-governmental type functions that are not regulatory functions, and that are not ones that require the exercise of governmental-type discretion, and to then go through a process of analyzing those positions and evaluating whether those jobs should be out-sourced.

This is first of all a process that we go through. The end result of that process is intended to be improved services to citizens and to provide cost effective Government. It is not designed just to reduce the number of Government employees. It is designed to improve the quality of service delivery.

Mr. DICKS. Who does this within your department?

Secretary NORTON. Lynn Scarlett is the one who is in overall charge of the program. Sorry, Lynn. [Laughter.]

It is something that is done and carried out by each of the bureaus. In terms of the numbers, for 2002 and 2003 together, we will be analyzing a total of 3,300 positions. I do not have any idea where a 25,000 number came from, unless that is over the next decade we would be analyzing those numbers of positions.

U.S. GEOLOGICAL SURVEY JOBS REDUCTION

Mr. MORAN. Fair enough. Let me ask you about a specific reduction that I am very much troubled by, and that is in the U.S. Geological Service. I understand that as many as 250 Federal jobs will be lost due to a major reduction in the programs implemented by USGS, the only earth science and biological agency that the Federal Government has.

I would like to get a sense of the actual numbers at headquarters and in the field and what you are doing about any RIF situations that might occur, and most importantly, justify why we should be making that kind of a reduction when a lot of these programs are becoming increasingly important in terms of homeland security, protection of the water supply, understanding of the topography and geology of a lot of our regions.

Secretary NORTON. There are a number of different kinds of programs that are affected by our proposal. We have gone back through and really looked at the various ways in which we are providing our services. One of the proposals is to transfer the USGS toxic substances hydrology program to the National Science Foundation. That is a portion of this. That would be a multi-year transfer involving approximately 100 FTE that would be affected in USGS. That program would be ultimately transferred entirely to the National Science Foundation.

Mr. MORAN. With a concomitant increase in NSF?

Secretary NORTON. The NSF does its work in a different way than the USGS. We tend to do our work in-house, where the National Science Foundation tends to work through universities and other research activities.

Mr. MORAN. It would be a reduction, in the process of that transfer.

Secretary NORTON. I cannot speak for exactly what the National Science Foundation would do. Let me ask these folks to provide you with more details.

Mr. TREZISE. Mr. Moran, specifically with respect to the proposal to transfer the toxics program to the National Science Foundation, the Geological Survey and NSF have been working together on a transition plan which would provide for a three year transition of that program. There are about 90 employees in the program, and at the end of three years they would need to be absorbed elsewhere in the Geological Survey. In terms of the overall employees in GS, that is less than 1 percent of the employment. We would anticipate that all of those employees would be able to be placed in other positions.

Mr. MORAN. The toxic program has received a fair amount of publicity recently, because they found out how important it was and how imperative it is to pursue that research. You are doing it with the university in California, is it CalTech? I am not sure which one it is, but it is being done in collaboration with the university. There has been a fair amount written about it, because of the danger to our water supply. It is what the USGS has done that is the source of the knowledge that we have to go on.

Well, I do not want to overdo the lenience of the Chairman here on this issue, but I do think it is important enough that we are going to have to revisit it. I am not sure that NSF wants it, is ready for it, and I am not sure we can really afford to be sending that kind of effort out of house to contract it out and lose the kind of institutional knowledge we have built up in the U.S. Geological Service.

Secretary NORTON. If I can just quickly address your overall point. I want to make clear that our total proposed reduction would be 249 FTE, which is less than 3 percent of USGS employment. We believe that can be absorbed within the existing turnover within USGS, because of retirements and so forth. We do not anticipate any RIF at the levels that are proposed within the budget.

Mr. MORAN. That is encouraging, but I do have concerns over the loss of that kind of expertise. Even though you will be moving them around, they will no longer be focusing in that area where they have developed their expertise. I think that could be a problem.

Thank you, Mr. Chairman.

Mr. SKEEN. Mr. Kolbe.

Mr. KOLBE. Thank you, Mr. Chairman.

ENVIRONMENTAL DEGRADATION FROM ILLEGAL IMMIGRATION

Madam Secretary, thank you very much for being here today. A couple of questions I want to ask that really follow up on, at least one of them follows up on something this Committee did a couple of years ago. In fact, this Subcommittee and two other subcommittees included language in our report dealing with the problem of environmental degradation that we have experienced along the border as a result of the huge influx of illegal immigrants coming across the border. It really is a staggering problem, and I have had an opportunity to look at it on several occasions. Just mountains

of trash and abandoned clothes, abandoned plastic bottles, human feces, camps just everywhere, just covering the ground there.

We asked, in the language, we asked the Forest Service and BLM, the INS and EPA to work on a plan to mitigate environmental damage that was caused by these illegal immigrants crossing. I am very pleased that BLM took the lead on this and has worked on that.

The report of how we are to proceed with this was supposed to be done by October 1st. It has not been completed. I do not want to be too critical, because it is your Department of the three of them that is taking the lead in actually getting something done. But as we proceed with our budget considerations here, it would be very helpful if you might at least provide for the record the initial findings and funding recommendations that you have, because we are going to need to consider that when we get around to writing a bill.

I do not want people in Arizona to have to wait another year to do anything about the cleanup of this horrible mess that we have along the border.

Secretary NORTON. Congressman, you raise an issue that was significant for us last spring and summer. I asked my Chief of Staff to participate in a border conference and to examine that issue personally. It obviously assumed new importance after we began looking seriously at homeland security issues. We are working with Homeland Security, with the INS, and with others on the overall issue of our borders and how we insure that we are taking the right steps there.

The report that you mention is currently in the review process. We anticipate being able to provide you with a final report in the very near future that will reflect our new perspectives on this, post-September 11th, as well as the initial type of information we would have given you earlier in the year.

[The information follows:]

IMMIGRATION IMPACTS STUDY

The report on impacts caused by undocumented aliens crossing Federal lands in southeast Arizona was transmitted to the House of Representatives Committee on Appropriations on April 29, 2002.

Mr. KOLBE. Thank you. I appreciate that response. Please keep in mind the deadlines of this Subcommittee in drafting its bill, as you do that. Try to make sure we have that information in hand.

Secretary NORTON. It is my understanding that it should be mid to late March that the final report would be available.

IPA PROGRAM PARTICIPATION

Mr. KOLBE. Another very local issue. I have a town in my district that wants to participate in the IPA program. I think that stands for Interagency Personnel Assignment, I am not exactly sure. It is a program where the salary is paid by the Federal agency, the housing and the other provisions are made by the town or the local community. It is a win-win, because the Federal agency gets some real world experience and the town gets an experienced person to assist them. They want to use this person to develop their habitat

conservation plan. We have, as you know, major issues of habitat conservation in Arizona with the pygmy owl.

I know you have supported Federal-local partnerships, so I hope you would be willing to work with us to find somebody possibly from the Fish and Wildlife Service who might accomplish the objective. It would be extraordinarily helpful in what we are trying to do down there.

Secretary NORTON. That is very consistent with the type of thing that we are trying to do to work better with States and local communities. I will be happy to look into that specific situation to see what we might be able to make available.

HOOVER DAM BYPASS

Mr. KOLBE. Thank you very much. One other fairly substantive question. I have been told that you believe that Hoover Dam is one of the major security issues that comes under your Department. We have been advised that there have been some security breaches of credentials for that that are very disturbing, loss, theft of security credentials. We need to do something, as you know, to get that bypass built, so that we do not have these trucks going right over the top of the dam all the time.

I know you do not have jurisdiction over the Bureau of Reclamation, or this Subcommittee does not have jurisdiction, you have jurisdiction. We do not have jurisdiction over the Bureau of Rec. But it is my opportunity to ask you about this, and I hope you can address this matter and suggest ways the Department of the Interior and the Bureau of Reclamation can help to move this project along as rapidly as possible. I think it is a critical project.

Secretary NORTON. First of all, let me say I am not aware of the security breach problems that you are discussing. We have enhanced the security at the dam. We went through a major process of looking at security as we made the decision to re-open the dam for limited visitor tours. That has been on our radar screen. I personally visited the dam.

The Administration has endorsed the proposal for an alternative route, so that traffic does not have to go over the dam itself.

Mr. KOLBE. We have appropriated some money, but it is very slow in getting us to where we need to be to actually construct that.

Secretary NORTON. I had some interaction with the Department of Transportation in preparation for a visit to Hoover Dam a few months ago. The Administration supports getting the new road done and getting it done quickly.

Mr. KOLBE. I hope we can make this a very high priority, both in Transportation and the Bureau. It is critical. You know from having been there how that winds down there and the danger, not only the physical danger, but the overload of these trucks in what is now the Phoenix-Las Vegas corridor, a major, major transportation corridor. It is not in my district, not even close to my district, it is a major problem for our State and for that area of the Southwest.

Thank you for your response, and let me just also say the Upper San Pedro Partnership that has been supported by your department has been doing absolutely outstanding work, and I appreciate

it and hope that you will continue to support the work that it is doing.

Secretary NORTON. Thank you.

Mr. KOLBE. Thank you, Mr. Chairman.

Mr. SKEEN. Mr. Wamp.

Mr. WAMP. Thank you, Mr. Chairman.

ROLE OF USGS

Madam Secretary, welcome. I want to first compliment you on your first year of service. To me, you combine grace and reason with resolve and tenacity. And that is a rare combination in our Executive Branch or any branch of Government, and I really commend you on your first year.

Three issues. U.S. Geological Survey, Representative Moran mentioned it. But the budget request is so slim that I would just ask if there is a changing role from the Administration for USGS's role on other issues, just based on the budget request. Does this mean that certain missions will be moved to other areas? What is the Administration's position relative to USGS's role on issues like water?

Secretary NORTON. To begin with, USGS provides very important scientific information for our land management agencies. They are the scientific support for a lot of the challenges that we face as land managers and for administrative programs like the Bureau of Reclamation. So we are working to increase the coordination between USGS and our land management and other agencies.

Secondly, there are programs that USGS performs that are done for the benefit and in cooperation with State governments, for example. Some of those have truly been done in a partnership kind of way. Some of those are things where the USGS has done the work without getting the outside partners financially involved. We are looking at those programs to see what can be done to enhance the partnership by getting those partners financially involved.

Mr. WAMP. By leveraging the investment?

Secretary NORTON. By leveraging the investment. That is one of the things that is reflected in our proposal.

Third, there are some over-arching analyses of the way in which scientific activities are performed for the Federal government. The National Science Foundation has won very high marks for the way in which it approaches its management of scientific activities and the cost effectiveness and quality of the work that it does. So they are being looked to for fulfilling some of the responsibilities, such as the toxic substances program.

STRATEGIC PETROLEUM RESERVE

Mr. WAMP. Strategic Petroleum Reserve, the budget request does not match the stated objective to fill it. How do you see us filling it since it is not asked for in the budget?

Secretary NORTON. The Strategic Petroleum Reserve would receive royalty-in-kind transfers. There are two aspects of our cost on that. One is for a computer system that would allow us to handle the processing of the royalty-in-kind program, which is different than our usual accounting program. That program, that computer funding, is in the budget. What is the dollar amount?

Mr. TREZISE. About $6 million.

Secretary NORTON. The other aspect of that is transportation costs for the oil itself. We are still working as an Administration on that issue.

Mr. WAMP. You are looking to us for help I guess also?

Secretary NORTON. There are some possibilities in terms of sale of some of the oil to cover the transportation costs. That is still an unresolved issue.

Mr. DICKS. Would you need legislative language to allow that?

Secretary NORTON. I do not know the answer to that.

Mr. TREZISE. Yes, Mr. Dicks we would.

Mr. DICKS. Thank you.

INDIAN TRUST REFORM AND RESTRUCTURING

Mr. WAMP. One other Dicks issue I want to follow up on. Typically, cabinet Secretaries get little sympathy over here. But I do not know of anything I have felt more sorry for any Cabinet Secretary in the last eight years on than Indian trust reform and what a burden that is that you have inherited. As I have studied this, I know you mentioned it in your opening testimony and I know you and Mr. Dicks had some commentary on it.

But can you go into a little more detail about this Bureau of Asset Management and how that is actually coming together, specifically, and whether or not this Assistant Secretary position you think will happen?

Secretary NORTON. I believe very strongly that reform and organizational restructuring will happen. We are committed to see that a process goes forward that will give us a structure allowing us to effectively manage these assets.

I also believe strongly that we ought to be encouraging, allowing, and providing opportunities for the tribes to manage their own resources. Some of the tribes viewed our proposal as perhaps interfering with that. That is frankly the last thing I want to do. I want to enhance the ability of the Tribes to manage their own assets.

We are going through a process of consultation with Tribes. We are working through our management consultants, analyzing all the different parts of that program and determining how best to go about meeting those reform objectives. We want to work with the Tribes to see that whatever proposal we come out with is one that does have their support and at least has something that they will feel comfortable with.

I think there are a variety of different ways of accomplishing our goals. I made a good faith judgment that our proposal for a new Assistant Secretary was the best way to go. I keep an open mind in terms of seeing if there are other ways that we can accomplish the objectives. So I do not want to foreclose and say this is the only way to do it. I feel like we have come up with a good proposal. I have been asked to take that off the table and I have refused to do that, because I think it is a valid proposal.

MAINTENANCE BACKLOGS ON PUBLIC LANDS

Mr. WAMP. Being concise, let me just go in one other direction, which I just thought of. Let us just ask, on all the backlog of all of our public lands, add MPS, everything together, it is obviously

a big priority of this Administration, and understandably so. It is obviously a big priority to this Subcommittee, our Chairmen has really made it a big priority. Can we come up with a seven year plan? Let us say this Administration has seven years to address this. Can we come up with a long range plan to get out of debt, so to speak, with the backlog of maintenance on public lands in America?

Secretary NORTON. We could look at a seven year plan. But we are doing several things. One is trying to address backlogs in, for example, the national park area. We are enhancing the ability of the Fish and Wildlife Service to deal with some of their backlogs. As managers, we take seriously the responsibility to manage what we have and take care of what we have and not just keep looking at acquiring new things.

Another important part of that is getting the management systems, the ranking systems, the tracking systems in place to really figure out the backlog, figure out what is routine maintenance, and prioritize the things that need to be done. Frankly, it is an almost limitless amount if you start going out and asking, what could we do for this particular area? People will come up with a huge laundry list. We need to be able to prioritize that.

We are getting those kinds of systems in place. The Park Service has been working on assessments of their park areas to find out in a uniform kind of way what needs to be done and what are the most pressing needs at the various parks.

Mr. WAMP. Very good. Thank you, Mr. Chairman.

Mr. SKEEN. Mr. Kingston.

Mr. KINGSTON. Thank you, Mr. Chairman.

Madam Secretary, it is great to see you again. On a personal basis, I had the opportunity to go to Ellis Island and the Statue of Liberty in August with my family. It is a great facility. I only wish you could find a way to let more people climb up to the top of the Statue of Liberty, because they shut that down in the heat of the summer because of the crowds, or they greatly restrict it. It is a little anti-climactic, when you go there and you cannot get up there.

I do not know if there is architecturally a way to do it. But the staff there was just really great to us. We appreciated it.

Secretary NORTON. Thank you.

Mr. KINGSTON. A couple of oddball questions, and I am really amazed at the way you can answer all these micro-issues so easily, so I have some more for you.

MULTI-SPECIES HABITAT CONSERVATION PLANS

Habitat conservation plans, the Riverside in California, it is a State-Federal-local partnership. It costs them about $1.5 billion. These plans are very successful. But how can we afford to do these? What are our plans in terms of expanding this or coming up to some level where it is practical to do it?

Secretary NORTON. We are working on a number of fronts on endangered species. One of those is to enhance our cooperative efforts with the landowner incentive program and with the other programs that will bring in partners to work cooperatively on endangered

species issues, before we get to regulatory situations that create conflict over endangered species.

We are working with the States in a way that I think is fairly unprecedented. We have a new head of the Fish and Wildlife Service who was head of the Kansas Department of Fish and Wildlife and who has really been working to build partnerships with his State counterparts. That gives us the ability to amplify our resources by working with the States.

We need to look at the result on endangered species habitat conservation plans. I want to make sure that we are looking at just what needs to be done for the species and improving the habitat, and not changes in legal ownership of the land. Most species cannot really read land titles to know who owns the land. I want to be sure that we are focusing on what needs to be done for the species and then working together in partnership to solve those problems.

The multi-species habitat conservation plans like that one are excellent models for trying to solve those problems. So I am supportive of that kind of approach.

Mr. KINGSTON. They had a lot of promise, but they just had such a big price tag that we need to just try to find a way to make it work.

USGS PROGRAM REDUCTIONS

At USGS they are doing a lot of studying on toxic substances, hydrology, but yet the budget eliminates that. Any comments on that? Are you familiar with that?

Secretary NORTON. We already had a bit of discussion on that. Basically what that proposal does is transfer that program to the National Science Foundation. There is a transition process for doing so.

Mr. KINGSTON. And stream gauging? You reduced the budget for that?

Secretary NORTON. Let me defer to my colleagues here.

Mr. TREZISE. Mr. Kingston, we are maintaining the stream gauging budget at the same level as in the year 2000.

Mr. KINGSTON. But not the same as 2002?

Mr. TREZISE. Correct.

Mr. KINGSTON. Well, I just think in terms of the flood, that might be something we need to look at, because there is a 14 percent reduction.

MIDWAY ATOLL

Midway Atoll, as you know, there is a national wildlife refuge there. But there is also an opportunity, we have an air strip there, and it is run by a private company. It is a great strategic location; the Battle of Midway 60th anniversary is coming up. What are your thoughts on that? There seems to be a little bit of a tug of war right now between the private company that is operating it and the Fish and Wildlife Service.

Secretary NORTON. That situation has been a great frustration for us. We became aware of that when an issue came up about providing some fuel to Midway that could then be sold to aircraft.

Basically the Midway Phoenix Corporation defaulted on a $2 million payment for fuel several years ago and owes the Fish and Wildlife Service $340,000 for service and equipment. We reached an agreement with them on a fuel contract last November. They agreed to pay us $300,000, and they made one payment of $50,000 but then notified us that they would be leaving the island and not following through on that contract.

So we are in the process of negotiating with them to see if we can dissolve the cooperative agreement without litigation. We are trying to maintain the continuity of operations, but we may seek flexibility in reprogramming or authorization to try to do that. Unfortunately, it appears that our private sector cooperative approach has not been successful.

Mr. KINGSTON. But if that happens, the Federal Government has to step in and pick up the cost of it?

Secretary NORTON. It either needs to be borne by the private party, perhaps as a result of litigation, or it needs to be the Federal Government, or the activities need to be scaled back. There is no other option that I am aware of for that.

Mr. KINGSTON. If we can be part of that, we want to be. That is, as you know, a Georgia company. That is our interest in it. But also, our interest is that in the long run, it should be less expensive on the taxpayers if we keep that partnership and that involvement.

Secretary NORTON. I believe they have informed us that they are now walking away from those operations.

Mr. KINGSTON. In fact, I think March 2nd, but I do not know if there is a way to save the relationship or not. I do not know what the budget impact would be if that happens. Do you know?

Secretary NORTON. Beyond what I have said here, I do not know. Do you have any further information?

Mr. TREZISE. Mr. Kingston, we will be working with other agencies that have concerns with continuing air service at Midway. The Department of Defense, the Coast Guard, Federal Aviation Administration and private cooperators, including Boeing, have an interest in seeing that the airstrip is maintained in service. We are hopeful that we can at least arrive at an arrangement that will allow us to maintain a functioning air strip that can receive commercial service.

As far as the facilities, we will be working with the Fish and Wildlife Service to see what arrangements we can arrive at to continue to provide the wonderful opportunities visitors have to visit the island.

Mr. SKEEN. Thank you.

Mr. Regula.

Mr. REGULA. Thank you, Mr. Chairman.

EVERGLADES WATER SUPPLY

Madam Secretary, I want to commend you for your Department's handling of the binding agreement between the Federal Government and the State of Florida to ensure that specific targets are set for ensuring adequate clean water supply to the Everglades and other natural areas. I would like to say, getting you the authority to make those agreements was not achieved easily. That is history, of course.

The Committee is aware of your current negotiations with the Army Corps of Engineers on the programmatic regulations. What is the status of those negotiations?

Secretary NORTON. I recently had the wonderful opportunity to visit the Everglades and also to participate in our South Florida Ecosystem Restoration Task Force. I think that is a very positive process. It brings together all the different interests and allows them to express their views.

The Corps of Engineers was good enough to let all of us have the opportunity to have input on their regulations even before they reached the preliminary draft stage, and we are still working with them. I am not sure of the exact status of their proposed regulations, but I do not think the official draft form has come out. We are going through a number of meetings of the Task Force, which includes the Corps of Engineers, to give them the opportunity to hear first hand from all the various interests about their views on the regulations. Hopefully when their draft comes out, it will already include input from many different entities, including our Department.

Mr. REGULA. Are they respecting your right to have input?

Secretary NORTON. Very much so. They have been working with us and we have been commenting informally and going through their preliminary regulations. Obviously, we have differences in view, but we have had a very good working relationship.

Mr. REGULA. I assume from what you said you are going to be able to ensure that the Interior Department's interests are satisfied.

Secretary NORTON. We are certainly working to see that that takes place.

Mr. REGULA. The draft regulations call for the Department of the Interior to participate in many of the planning, design and assessment activities involved in implementing the plan, but does not provide for a leadership role for DOI. Should DOI have a leadership role on the recovery team which would give the Interior Department more say in determining what performance measures and targets are used in judging success in restoring the ecosystem, and how will you ensure that that happens? Because you do have a huge stake.

Secretary NORTON. I know that there are a number of different processes for different projects and different portions of the project. Interior has been involved in working out how our role would be fulfilled in those different types of projects. I would be happy to have Ann Klee, who is my appointed person as chair of the Restoration Task Force, provide some additional information to you and your staff about how exactly that is carried out in different aspects.

Mr. REGULA. I assume the challenge is to ensure that there is adequate water to replenish the ecosystem in the Everglades.

Secretary NORTON. That is the commitment made by the President and by Governor Bush in the agreement that they signed—that as these new projects are done, the water is not immediately shifted away to other uses. The restoration of the ecosystem is the priority use for that water as it becomes available.

Mr. REGULA. That it would have the highest priority?

Secretary NORTON. That is my understanding, yes.

Mr. REGULA. That is very important. Well, I wish you well.

Mr. DICKS. Would the gentleman and former chairman yield for just a point?

Mr. REGULA. Yes, of course.

WATER LEVEL IN CANALS IN SOUTHERN EVERGLADES

Mr. DICKS. Apparently there is a dispute about the level of the dikes in the southern part and how much water can actually get through. How is that going? Because that seems to me to be, it not getting fresh water back to, is it Florida Bay, a very crucial element of the success of this project?

Secretary NORTON. There are a number of different places where they are doing that sort of thing. And they are making decisions about what needs to be done with specific canals and with roadways and so forth. I do not know the specifics, to be able to give you exact information. But I would be happy to provide that for the various projects. I have gone down and toured that area. I know the general hydrology problems that we are facing, but I cannot tell you as to specific projects.

Mr. DICKS. Just one final point. The Task Force has not approved one of the Committee's work items, an analysis of the human dynamics of the restoration. Why not? Do you know why not?

Secretary NORTON. I am not familiar with that, but I would be happy to provide that.

[The information follows:]

Human Dynamics

The role of the Committee on the Restoration of the Greater Everglades Ecosystem (CROGEE) is to examine and report on the scientific and technical underpinnings of matters related to ecosystem restoration and to enhance the science base for Everglades restoration through independent peer review. To accomplish this, it is specifically CROGEE's responsibility:

- To identify areas where critical gaps in knowledge exist or where scientific and technical opinions should be re-examined;
- To identify additional scientific and technical questions that are relevant to restoration;
- To recommend scientific and/or research alternatives and options to address these areas; and
- To recommend alternative or improved methodological approaches to scientific and technical questions.

Over 200 qualified candidates were originally considered for membership in the CROGEE. The Working Group of the Task Force also recommended candidates for the 15 original appointees.

Initially, the Working Group submitted a suggested list of priority work items for the CROGEE. Subsequently, the CROGEE forwarded a list of proposed work topics for review. These items were reviewed by the Working Group for submission to the Task Forces.

The CROGEE proposed five work items. Four of these work items, dealing with scientific and engineering issues, were approved by the Task Force. The fifth item, "Human Dynamics Aspects of Restoration Efforts", has not yet been approved and the Task Force referred this task back to its Working Group for further analysis, scoping and discussion. The Department anticipates a report to the Task Force on the results of the Working Group's assignment in June or July of 2002.

The Department expects that the Working Group will be able to respond to the Task Force's assignment on this issue, and that the Task Force will be reviewing this matter for consideration at a future meeting.

Mr. DICKS. Thank you.

AFRICAN AMERICAN MUSEUM

Mr. REGULA. Just one last question. I believe that you will be the agency to develop the African American museum, which will be maybe in the Smithsonian, we are not sure. What is the status of that at the moment?

Secretary NORTON. I have worked with the Park Service and just designated the head of the Park Service, Fran Mainella, as the head of our operation to analyze that. We will be moving forward with that, and we are very enthusiastic about fulfilling that project.

Mr. REGULA. Thank you. Thank you, Mr. Chairman.

Mr. SKEEN. Mr. Hinchey.

Mr. HINCHEY. Thank you very much, Mr. Chairman.

Madam Secretary, I apologize for not being here earlier. It is very nice to see you and to go over some questions with you.

Secretary NORTON. Nice to see you.

EVERGLADES REGULATIONS

Mr. HINCHEY. I want to follow up on the Everglades situation, if I may. This question has to do with the draft regulations and the authority of the Department of Interior to concur in specific aspects of those regulations, including those which define the quality, quantity, timing, and distribution of water prior to the restoration of the Everglades.

What we see happening is that there has been every effort made to put these decisions into protocols and mechanisms outside of the regulations. In effect, the initial draft in effect circumvents the authority of your agency to concur in the contents, and decisions regarding the contents of the regulations. So if there is little or no content in the regulation, then the Department of Interior has nothing in which to concur or not concur.

Can you tell us how you are trying to address the shortcomings in the initial draft of the regulations?

Secretary NORTON. That is one of the points that was discussed in great detail and has continued to be discussed in great detail through the Everglades Restoration Task Force. We have informed the Corps that we would like to see that issue addressed in their regulations. We have until December to complete final regulations. They began the process fairly early, and we are getting those issues out on the table. Hopefully there will be an ability through this discussion to have more concrete information fleshed out as to the various projects and the way in which the regulations address those projects.

Mr. HINCHEY. May I be so bold as to strongly encourage you to be a fierce advocate for the Department of Interior in these decisions? The issue of water in the Everglades is obviously, as we all know, the most critical issue. If people are maneuvering within the Administration to try to exclude your agency from the important decisionmaking activities regarding how this water is going to be manipulated, then we are going to lose this ball game. We have an awful lot of money, an awful lot of time and effort invested in it under the leadership of the present Chairman and particularly the previous Chairman, to see that happen.

This is the most important restoration project ever conceived and carried on by anyone anywhere. So I would just hope and will be supporting you in every way that you will be tough on this. You have to fight for your responsibilities and your decisionmaking abilities in this battle. Because as you know, people are trying to squeeze you out.

Secretary NORTON. The President has made a commitment in the agreement he signed with the Governor of Florida that the water will be available for the restoration of the ecosystems. The Administration is committed to that. My people are working very hard through the Ecosystem Restoration Task Force and our other efforts to ensure that that is going to happen. I am very optimistic about the way in which that process is moving forward.

Mr. DICKS. Would you yield just briefly? Has the Corps of Engineers been told about this? [Laughter.]

They have a different view, I am told.

Secretary NORTON. They are involved in this process.

INTERIOR'S ROLE IN DEVELOPING REGULATIONS

Mr. HINCHEY. The initial draft regulations are at issue here. What those regulations contain when they finally come out is going to be critical. How those regulations define your role as an active participant in this process is critical. So we are going to be watching that process very, very closely.

Also there is an interagency group, which is known for its acronym, RECOVER, that has provided a scientific advisory role in the implementations. But I wonder what your role is. I understand that you do not have a leadership role in that advisory group, or that the Department of the Interior does not have a leadership role in that advisory group.

Secretary NORTON. Let me provide that information for the record for you. I am aware of that group, but I would like to provide accurate information.

[The information follows:]

RECOVER

The purpose of the Restoration, Coordination and Verification (RECOVER) teams is to provide system-wide evaluations and analyses to determine whether modifications to the Comprehensive Everglades Restoration Plan are needed. Additionally, RECOVER assists in CERP implementation through its support of the adaptive assessment program.

RECOVER is chaired jointly by the Army Corps of Engineers and the South Florida Water Management District (SFWMD. It is composed of six technical teams and a leadership team; each team with tri-chairs who are then eligible to sit on the leadership committee. Interior staff participate on RECOVER, and are serving as a team tri-chairs on nearly all the teams.

The Corps and the State are currently drafting a Memorandum of Understanding that will define the framework of the RECOVER teams. They have sought Interior's insight into this issue. The Department believes that this will place Interior in an appropriate role to ensure that Interior science will serve as a solid basis for decision making. The Department looks forward to working with the Corps, the SFWMD and other agencies on RECOVER teams.

ROADS AS WATER FLOW IMPEDIMENTS

Mr. HINCHEY. I would appreciate that very much. And the question that was raised by Mr. Dicks a few moments ago, having to do with the way the water flows, and the impediments to that flow?

The impediments, of course, are the roadways that have been built east to west across Florida. Unless the water is able to get through those roadways, which were built on an elevated level, the restoration of the Everglades is not going to occur. You are not going to have that wash of water back and forth.

The proposal is to elevate the roadway in a way that, for example, Interstate 10 is elevated as you go out of New Orleans in that area of Louisiana. I do not know if you have ever driven over that road, but take my word for it, Interstate 10 is up in the air and it is on stanchions or pillars. The natural ecosystem underneath it just continues to behave as it would normally, with minimal interference.

That is what must occur in Florida with regard to these roads. This is probably one of the most expensive parts of this project. But unless the roads are elevated, and I mean seriously elevated, not just in two or three places, but seriously elevated all across the peninsula, you are not going to get that flush of water back and forth, and we are going to lose the battle. Then all of the money that we have spent is going to be in vain, and the opponents of restoration are going to be the winners.

So Mr. Dicks' question is absolutely critical. I know that our Chairman knows this. So I would hope that you can give us some concrete assurances that that road is going to be, Alligator Alley is going to be, elevated so that the water will flow.

Secretary NORTON. It is my understanding that a decision on that is several years away, and that scientific studies are underway to look at how much of it needs to be elevated to accomplish the environmental goals.

Mr. HINCHEY. Yes, that is why I am concerned about the draft regulations and your role in RECOVER. If you are excluded from participating in the draft regulations, and if the draft regulations exclude your ability to then come in and make appropriate comments about aspects of the regulations once they get into place, that roadway is not going to be elevated. If you do not have a leadership role in the RECOVER operation, that roadway is not going to be elevated. People are fighting that, and that is very critical.

I know the decision is several years away. But the decisions we make today are going to lead into that decision. Unless we make the right decisions today, the wrong decision is going to occur several years in the future.

Secretary NORTON. We are chairing the task force through which the decisions are being made and discussed. This is an important issue for the Administration. I am confident that we will be having those kinds of issues appropriately addressed in the long run.

Mr. HINCHEY. Okay, but let us address them in the short run as well. Let us address them in the context of the regulations. We have got to have a different attitude expressed in those regulations when they become final. The draft does not look good the way it is now. You need a responsible position in this RECOVER group, because your voice needs to be heard. The voice of the Department of the Interior is critical and needs to be heard. If it is not heard, we are not going to get good decisions.

Secretary NORTON. I am not feeling silenced.

Mr. SKEEN. Mr. Dicks.

LEASES FOR DRILLING OFF COAST OF CALIFORNIA

Mr. DICKS. Madam Secretary, I was very concerned earlier this month when the Washington Post reported that the Justice Department has appealed the Federal Court ruling which recognized the State of California's right to block drilling for oil and gas off the California coast under a group of old leases. As you know, George Bush, Senior, proposed the current ban on California drilling and Congress has extended it through 2012. The ban includes a general provision to the Interior bill which the President has not proposed in his budget to change.

Can you clarify the Department of Interior's position generally on drilling off the California coast and with respect to these old leases in particular?

Secretary NORTON. Let me start with the litigation. The concern about the issue is its impact throughout everything that the Minerals Management Service does. Our ability to suspend leases is one of the ways that we can make sure that activities do not go forward on a lease until environmental standards are met. We have emergency lease suspensions, we have suspensions for a variety of reasons. Those are basically just extending the status quo while other things are being worked out.

The managers that handle these issues at the MMS felt that their ability to manage their programs would be impacted by the decision of the district court in that case.

Mr. DICKS. Which granted the State of California the right to block, I guess, like 32 of these leases. I think the issue here is whether the State of California has the right to block these and if the State does not, then it is going to be up to the Administration to decide whether they want to go forward with these 32 older leases I think that were done even prior to the time when we had this ban.

Mr. REGULA. Would the gentleman yield?

Mr. DICKS. Certainly.

Mr. REGULA. Were those not excluded in the ban?

Mr. DICKS. Yes, I think that is correct. They were excluded in the ban. But the decision the Administration is going to have to make is, I would assume, a challenging if not difficult decision, on whether they in fact want to, considering the situation in California, want to go ahead with this if they should prevail in the lawsuit.

Secretary NORTON. We are certainly aware of that issue. Without saying too much, because of the litigation, there are issues as to the compensation that those lease holders might demand, if the Federal Government is not following through on what they paid for when they acquired those leases. So we need to balance the long standing obligations under leases that were issued years ago with the current concerns.

Mr. DICKS. Just generally, do you favor, would you favor going ahead with these leases if a court said that you could?

Secretary NORTON. We are opposed to any additional leasing in the moratorium areas. The President has made that position clear. We have to do the difficult analysis of what the impact is on existing leases.

DRILLING IN THE ARCTIC NATIONAL WILDLIFE REFUGE

Mr. DICKS. All right. Madam Secretary, you have been forthright in stating your support for drilling for oil in the Arctic National Wildlife Refuge, a position which notwithstanding last summer's vote in the House remains highly controversial. Would you update the Subcommittee on the status of the Administration's current proposals for oil and gas exploration within ANWR?

Secretary NORTON. We are currently working with the Senate on that proposal. We have gone forward using the House legislation as the core of the Administration proposal. It provides very stringent environmental protections. It is the most stringent environmental regulation ever applied to oil and gas operations.

We have agreed to the provision that would limit the surface impact to 2,000 acres of the ANWR area. It would require the use of 21st century technology and directional drilling so that we could reach underground for long distances without surface impacts.

CANADA LYNX CONTROVERSY

Mr. DICKS. One other final issue. There has been a lot of press recently about employees of the Fish and Wildlife Services and other agencies planting false samples of lynx hair in conjunction with a Canadian lynx survey done in Washington State. What specifically is being done to address this problem, and what are you doing to ensure it is not repeated in other programs?

Secretary NORTON. We have referred that issue to the Department's Inspector General to look at the specific situation that happened there. We are awaiting his report on that.

Overall, we need to ensure that science in the Department is professional and is appropriate. I would like to see that we have as the core principles for science in Interior high ethical and professional standards, appropriate training and allocation of staff resources, independent scientific review, and active participation with States and other partners in our science.

Mr. DICKS. All right. Mr. Chairman, I did not know this when I asked the last question. Mr. Obey has a question he would like to have asked.

Mr. SKEEN. All right.

Mr. DICKS. Madam Secretary, Mr. Obey could not be here this morning because of full committee obligations. But he has a number of questions which he will be submitting for the record.

FISHERS PEAK VISITORS' CENTER

Mr. DICKS. There is one, however, which he wanted me to ask about this morning. He and Congressman Boucher have taken the lead in support of a new visitor's center at Fishers Peak in the Blue Ridge. The 2002 bill provided the final appropriation for the Fishers Peak construction. Do you expect to initiate the construction in the near future?

Secretary NORTON. My information is that the Fishers Peak Music Center has not yet been constructed. The Development Advisory Board of the National Park Service is scheduled to review this project in May of 2002. It reviews line item construction and partnership projects to ensure that technical requirements, value based

decisionmaking, and policy guidelines are met. The exhibits, which are being done by the National Council for the Arts, are not yet at a stage where they can be reviewed by that board. The board will provide a determination at a later date as to whether or not to exempt the exhibits from review.

Mr. DICKS. Okay. Thank you.

Mr. SKEEN. Mr. Nethercutt.

Mr. NETHERCUTT. Thank you, Mr. Chairman.

LYNX PROBLEM INSPECTOR GENERAL REPORT

Madam Secretary, as a follow-up to the issue of the lynx problem, when will the IG report be forthcoming? Is there a date set?

Secretary NORTON. There is not a set date. I assume it will be fairly soon that we will be getting those results.

Mr. NETHERCUTT. Are you thinking within the next 30 days as fairly soon? Would that be the range?

Secretary NORTON. The inspector general operates independently, but that would be my expectation.

Mr. NETHERCUTT. Have you reached any preliminary conclusions based on any evidence that has been presented to you about this situation, given the concern about the Klamath Basin science, given the concern of, again, Pacific Northwestern residents who have real troubles with respect to this lynx issue, as well as the Klamath issue?

Secretary NORTON. As to that particular situation, I do not want to comment on the lynx situation until I see the Inspector General's report. But overall, we want to take steps to ensure that we do have good, solid science as the basis for our decisionmaking and that we peer review appropriate decisions, because I think that peer review is one of the best ways of ensuring that we have appropriate science. That was the basis for referring the Klamath situation to the National Academy of Sciences.

One of the other things we have found is the training of our scientists and making sure that the people who are providing scientific advice are truly qualified to do so. In the Klamath situation, for example, we found that the person who was overseeing the biologist doing our analysis was an economist, not trained as a scientist. We want to look at our allocation of staff resources to ensure that we have appropriate scientific expertise where we need it.

The head of the Fish and Wildlife Service, Steve Williams, is taking this very seriously. As he adjusts to his new role—he has only been in that position for a few weeks—that is one of his top priorities.

Mr. NETHERCUTT. I think you face a daunting task in terms of making sure that the Administration officials are able to have some control over the civil servants, who have sometimes an agenda that may be contrary to those who are brought in with the new Administration. So I hope that science will rule the day as opposed to agendas ruling the day and finding science to conform to the agenda.

BULL TROUT REPORT

Final question. It is my understanding that the bull trout report has been hung up in the Budget Office. There were some changes expected. The report was due January 31 a year ago. There is a significant increase for bull trout in the budget, $3.7 million, I believe. I am wondering where the report is, why you are asking for more money when we do not know the results of the report and what it will say about bull trout. I know we are short on time.

Mr. SKEEN. We have a vote going on now.

Mr. NETHERCUTT. Could we have that answer for the record?

Secretary NORTON. I will do so.

[The information follows:]

Bull Trout

Report language accompanying the House version of the Fiscal Year 2002 Interior Appropriations bill directed the Fish and Wildlife Service to "... report to the Committee by January 31, 2002, on (1) the actual location of bull trout presence by life cycle in Washington State; (2) the process the Service will use to amend the bull trout distribution maps; and (3) the timelines for completion of such maps."

The report will clarify the status of Fish and Wildlife Service's bull trout population studies and mapping efforts in Washington State. The report also provides additional information regarding how funds appropriated for these efforts have been spent, as well as how the studies, survey protocols, data review and updates, and mapping efforts are integrated into statewide conservation actions for bull trout. The studies and mapping efforts are being carried out using extensive peer review and stakeholder involvement, resulting in the development of the best scientific information and most rigorous study protocols available.

A draft of the report was submitted to the Department on April 12, 2002. Departmental and OMB review is in process.

The 2003 President's Budget includes a $3,720,000 increase request for implementation of the National Marine Fisheries and Fish and Wildlife Service's biological opinions on operations of the federal Columbia River Power System. These biological opinions address the power system's impact on 12 endangered salmon populations, bull trout, and Kootenai white sturgeon. FWS responsibilities for implementing these biological opinions stem from statutory requirements under ESA and the migratory bird conservation act; and as an operator of fish hatcheries in the Columbia River Basin that propagate salmon and steelhead.

A total of $1,690,000 of the increase is expected to be targeted for bull trout and Kootenai white sturgeon activities required under the FWS biological opinion. Funding will support ESA consultation; aid in the development of HCP's and other conservation agreements on state and private lands that are expected to increase as a result of the sub-basin planning efforts; and provide technical assistance on TMDL development.

Actions to be funded by this request are limited, and the focus will be to apply them in areas where bull trout are already known to exist. Accordingly, completion of the report on species presence and the process to update distribution maps will have no effect on planned activities.

Mr. SKEEN. Thank you.

BANKS LAKE

Mr. KINGSTON. My question concerns Banks Lake in Georgia, which has been under the Fish and Wildlife management for I think 10 years or so. There was a memorandum of understanding that Saxby Chambliss had pushed to get the State of Georgia to manage it. I do not know if you know anything off the top of your head, but if you could look into that and see, I was down there last week and people are extremely unhappy with what is going on there.

Secretary NORTON. We will look into that. I do not have any information on that right now.

Mr. KINGSTON. Okay.

Mr. SKEEN. Mr. Hinchey.

OIL AND GAS EXPLORATION OUTSIDE CANYONLANDS AND ARCHES NP

Mr. HINCHEY. Mr. Chairman, I wanted to ask a couple of questions about wilderness and the budget. The budget is flat, $10.3 billion from last year. But there are significant priority changes within that spending plan. It seems to me from looking at the budget that resource exploitation is given precedence over preservation, the Land and Water Conservation Fund promises are not being kept, and that the Federal responsibly to manage land is being turned over increasingly to private interests.

Specifically, the Administration is opening tracts of pristine wilderness land outside of Canyonlands and Arches National Parks for oil and gas exploration. Both areas are in proposals to be designated as wilderness areas. Seismic testing has already been completed, and the Canyon Lands, up until last week it was recurring also outside of Arches.

Saying that the BLM Federal land managers in Utah may have violated environmental laws over this past weekend, Interior's Office of Hearings and Appeals has ordered work stopped indefinitely on this Yellow Cat project, which is the seismic exploration of Arches National Park. The Southern Utah Wilderness Alliance has claimed that the project will damage sensitive desert soils which can take up to 300 years to fully recover.

The Interior board agreed, citing, "resource harms lasting decades or even centuries." The Utah Wilderness Alliance also is concerned that thumper trucks will travel about three miles into the Dome Plateau, which is a 35,000 acre area proposed for federally protected wilderness status.

On this point, I would like to ask you two questions. Have you considered suspending leasing activities in sensitive areas such as the ones that I have described? And if the BLM asks you to overturn this decision and resume seismic testing, what is your response likely to be?

Secretary NORTON. These areas are multiple use areas. They are not wilderness areas. The proposal for going forward in these areas is one that has been underway for several years, as I understand it. The land managers in this area have felt that it was an appropriate proposal.

I will take a closer look at that. I just saw this morning about the IBLA decision. This area, if this is the area that I believe that it is, is essentially a flat sagebrush area that is above Canyonlands and below Arches. It is not the scenic area that we think of as associated with those two parks. It is an area outside the parks. Since we have within our Department approximately half of the State of Utah, and we have lots of park areas there, any place in Utah is somewhere near one of our parks.

Mr. HINCHEY. What about the second question? If the BLM asks you to overturn the decision and resume seismic testing, what is your response going to be?

Secretary NORTON. At this point, I will look at the issue. I do not have a decision now.

Mr. HINCHEY. I would like to give you a photograph. This is Delicate Arch in Arches Park. And the red spots, first of all, is not sagebrush area. This is in Arches National Park. The red items there are places where drilling would occur under the Administration proposal. So it is a situation where, from Arches National Park viewing out over the area right next to it, you have a whole array of drilling apparatus searching for oil, not knowing whether they are going to find it or not.

Secretary NORTON. I have no idea whether that information is accurate or not. I would be happy to try and obtain that information.

Mr. HINCHEY. I am not asking you to take my word for it. But I am asking you if you would kindly look into it and give us some information in a concrete way about what the proposals are and what we can anticipate with regard to these lands.

These lands are not lands that have been designated as wilderness yet. That is true. But they are lands that qualify for wilderness designation, and they have, up to this point, received protection from every administration going back to the last two centuries. We are worried now that the changes in this Administration are going to make significant changes in them.

So I would like you to look at that and give us some concrete answers with regard to what we can expect in these two areas.

Secretary NORTON. I do not have any information about your assertions. I will look for some additional information.

Mr. HINCHEY. Thank you.

[The information follows:]

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

MAR - 5 2002

Honorable Joe Skeen
Chairman, Subcommittee on
Interior and Related Agencies
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

It is my understanding that during Secretary Norton's February 27, 2002, hearing before the subcommittee, several questions were raised regarding a seismic exploration project recently authorized by the Bureau of Land Management (BLM) in the vicinity of Arches National Park (Park), Utah. This project has also been the subject of media attention, notably the New York Times. The Department believes that accurate and up-to-date information concerning this project needs to be communicated to the subcommittee and the public to provide the appropriate context and perspective to the issue. Accordingly, I want to make certain that the subcommittee has more detailed background concerning this issue.

First, let me begin by assuring the subcommittee that the BLM's approval of this project was based on a thorough analysis of environmental impacts. The BLM sought and received public comment and the input of the National Park Service and other Federal agencies on these impacts before approving the project. The BLM believes its finding of no significant impact to the environment is supported by the facts disclosed during this environmental assessment process.

The project in question is the Yellowcat geophysical survey, which was two-thirds completed at the time the stay was issued by the Interior Board of Land Appeals (IBLA) on February 22, 2002. This project involves only seismic exploration, not oil and gas drilling or development. No permits for what is known as "drilling" – i.e., either exploratory or development wells – were involved. In fact, if full field development proposals for "drilling" were to result from this seismic testing, a full Environmental Impact Statement (EIS) would first be prepared by the BLM, with ample opportunity for public participation.

It is also important to clarify that this administration has not newly "opened up" this area to energy exploration, as asserted in recent news reports. This region has been leased and re-leased since at least the 1950s. Seismic exploration activities like those completed last fall in the neighboring Big Flat area, as well as those authorized in the Yellowcat project, have taken place periodically since the 1960s. Also, this area has seen mineral exploration and some limited development in the past. The project area is part of the historic Thompson mining district, where

mining for uranium and other minerals dates back to the early part of the 20th century. Within and adjacent to the project area there are three oil and gas wells, originally drilled in the 1950s, that have been plugged and abandoned.

In August 2001, WesternGeco applied for a permit to conduct a geophysical survey to determine the possibility and extent of natural gas or oil reserves present, and whether such resources may warrant further exploration. WesternGeco proposed the project on behalf of its client, who holds the oil and gas leases.

In response, the BLM initiated a thorough environmental analysis of the proposal in accordance with the provisions of the National Environmental Policy Act (NEPA). This environmental review included collaboration with the public and a variety of other federal and state agencies. The BLM provided public notification of the project in November 2001, conducted a five and one-half week long comment period on the Environmental Assessment (EA), and carefully considered all pertinent input before rendering a decision to approve the project.

The BLM's coordination and environmental analysis of the project included communication between the local BLM field office and Arches National Park. The 23,000-acre Yellowcat seismic project area is in the vicinity of the northern end of the Park. The portion of the project closest to Arches is approximately four miles from the Park boundary. The Delicate Arch, a world-renowned landmark, is approximately five miles from the project area. The project is not visible from Delicate Arch due to the area's topography and the distance involved, nor does it physically threaten Delicate Arch.

Contrary to published reports, the National Park Service did not raise any objection to the Yellowcat seismic project, but instead expressed concerns about <u>future</u> development that might possibly occur. Naturally, BLM concurs that any future development proposals must be carefully considered to ensure protection of the Park resources. Further, it is important to explain that if a future proposal for full field development occurs as a result of exploration activities, a full EIS would be undertaken. In so doing, the Department would ensure that rigorous assessment is made of the potential environmental (including aesthetic) impacts to Arches National Park, along with full public review and comment. Potential Park visibility impacts are among the reasons why an EIS would be triggered for a full field development proposal. We are fully aware of our stewardship responsibilities in this regard, and Secretary Norton expects Interior agencies to work in unison to fulfill those responsibilities.

On January 31, 2002, BLM approved WesternGeco's application to conduct seismic work. The BLM's authorization was subject to a number (16) of special stipulations specifically designed to mitigate impacts and safeguard the environment. Stipulations included provisions to protect cultural resources, springs and water sources, prevent the spread of noxious weeds, and minimize cross-country travel, as well as additional provisions to facilitate reclamation of disturbed areas (e.g., raking of vehicle tracks, re-seeding, and installation of barriers and signs). In addition, a timing stipulation was placed on the project (no work was permitted between March and August)

to protect the Mexican Spotted Owl, pursuant to Section 7 Endangered Species Act consultation with the U.S. Fish and Wildlife Service.

The BLM's analysis of potential environmental impacts from this seismic exploration concluded that the proposed action would not result in significant impacts, and therefore, that an EIS was not required. This decision was largely based on the fact that relatively few acres of new surface disturbance would result from the project. No new roads were bladed and cross country travel was limited to areas where necessary to achieve test results. Additionally, helicopters and crews on foot were used to lay geophone cables in most of the project area. Using this careful approach, although the project covered 23,000 acres, no more than 40 acres were to be disturbed. Further, of the acreage in question, perhaps 15 to 20 acres involve cryptobiotic soils. While we acknowledge that cryptobiotic "crusts" are an important soil type and disturbances to them should be minimized, it was BLM's determination that the minimal surface disturbance involved (far less than one percent of the 23,000 acre project area) did not constitute a significant impact.

It should also be noted that this project did not involve any specially-designated lands or lands with wilderness potential. Contrary to what was asserted in recent news articles, neither designated wilderness, wilderness study areas (WSAs), nor any other lands with wilderness potential are involved. Again, the general area has historically been utilized for energy and mineral development. It is true that the project involves approximately 600 acres within a 36,000 acre unit that has been proposed for wilderness designation by the Utah Wilderness Coalition (which includes the Southern Utah Wilderness Alliance (SUWA)). However, BLM reviewed this information and has found the affected acreage to be lacking in wilderness character.

As you know, the Interior Board of Land Appeals (IBLA) has preliminarily indicated disagreement with BLM's assessment that the project would not result in significant impact. On February 22, the IBLA granted the stay of action requested by SUWA. This ruling shut down the seismic survey, thus forcing WesternGeco to suspend field operations despite the fact that the project is nearly complete. However, IBLA has not ruled on the merits of the case. The BLM has not yet had an opportunity to explain to the IBLA the basis for its finding of no significant impact. To get this issue resolved as soon as possible, the Department intends to request an expedited review of the case from IBLA. During this review, the BLM and other agencies will provide additional factual and legal information to clarify the nature of the project and the analysis of its effects. This will give the Board a more thorough record upon which to decide the appeal in contrast to that which was available when the stay was granted. I would add that the government recently argued these same issues in a similar case before the Utah Federal District Court, and the Court affirmed BLM's decision. In that case, the Court denied the plaintiff's (SUWA's) motion for a preliminary injunction to stop a seismic project and later dismissed the case with prejudice.

In closing, I want to reiterate the Department's strong support for a balanced, inclusive approach to resolve issues concerning the use and protection of public lands and their resources. The BLM has both the ability and the responsibility to help meet our country's energy needs in an environmentally-responsible way. We expect the BLM to proceed under a collaborative

approach, with the involvement of other agencies and the public in major land use decisions. Only by doing so can we respond to national priorities, including but not limited to our needs for reliable energy supplies – and thus meet our stewardship responsibilities to present and future generations.

An identical letter is being sent to the Honorable Norman D. Dicks, Ranking Minority Member, Subcommittee on Interior and Related Agencies, Committee on Appropriations, House of Representatives.

Sincerely,

Rebecca W. Watson

Rebecca W. Watson
Assistant Secretary
Land and Minerals Management

Mr. KINGSTON [Assuming chair]. Thank you very much. This hearing is adjourned.

[Additional questions for the record follow:]

ADDITIONAL COMMITTEE QUESTIONS SUBMITTED FOR THE RECORD

COOPERATIVE CONSERVATION INITIATIVE

Question: W hat differentiates your proposed Cooperative Conservation Initiative from the existing challenge cost share programs in the Department?

Answer: The Cooperative Conservation Initiative (CCI) programs in the operating accounts of the bureaus will build on the experience of existing challenge cost share programs in BLM, FWS, and NPS. However, the CCI will provide a much more robust level of funding, allowing us to foster a surge of innovation and creativity by park, refuge, and other land manager working in cooperation with State, local and private partners. The CCI program focuses solely on natural resource restoration/protection that serves federal interests and does not include recreational and cultural programs that are significant in terms of current programs.

The existing BLM challenge cost-share program is made up of nearly 25 percent of projects for recreation and cultural programs, plus other research studies and outreach programs. The FWS challenge cost-share program, in addition to providing funds for natural resource restoration, also makes funds available for efforts on private lands and for cultural programs. The NPS challenge cost-share program focuses primarily on cultural programs.

The State LWCF component of the CCI differs from other cost-shared programs such as the traditional LWCF State Assistance program in that it focuses more heavily on natural resource conservation and restoration.

The Fish and Wildlife Service already has a Partners for Fish and Wildlife program that addresses habitat conservation on private land. In addition, there is a Cooperative Endangered Species program and a State Wildlife grant program that address conservation on State lands. Last year, at your request, we created a Landowner Incentive Program and a Stewardship Incentive program to address habitat conservation. We also have a Coastal program and a Joint Ventures program – both of which do an excellent job of leveraging Federal funds for habitat conservation.

Question: Why do we need yet another habitat conservation program?

Answer: The Cooperative Conservation Initiative has two major parts: one to be of assistance to the States through a $50.0 million Land and Water Conservation Fund State Assistance grants program and a second to strengthen Federal conservation efforts in BLM with $10.0 million, FWS with $18.0 million, and NPS with $22.0 million for a broad range of habitat conservation/protection projects on or adjacent to federal lands in concert with partners.

The major distinction between last year's new Landowner Incentive and Stewardship grants and the new CCI, is that both the Landowner Incentive and Stewardship grants are for assistance to private landowners for species protection and habitat restoration while the primary purpose behind CCI is to assist State conservation programs and their partners through the LWCF State grants portion, and Federal conservation efforts though programs in the BLM, FWS, and NPS operating accounts and their partners.

The CCI program addresses the whole spectrum of natural resources for its conservation projects compared to other cooperative programs such as the FWS Joint Venture program that focuses solely on migratory bird conservation goals or the Coastal program that promotes to protect and restore high priority fish and wildlife habitat along our Nation's coasts. The Cooperative Endangered Species Fund deals with endangered species.

Question: What specific criteria and reporting requirements have been developed for the federal agencies and the states to ensure that the funds will be used for their intended purpose?

Answer: The specific criteria that applicants will have to meet are different for the two portions of CCI except that partners—States, local governments, Tribes, non-governmental organizations, the private sector, and/or private individuals--are required for the receipt of any funds. In addition, coalitions of partners are encouraged. Projects will be nominated through the Governors' LWCF State Liaison Officers for the CCI LWCF State grants and through the bureaus' field units for the CCI operating account funds.

All programs/projects must seek to achieve the actual restoration of natural resources and/or the conservation, establishment, or improvement of habitat. Where applicable, the project/program must reflect efforts to resolve conflicts through incentives and cooperation to achieve the intended goal. Cost-shared, results-oriented conservation projects, using innovative means or practices that embody Secretary Norton's Four C's of cooperation, communication, and consultation, all in the service of conservation, are required. Not included are funds for cultural and recreational purposes (except for limited aspects of recreation in LWCF State grants), routine annual and cyclic maintenance, and all international projects except those natural resource projects with demonstrated results in the United States.

In addition to details on both ranking criteria and reporting requirements, the following presents general guidelines developed for the whole CCI program: ranking criteria, selection criteria, the selection process, project accountability, project duration, administrative costs, and mechanisms for fund transfers.

Ranking Criteria: For the three operating accounts, CCI criteria will be more specifically developed jointly by the three bureaus beginning in April 2002 so that the program would be ready to proceed in October 2002, with approval of the Congress. Examples of types of criteria that

will be considered include enhancement or protection of wildlife; restoration of streams and riparian areas; number of partners and degree of involvement, financial and otherwise; and size of match.

For the LWCF CCI State grants, funds will be made available to benefit the States for restoration, protection and enhancement of natural areas. Purposes would include but not be limited to habitat protection, wetlands restoration, and riparian area protection. Preference will be given to innovative methods of conservation and multiple partners.

Selection Criteria: Eligible projects/programs could be either new or expansion projects in accordance with the purposes stated above. New projects could be a demonstration project, a pilot, or replication of a project succeeding elsewhere. For expansion of existing projects, CCI funds can only be used for the new and expanded portion.

Projects will be selected competitively based on the benefits derived from the project. Bureaus will look for innovative ideas from partners and joint federal/partners decision-making mechanisms will be reflected in approved applications for funds.

Applications will 1) identify stakeholder involvement in the application and 2) be required to identify benefits to be achieved as well as timelines for accomplishing clearly defined goals.

For CCI LWCF State grants, the degree of non-State partnerships and participation will be given priority.

Selection Process: The Directors of BLM, FWS, and NPS each will make final decisions on competitive applications for funds, with final review by the Secretary for both the CCI operating account and LWCF State grants portion of the program. However, project ideas are intended to be generated in the field rather than by Washington headquarters.

Duration of Projects: The length of projects will receive no commitment beyond one year for the operating accounts but opportunities for renewal will exist.

For CCI LWCF State grants projects, priority will be given to projects to be completed in a shorter time period than the traditional LWCF Stateside program's three to five years.

Administrative Costs: Bureau administrative/overhead costs will be no more than two percent of the total for the operating account programs and $1.4 million in accordance with the proposed CCI LWCF State grants appropriations language.

Mechanisms for Fund Transfer: Cooperative agreements, contracts, and memoranda of understanding will be used for the operating account CCI programs and grants will be used for the LWCF CCI State assistance program.

Reporting Requirements/Accountability: Both CCI operating account projects and LWCF State grant recipients will be required to quarterly report program progress and financial status. The Directors of the BLM, FWS, and NPS or their designees will meet quarterly with the Department to discuss progress of the program.

Question: What level of cost sharing do you anticipate?

Answer: A minimum of 50 percent match is required for both portions of the CCI program. For the CCI operating account program, this match is to be provided through new cash and/or in-kind goods and services (not used for match elsewhere currently or previously). When other than cash is used as match, goods and services will have to be fairly and specifically valued in the application. Partners can't include overhead as part of the match. The match must result in actual accretion of new value to the resource and excludes States and local governments' loan programs and preferential tax programs that would not add to the benefit of Federal government programs.

While the non-federal share of each project must be at least 50 percent of the federal match, higher priority will be given to those projects with the greatest level of partner contribution.

Question: How do you intend to measure success?

Answer: For the operating accounts, each grant application must contain specific natural resource goals and performance measures with timelines for achieving those goals and results. An integral part of any agreement for receipt of funds will be that the partner will meet its shared partner/federal goals in established time periods. By working with local communities, landowners, non-governmental organizations, States and other entities, BLM, FWS, and NPS will be further promoting stewardship of the land and species that reside thereon in a cooperative approach that expands the conservation interests of the local federal units. In addition, the bureaus will monitor program accomplishments based on the established goals.

For the LWCF State grants component of the CCI program, NPS will monitor the life of the grants to ensure accountability and compliance with the intent of the programs. Success will mainly be measured against the performance goal of partnering to conserve natural resources.

Last year this Committee appropriated $50 million for two new landowner programs—the Landowner Incentive Program and the Stewardship Grants program.

Question: What specific criteria have been developed for these programs and how will you monitor program effectiveness?

Answer: In the Private Stewardship Grants Program, project proposals will compete at a regional level for funding. Within each region, a diverse panel of representatives from state and federal government, conservation organizations, agriculture and development interests, and the science community will assess the applications and make funding recommendations to the Service. By early May 2002, the Service anticipates publishing a notice in the *Federal Register* requesting comments on the eligibility criteria and selection factors that will be used to evaluate project proposals. During the open comment period the Service intends to solicit from partners, including States and NGOs, comments on the eligibility criteria and evaluation/selection process.

The eligibility criteria that are being considered include the following project requirements:

- involve voluntary conservation efforts on behalf of private landowners;
- benefit a federally listed, proposed, or candidate species, or other at-risk species;
- include at least 10 percent cost sharing on the part of the landowner or other non-federal partners involved in the project (the cost-share may be an in-kind contribution, including equipment, materials, operations, and maintenance costs);
- identify specific landowners who have confirmed their intent to participate in the private conservation efforts;
- include a reasonably detailed budget indicating how the funding will be used and how each partner is contributing; and
- identify obtainable, quantified performance measures that meet the Service's annual and long-term performance goals.

Factors used to evaluate the merit of the proposals may include:

- number of endangered or threatened species, species proposed or candidates for such listing, and at-risk species that will benefit from the project;
- importance of the project to the conservation of those species, including the duration of the benefits, the magnitude of the benefits, and the urgency of the project;
- amount of non-federal cost sharing involved in the project; and
- other proposal merits, such as whether the project complements other conservation projects in the area, the project's unique qualities, or any other appropriate justifications, including particular strengths in the above categories (*e.g.*, extraordinary benefits or extraordinary cost share).

In July 2002, after all comments have been reviewed and analyzed, the Service plans to issue a request for proposals in the *Federal Register* describing the final eligibility criteria and selection factors. The Service will work closely with the landowners on funded projects by providing technical assistance on project implementation, ensuring these funds are used effectively. Additionally, grantees will be required to report on progress in achieving the benefits and timelines outlined in project proposals. The Service will use these mechanisms to

ensure adequate oversight of project implementation. In addition, project sites will be visited to assess the conservation benefits achieved. Annually, each of the Service's regions will also prepare status and accomplishment reports on all projects that are funded.

The Service is in the final stage of drafting eligibility and competitive ranking criteria for the States and Territories to implement the Landowner Incentive Program. A Federal Register Notice will be published in May 2002 requesting public comment on the criteria and implementation guidelines. Of the 2002 appropriated funds, $4.0 million will be provided to Tribes through a separate competitive process and announced through a separate Federal Register Notice.

Monitoring program effectiveness will be accomplished jointly by the State fish and wildlife agency and the U.S. Fish and Wildlife Service. The State will be required to provide oversight of the individual grants that it provides to landowners under the landowner incentive program. The grantee will provide annual performance reports and financial reports as required by the terms of the grant agreement and the Code of Federal Regulations (43 CFR 12). These reports are provided to the Service, allowing Federal monitoring of the project. In addition, during performance of the project, State and Service staff will consult on issues of concern that may arise and they will be available to provide technical assistance to grantees and subgrantees on execution of the project, including matters of compliance with State and Federal environmental laws and proper grant execution. Site visits will occur as the State and Federal partners deem advisable. At the end of the grant agreement period, both the State and the Service will receive and review performance and financial reports to ensure compliance with laws, regulations, and the terms, conditions, and goals of the grant and the program.

Half of the proposed Cooperative Conservation Initiative funding increases existing challenge cost share programs at the National Park Service, the Fish and Wildlife Service, and the Bureau of Land Management.

Question: What was the funding level for these bureaus for this program during FY 2001 and FY 2002, and how many projects and partners were involved?

Answer: The Challenge Cost Share funding level in the operating accounts of BLM, FWS, and NPS totaled $18.0 million in FY 2001 and is projected to be $20.0 million in FY 2002. Exclusive of BLM data that are being tabulated and will be supplied on both numbers of projects and partners, the FWS and NPS Challenge Cost Share program had 510 projects with 941 partners in FY 2001 and 670 projects with 1,216 partners in FY 2002. Figures by bureau are presented in the following table:

Challenge Cost-Share Program:
FY 2001 and Estimated FY 2002

	FY 2001			Estimated FY 2002		
		Number of			Number of	
	Funds	Projects	Partners	Funds	Projects	Partners
BLM	$9,173,000	To be supplied.		$9,173,000	To be supplied.	
FWS	$3,876,453	285	716	$3,876,453	370	916
NPS	$4,980,000	225	225*	$6,980,000	300	300*
	$18,029,453	510	941	$20,029,453	670	1,216

*Estimated minimum number of partners.

BLM is reviewing data from BLM State and field offices to compile the number of Challege Cost-Share projects and partners involved in FY 2001 and planned for FY 2002. When compiled, the data will be forwarded to the Subcommittee.

BUDGET PRIORITIES

Your budget highlights a new $100 million Cooperative Conservation Initiative to foster partnerships with federal partners and yet there are substantial reductions to core federal programs. The Payments in Lieu of Taxes program is reduced by $45 million, U.S. Geological Survey by $25 million, and Abandoned Mine Land reclamation grants are reduced by $29 million.

Question: Would you explain this rearrangement of priorities?

Answer: In formulating the FY 2003 President's Budget, the Department had to make difficult choices in balancing competing needs at a time of fiscal constraint. The proposed budget allocation for FY 2003 provides an excellent balance of programs, with realistic fiscal constraints, to address natural resource conservation, as well as recreation and wildlife needs.

The request of $165 million for Payments in Lieu of Taxes is $15 million higher than last year's request and is significantly higher than historical levels for the PILT program. The appropriations from 1995-2000 ranged from $101 million to $134 million.

The FY 2003 request for the U.S. Geological Survey maintains funding for core mission programs, retains some funding increases provided recent years to enhance science support of Interior land management bureaus and to address other high priorities, and proposes modest increases such as $2.7 million for

energy-related oil, natural gas and geothermal work, and $4.0 million for the Comprehensive Everglades Restoration Program.

The $29.7 million reduction in the OSM Abandoned Mine Land (AML) Reclamation reflects a reduction of $17.0 million in the AML State Grant program and reduction of $10.9 million for the Federal Emergency program.

With a build-up of carryover in the AML Federal emergency program, OSM will shift $2.0 million to the State program in FY 2003, resulting in a net reduction in the State program of $15.0 million. The resulting State grant program of $147 million, although lower than funding levels of FY 2001 and FY 2000, is higher than historic funding level of State grants, which averaged $141.3 million between 1990 and 1999. This will allow OSM to continue to make progress on the cleanup of disturbed land, resulting in the reclamation of 6,900 additional acres in FY 2003.

This carryover of AML Federal emergency program balances also allows OSM to take a one-time reduction of $10.9 in the program in FY 2003. There is sufficient carryover to manage the Federal emergency program at the same level as prior years.

FWS – LAND ACQUISITION

Question: This week the U.S. Fish and Wildlife Service is quoted in the Philadelphia Inquirer as saying that in an effort to slow the pace of sprawl at the New Jersey shore, the Service has identified 7,840 acres it says it must be kept from developers. Is preventing sprawl a new criteria for the Federal government purchasing land?

Answer: Preventing sprawl is not a criterion for the purchase of National Wildlife Refuge System lands. The Service acquires land within or adjacent to an existing refuge based on their biological significance, and in some cases, to support administration and management of the refuge and visitor services. The most important factor in considering the purchase of lands is whether that acquisition will help achieve the purpose for which that particular refuge was established or the overall purpose of the National Wildlife Refuge System mission. In those situations where changes in use of non-Service land adjacent to or within an existing refuge acquisition boundary may impair the Service's ability to achieve the purpose for which that refuge was established or the System mission, the Service may also consider acquiring such lands. Accordingly, while preventing sprawl is not a criterion for Service land purchases, development that hampers or prevents the Service from meeting its mission responsibilities is a factor that can be considered in setting acquisition priorities.

In the case of the New Jersey shore, the Service identified 7,838 acres to purchase for Edwin B. Forsythe National Wildlife Refuge and Cape May National Wildlife Refuge in the revised Draft Comprehensive Conservation Plan and the Environmental Assessment (July 2000) for these two refuges. Purchase of these

acres would protect federal trust resources such as endangered species and migratory birds, and protect and enhance the values of adjoining refuge lands. Acquiring these lands for inclusion in the National Wildlife Refuge System will result in conservation of federal trust resources and less habitat fragmentation.

SOUTH FLORIDA INITIATIVE—EVERGLADES RESTORATION

Madam Secretary, I commend you for your Department's handling of the binding agreement between the Federal Government and the State of Florida to ensure that specific targets are set for ensuring adequate, clean water supply to the Everglades and other natural areas. The Committee is aware of your current negotiations with the Army Corps of Engineers on the programmatic regulations.

Question: What is the status of those negotiations?

Answer: Since the Jacksonville District of the Army Corps of Engineers (Army Corps) released its "initial draft" of the programmatic regulations to the public on December 28, 2001, Departmental staff have analyzed the regulations and are suggesting improvements to the Army Corps. As a result, the Department expects an improved draft of the regulations will be published in the Federal Register sometime this spring for official public comment after it has received Executive Branch review. As you know, the law requires the issuance of the regulations by December 11, 2002 and the Department expects that the Army will meet that deadline.

Because the Secretary of the Interior is provided a concurrence role in the programmatic regulations, the Department has assembled a programmatic regulations "team" that includes Special Assistant and Counselor to the Secretary Ann Klee, the Executive Director of the Task Force Colonel Rock Salt, the Solicitor's Office attorneys, and individuals with technical and scientific expertise from the National Park Service, Fish and Wildlife Service, and the U.S. Geological Survey. The Interior team is working with the Army Corps to examine various approaches to establish a procedural framework to implement the Comprehensive Everglades Restoration Plan. Many of the complex issues that need to be addressed are novel in federal environmental law. The Department's goal in assisting the Army Corps in this effort is to ensure that the final regulations will complement the recently completed binding Assurances Agreement. This will put in place the necessary structural framework to allow the governmental partners to achieve the primary federal interest in implementing this Plan: the restoration of the Everglades natural system.

In addition to working with staff from the Army Corps, the Department also is soliciting input from other governmental representatives, including representatives from the State of Florida and the Seminole and Miccosukee Indian Tribes. Also, since early January the Department has held several meetings with stakeholders, including environmental groups and diverse

agricultural interests. Similarly, the Department has hosted three meetings of the South Florida Ecosystem Restoration Task Force in an effort to facilitate discussions of the programmatic regulations, thereby providing for local input into the development of the draft regulations. Lastly, the Department has met with congressional staff to hear concerns from interested staff and Members of Congress.

The Department expects that its discussions with all interested parties and collaborative work will continue until the Department concurs in the issuance of the regulations.

Question: How will you ensure that the Interior Department's interests are satisfied?

Answer: The programmatic regulations team that the Department has assembled contains, among its members, decades of experience in working on Everglades restoration issues and in managing Interior lands and stewardship resources. They are extremely knowledgeable about the challenges facing the Department, and others, in implementing the recently enacted Comprehensive Everglades Restoration Plan. They are extremely capable at resolving tough issues, while also meeting the Department's mission. For example, the Interior programmatic regulations team includes individuals who possess scientific knowledge in the areas of: hydrology, ecology, and biology; natural resources, environmental, and Florida water law; and great familiarity with the process and procedures of the Army Corps, as well as its local sponsors. As a result, the Secretary is confident that the Department of the Interior's interests will be satisfied by having a final set of programmatic regulations to achieve Everglades restoration goals and objectives.

Question: The draft regulations call for the Department of the Interior to participate in many of the planning, design, and assessment activities involved in implementing the plan, but does not provide for a leadership role. Should DOI have a leadership role on the RECOVER team which would give the Interior Department more say in determining what performance measures and targets to use in judging success in restoring the ecosystem?

Answer: The purpose of the Restoration, Coordination and Verification (RECOVER) teams is to provide system-wide evaluations and analyses to determine whether modifications to the Comprehensive Everglades Restoration Plan are needed. Additionally, RECOVER assists in CERP implementation through its support of the adaptive assessment program.

While RECOVER is chaired jointly by the Army Corps of Engineers and the South Florida Water Management District (SFWMD), Department of the Interior staff serve as tri-chairs of several of RECOVER's teams and also sits on

RECOVER's leadership committee. The teams perform the substantive work of RECOVER.

The Corps and the State are currently drafting a Memorandum of Understanding that will define the framework of the RECOVER teams. They have sought Interior's insight into this issue. The Department believes that this will place Interior in an appropriate role to ensure that Interior science will serve as a solid basis for decision making. The Department looks forward to working with the Corps, the SFWMD, and other agencies on RECOVER teams.

Question: The Committee remains concerned about the commitment level for science programs for this initiative. Funding has steadily decreased over the last several years. Now the fiscal year 2003 budget proposes to move the Critical Ecosystem Studies Initiative (CESI) funding from the National Park Service to the Geological Survey (USGS). This money has been spent by the Park Service for on-the-ground monitoring data that will be used to develop performance indicators for the ecosystem. Why is the funding being moved and how will the Department guarantee continuity in the projects that have been funded?

Answer: With the enactment of the Comprehensive Everglades Restoration Plan (CERP), the Department is integrating its research, monitoring and assessment, and coordination efforts in order to leverage resources and maximize the value of Federal research funds. The U.S. Geological Survey, one of the Federal government's premiere science agencies, is in a unique position to provide scientific research and support to bureaus throughout the Department.

The CESI funding is being moved primarily to ensure that the bureaus are working well together to establish a sound scientific basis for decision making. Important monitoring, assessment and planning will continue. The Department remains committed to ensuring that science studies are responsive to the needs of the NPS and FWS, the two agencies charged with principle land management responsibilities.

The Department will guarantee the continuity in projects, particularly important monitoring and assessments, in a number of ways. First, a Memorandum of Understanding, which was recently signed by the NPS, FWS, and USGS, clarifies the roles and responsibilities that the agencies will have regarding Everglades science to ensure that the bureaus work together to plan a studies program to achieve Everglades goals. The Department and the USGS will continue efforts for adaptive assessment, baseline ecosystem research and monitoring, simulation models and decision support tools, and planning and interagency coordination.

In addition, in response to FY 2002 House Committee report language, the Department has requested that the National Research Council review the effectiveness of the science component of the CESI program. The findings of the NRC should be available in the fall of 2002. The Department expects that the NRC findings will be valuable in determining the future direction of the program.

Question: Successful restoration requires that all the participants agree on the goals of restoration. The Task Force has produced a vision of restoration based on three broad goals—getting the water right, restoring and enhancing the natural system, and fostering the compatibility of the built and natural environment. Do the participants agree on the more specific details of projects and operations? Do the agencies participating in restoration agree on the details of restoration?

Answer: There are twelve Federal agencies, seven Florida State agencies or commissions, two American Indian tribes, sixteen counties, scores of municipal governments, and interested groups and businesses from throughout South Florida involved in the restoration effort.

The Department plays a leadership role as chair of the Task Force. For specific projects that encompass the restoration effort, the existing planning and decision making processes, including NEPA, allow the parties to review alternatives and narrow differences. These projects include the Modified Water Deliveries project, the C-111 project, water quality improvements, and the Comprehensive Everglades Restoration Plan. Goals for these projects are largely set in law by either the Congress or the State and strong protections are embodied in both legal systems.

Given the scope and complexity of this issue, disagreements and conflict are to be expected. The Task Force provides a forum for consensus building and issue engagement among the government entities involved in restoring the South Florida Ecosystem. In addition, the Task Force seeks public involvement in creating a restoration strategy; a key role of the Task Force.

This is a collaborative effort. If members disagree on certain restoration details, the Task Force works to facilitate the resolution of that conflict. Given the number of parties involved in this endeavor, and their differing perspectives, there are certain to be differences with respect to defining specific restoration objectives on any specific project. However, by providing a forum such as the Task Force, the Department believes that disputes can be fairly resolved and can lead to improved outcomes.

Achieving Everglades restoration is not easy and the vigilance of all parties who support this outcome, which includes many stakeholders, is necessary. We believe that the excellent progress being made on projects such as the Modified Water Deliveries program proves that the various entities involved can and do work in concert to reach restoration goals.

Question: Interior has contracted with the National Academy of Sciences for a committee to provide oversight of the science involved in restoration. The committee organized by the Academy, called the Committee on the Restoration of the Greater Everglades Ecosystem (CROGEE), has worked for almost two years to provide advice to the Task Force and to review the science underlying the restoration initiative. The Task Force has not

approved one of the Committee's work items—an analysis of the human dynamics of the restoration. Why not?

Answer: The role of CROGEE is to examine and report on the scientific and technical underpinnings of matters related to ecosystem restoration and to enhance the science base for Everglades restoration through independent peer review. To accomplish this, it is specifically CROGEE's responsibility:

To identify areas where critical gaps in knowledge exist or where scientific and technical opinions should be re-examined;

To identify additional scientific and technical questions that are relevant to restoration;

To recommend scientific and/or research alternatives and options to address these areas; and

To recommend alternative or improved methodological approaches to scientific and technical questions.

Over 200 qualified candidates were originally considered for membership in the CROGEE. The Working Group of the Task Force also recommended candidates for the 15 original appointees.

Initially, the Working Group submitted a suggested list of priority work items for the CROGEE. Subsequently, the CROGEE forwarded a list of proposed work topics for review. These items were reviewed by the Working Group for submission to the Task Forces.

The CROGEE has proposed five work items. Four of these work items, dealing with scientific and engineering issues, were approved by the Task Force. The fifth item, "Human Dynamics Aspects of Restoration Efforts", has not yet been approved and the Task Force referred this task back to its Working Group for further analysis, scoping and discussion. The Department anticipates a report to the Task Force on the results of the Working Group's assignment in June or July of 2002.

The Department expects that the Working Group will be able to respond to the Task Force's assignment on this issue, and that the Task Force will be reviewing this matter for consideration at a future meeting.

ENDANGERED SPECIES

Question: There has been a lot of attention focused on endangered species programs and I would like to address some of these specific issues, but first would you please explain what you are doing to ensure that ESA programs are managed fairly and efficiently?

Answer: The Service is working to implement the ESA fairly by increasing its efforts to involve States, stakeholders, partners, and the public in program management; emphasizing the development and use of best-available science in decision-making; and increasing its emphasis on incentives, particularly financial incentives, to encourage private landowners to engage in

endangered species conservation on their lands. The Service believes that a more inclusive, scientifically sound, incentive-based approach to endangered species conservation will lead to increased success. The Service is also implementing the ESA in an efficient manner by focusing on candidate conservation and recovery programs, expanding contributions of other Service programs and external partners toward endangered species conservation, and using an ecosystem approach to conservation.

The Service realizes that without partners, implementation of the ESA would be impossible. The Service will endeavor to continue to implement the ESA in a fair and efficient manner and will work to increase partnerships among all segments of the population.

The Service also works to manage ESA programs fairly and efficiently by allocating resources based on workload; establishing policies and procedures; and training.
The Service allocates its endangered species candidate conservation, consultation/HCP, and recovery program budgets to its regions in relation to objective measures of relative workload, such as numbers of listed species and completed HCPs. Allocating resources based on workload helps ensure that issues are addressed in an efficient and timely manner. In recent years, the Service has had limited ability to allocate the ESA listing program budget based on biological priorities, as the program has been driven by litigation and most funding is allocated based on costs to comply with court orders and settlement agreements.

The Service is engaged in two efforts to improve this situation. First, the 2003 budget continues the critical habitat subcap language adopted by Congress in 2002, but proposes to adjust the subcap from $6.0 million to $5.0 million; this will better enable the Service to implement a more balanced listing program that includes listing actions and responses to petitions from the public as well as significant critical habitat designations. Second, the Service is developing a new system to prioritize listing actions. This new system will be based on the best scientific methods available and, unlike the current system, will include methods for prioritizing all listing actions, including critical habitat designations. The system is being developed with independent scientific input, and the Service expects to publish a proposal for public review and comment in the Federal Register this spring or summer. A final listing prioritization system will be in place during 2003. Development, public review, and adoption of a new listing priority system will improve the Service's ability to manage the listing program fairly and efficiently.

In the section 7 consultation and HCP portions of the ESA program, the Service has developed detailed handbooks to enhance consistency and aid field staff in implementing these two programs, helping ensure fair and efficient management of the consultation and HCP programs. The section 7 consultation handbook was finalized in 1998. The HCP handbook was finalized in 1996 and a major amendment to the handbook was completed in 2000. The Service has held national workshops for staff in these two programs annually since 1999 and

supplements these workshops by hosting monthly conference calls with the regional coordinators for these programs. The National Conservation Training Center has conducted 23 sessions of section 7 training and 13 sessions of HCP training since the respective handbooks were finalized. Each training session typically includes about 20 Service biologists as well as biologists from other Federal, State and local government agencies and private individuals.

RIVERSIDE, CA MULTI-SPECIES CONSERVATION PLAN

Question: Habitat conservation plans have been a major focus of the Department in dealing with endangered species issues. Some of these plans have tremendous potential but also a pretty big implementation price tag. The Riverside County Multi-Species Conservation Plan is critical to that region of southern California. As that plan is about to be finalized, what approaches will the Department take to ensure that funds are available for its implementation?

Answer: Habitat Conservation Plans allow private landowners and State and local governments to use or develop their property while promoting ESA listed species conservation. HCPs are important tools for working in partnership to achieve conservation goals.

While ESA places the primary responsibility to ensure that adequate funding is available for an HCP with the permit applicant, the Service has several grant programs that can assist applicants in implementing HCPs, such as the Cooperative Endangered Species Conservation fund and State Wildlife Grants. Grant applications to support these large-scale HCPs are often highly competitive under the Cooperative Endangered Species Conservation Fund.

The Cooperative Endangered Species Conservation Fund includes $63.1 million in 2003 for HCP Planning Assistance ($6.6 million) and HCP Land Acquisition grants ($56.5 million). The HCP Planning Assistance grant program is available to assist with the pre-application phases of the HCP program. The HCP Land Acquisition program is available to assist in conserving land that will complement an approved HCP.

The State of California has received $12.0 million in HCP Land Acquisition assistance associated with smaller scale approved HCPs within Riverside County. These funds have been used to conserve corridor connections or enhance conservation reserves established as mitigation under approved HCPs. This combination of planning and land acquisition grants offers an innovative mechanism for the Service and the State of California to assist local jurisdictions in developing and implementing an overall conservation strategy for the species in the County and State.

Riverside County and the local jurisdictions are currently proposing to fund the implementation of the Western Riverside MSHCP using a local development fee program. Through this funding mechanism, Riverside County and the local jurisdictions plan to acquire lands or conservation easements from private

landowners for 102,000 acres that will be conserved and managed in perpetuity. This 102,000 acres serve as the mitigation for the incidental take associated with the permit. In addition, the MSHCP also anticipates that an additional 51,000 acres will be needed to further the conservation objectives in the County. The County envisions that the additional 51,000-acres will be acquired using Federal and State funds. While the State and the Service are supportive of these goals, there has been no formal commitment or agreement to provide funding. In other large-scale regional multiple species HCPs, Federal and State contributions have taken the form of establishment of national wildlife refuges or state management areas.

Question: The Riverside HCP is a good example because it involves a number of local, State and Federal agencies and is in a highly populated and growing area of California. Land acquisition for the plan is estimated to require $1.5 billion - obviously more than can be available through this bill. Would you share with us any ideas you have on addressing this problem - not only for Riverside County but for other HCPs as well?

Answer: Many HCPs include a component that requires lands to be set aside in conservation status to protect habitat for threatened or endangered species as part of the overall mitigation strategy of the plan. Applicants are required to fund the acquisition of these lands. In some situations, lands that provide habitat for species are already owned by government entities or are held in perpetual conservation status under conservation easements. In other situations, conservation easements, fee title acquisitions, or other conservation actions may be necessary to mitigate the incidental take of the species. Funds for these activities can come from a variety of sources—bonds, fees added to development activities, property taxes, or grants.

CANADA LYNX

Question: There's been a lot of press recently about employees of the Fish and Wildlife Service and other agencies planting false samples of lynx hair in conjunction with a Canada lynx survey in Washington State. What specifically is being done to address this problem and what are you doing to ensure it is not repeated in other programs?

Answer: This matter involves action by two Service biologists, three Forest Service personnel, and two State employees who submitted unauthorized lynx hair samples to the lab charged with analyzing those samples. While the actions of these individuals have caused the public to doubt the overall credibility of the agencies' science, it is important to point out that this is not an example of bad science by the agencies involved; instead it is bad judgment by the individuals involved. This is a crucial distinction which must be kept in mind in evaluating this situation.

Because of the importance of science to both the perception and the reality of the Service's activities, particularly with regard to the Endangered Species Act (ESA), the following principles must guide the Fish and Wildlife Service's

administration of ESA activities: ensure that decisions are based on the best available science; seek independent peer review of decisions where possible; provide for public participation throughout the decision-making process; and ensure that the decision-making process is understandable and transparent. These principles, which were published at various times in the Federal Register, establish a solid framework within which science-based decisions can be made under the ESA.

The Service is committed to provide the leadership, guidance, training, resources, and discipline to ensure and enforce high standards of scientific integrity and ethics in addressing its responsibilities. A multi-faceted approach has been developed to address this issue. Key elements include:

Performance and Conduct Standards. The Service has developed personnel standards which specify disciplinary consequences for inappropriate or unacceptable behavior related to science. On February 12, a Director's Order was issued concerning "Disciplinary Action for Unauthorized Activities in the Course of Scientific Studies or Investigations." Key components of this Order include:

- Requiring all employees who are involved in scientific studies or investigations to adhere strictly to established scientific protocols;
- Requiring that any employee who questions the scientific methods being used in a study, including the quality assurance and quality control procedures for analysis, use appropriate channels to address their concerns with the Director of the research;
- Stating that any measures taken outside of established study protocols to "test" any aspect of a study without the knowledge and consent of the principal investigator are always unacceptable; and
- Informing employees that acting outside of established scientific protocols would be grounds for disciplinary action up to and including removal from the Service.

Leadership. The Director has met personally with Regional and field managers in three of the seven Regions, and focused on the science issue in his public and private remarks. The Director plans to do the same with the remaining Regions in the near future.

The Director will ensure that all Regional Directors and Assistant Directors, both in their collective meetings and in their individual actions, focus on sound science as the foundation for decisions.

Optimize External Resources. The Service will fully utilize good science support, including bringing external science expertise to bear on the design and conduct of scientific studies and evaluations, as well as review of the final product. They will seek advice from respected wildlife management professionals, academia, States, and the private sector.

In cooperation with the Department, the Service is examining which products and processes would benefit by additional peer review. The findings of this review will be rapidly implemented.

Whenever possible, the Service will utilize independent scientific expertise in their activities at the planning level.

Training. The Service's National Conservation Training Center will review the full range of its instructional programs to ensure that the importance of scientific rigor, scientific integrity and ethics in science is integrated into all of their technical curriculum, supervisory training, leadership development programs, and current new employee orientation. It is a well-established axiom that an organization will apply the skills that it focuses on in its learning phase.

All agency managers, supervisors, and leadership will be required to satisfactorily complete this training. It will be provided to all new employees as an additional part of standard existing new-employee training.

The National Conservation Training Center is making preparations for the Director to discuss this issue with the entire organization through the use of the interactive broadcast network. Additionally, during this broadcast each employee will personally receive a copy of the Director's policy regarding scientific integrity and professional ethics to raise Service-wide awareness about this issue and to leave no doubt where he stands on this subject and the consequences awaiting any employee who violates this policy.

Lastly, instructional materials will be prepared and made available to each Regional Director to enable them to conduct special local sessions with their employees about the topics of scientific rigor, validity, and integrity.

It is the Director's commitment and priority to address the problem evidenced by the unauthorized activity in the lynx survey. The steps outlined here provide long-term emphasis on professionalism and ethics. Most importantly, the emphasis on standards, training, leadership, and enforcement will support continued good work by the Service in all its programs, and will avoid actions that would undermine those standards.

Question: To what extent will further action be taken against employees who participated in this deception?

Answer: The two employees have received counseling, however, no disciplinary actions have been taken to date. Appropriate corrective action will be taken to address any misconduct identified by the Inspector General's investigation.

KLAMATH WATER ISSUES

Question: The National Academy of Science recently issued an interim report critical of your actions with respect to water distribution in the Klamath basin, which impacts both the farmers and the fish in that area. Would you briefly describe the Academy's findings and what you are doing to rectify the situation - both in the short and longer term?

Answer: The National Academy of Science study reviewed the science underlying the biological assessment and biological opinions associated with the section 7 consultations that were conducted between the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and the Bureau of Reclamation relative to the operation of the Klamath Project during the 2001 season. The 2001 season was an extremely dry year and there was not enough water to meet all the needs in the Klamath basin.

The NAS study indicates that there were flaws with respect to critical components of the analysis in the 2001 biological assessment and opinions. Significantly, among the NAS's conclusions is its finding that there was no substantial scientific foundation in the biological opinions for requiring higher water levels in Upper Klamath lake or higher water levels in the Klamath River, nor justification for changing the operation of the Klamath Project away from the regime observed in the 1990s. Other components of the biological opinions were found to have good scientific and technical support, including recommendations regarding water quality, fish passage, entrainment, and adaptive management. The study was also critical of the biological assessment for proposing lake and river levels below the levels followed in the 1990's.

On February 27, 2002, BOR released a final biological assessment for operation of the Klamath Project. The new biological assessment analyzes the effects of operating the project from April 2002 to March 2012 and proposes project operations consistent with the NAS findings. The National Marine Fisheries Service and FWS are reviewing this biological assessment. The Services will conduct their reviews using the best scientific and economic data available, and consider fully the findings of the NAS committee. We expect the new draft opinions from the services on or about April 19, 2002.

As an interim step, BOR requested that FWS issue an opinion on planned operations through May 2002, and asked NMFS to engage in informal consultation for the same time period. The Services have agreed through informal consultation and interim formal consultation that proposed Project operations will not jeopardize endangered species during the months of April and May 2002. Accordingly, on March 29, 2002 BOR commenced water deliveries to Klamath Project farmers.

On March 1, 2002, President Bush established a cabinet-level working group to investigate water quality and water quantity issues in the Klamath Basin, and develop short-term and long-term solutions to the challenges affecting farmers, ranchers, fisherman, tribes and others in the Klamath Basin. This working

group, made up of the Secretaries of Interior, Commerce, Agriculture and the Chairman of the Council of Environmental Quality, will report its findings within 18-months.

Question: What does your budget assume with respect to addressing the Klamath problem?

Answer: The 2003 budget funds a number of activities in BOR and FWS for 2002, as described below. On February 27, 2002, BOR released a final biological assessment for operation of the Klamath Project. Consultation with FWS and NMFS is ongoing. As the consultation process continues, the Department will continue to assess funding implications and work with OMB to ensure that adequate resources are available.

BOR's budget includes a total of $14.3 million for the Klamath project. The budget includes funding to complete the installation of the fish screen at the "A" Canal Headgates to reduce entrainment of suckers. Construction is expected to begin this fall and be completed by April 1, 2003. A feasibility study for increasing storage capacity of Gerber Reservoir is progressing on schedule and should be completed late in 2003. Funding will also support ESA compliance research and monitoring studies; feasibility studies on development of water acquisitions, groundwater supplies, and water quality enhancement; and other high priority project activities.

The FWS budget continues funding of the Klamath River Flow Study at $748,000. FWS, in cooperation with BOR, USGS and BIA, will continue to collect baseline information to assess fish habitat conditions, determine the relationship between habitat and flow regimes, and evaluate conditions limiting species survival in the river and its tributaries below Iron Gate Dam. Actions resulting from the study will help recover species, avoid further listings, enhance tribal trust responsibilities, restore recreational fisheries and related local economies, and reduce impacts of conservation efforts on water users.

FWS will also continue implementing the Upper Klamath River Basin Restoration Initiative under the Partners for Fish and Wildlife Service program. This cooperative effort between federal, state and local agencies, tribes, public organizations and individuals is helping restore the Klamath Basin ecosystem. FWS funding supports the selection and implementation of wetland and other habitat restoration projects in the Upper Klamath Basin.

The budget also includes $1.0 million for continued construction of structures to provide alternative water sources for the Lower Klamath National Wildlife Refuge.

WETLANDS

Question: Reportedly, the Fish and Wildlife Service objected to several of the measures adopted in the recently issued wetlands regulations. What specifically were those objections and why weren't they forwarded by

the Department to the Army Corps of Engineers during the decision making process?

Answer: The Fish and Wildlife Service expressed concerns about several measures proposed by the Army Corps of Engineers for the reauthorization of the nationwide permit program, as described in the Corps' Federal Register notice of August 9, 2001. These concerns related to the reissuance of NWP 21 for surface coal mining; the proposed lifting of an existing 300 foot limit on the destruction of stream channels; and the methods the Corps uses to define "minimal impacts" for the NWP program. The Service also expressed concerns regarding the proposed changes to the acreage limits of several nationwide permits. Because the Office of Surface Mining also had comments regarding the Corps' proposed rule, the Department followed standard practice to coordinate the comments of the two bureaus. The Service worked with the Office of Surface mining to develop a joint comment letter to the Corps on the nationwide permit proposal. Unfortunately, the Department was unable to complete the review of the joint comments before the Corps finalized the NWP proposal. Although formal written comments were not submitted, both the Service and the Office of Surface Mining participated in meetings with the Corps during the fall of 2001 to discuss the proposed rule.

MIDWAY ATOLL NWR

Question: Midway Phoenix Corporation recently stated that, effective March 2, 2002, it would terminate its cooperative agreement with the Fish and Wildlife Service for Operations at Midway Atoll National Wildlife Refuge. What is the current status at Midway?

Answer: Discussions have been underway with Midway Phoenix Corporation (MPC) since they announced plans to terminate operations at Midway in January 2002. On February 24, the FAA certificate for Midway's airfield expired without renewal because MPC failed to correct operational deficiencies identified during previous inspections. On March 3, 2002, MPC removed approximately 70 foreign national employees from the refuge. On March 6, 2002, the Service and MPC signed a no-cost settlement agreement. MPC will remain on the Refuge under a Special Use Permit from the Service until May 1, 2002. They will continue operation and maintenance of the island's infrastructure, including the airfield, at no cost to the Service. To fulfill contractual obligations to Boeing Corporation, they have also agreed to turn over critical navigational, weather reporting and communication equipment to Boeing, for use at Midway.

Question: If the cooperative agreement is terminated, what additional Federal funds would be required to provide continuous operations at Midway in fiscal year 2002, including operation of the airfield?

Answer: In FY 2002, the Service has allocated $494,000 in operations and $543,000 in maintenance funding for Midway Atoll NWR. The operations funds will be used for staff salaries and basic operational costs. The refuge also

received $650,000 in FY 2002 construction funds earmarked for Midway Atoll NWR that will be used as planned to repair the main hangar roof.

The above-mentioned funding will enable the Service to conduct only limited biological monitoring at Midway Atoll NWR. Most facilities would be shut down except one building each for housing, a shop, and office. Since this level of funding would not support a technical crew that is necessary to operate and maintain existing utility systems (generator, power plant, water systems, septic, etc.), emergency back-up plans will be needed to determine the best utility system alternatives.

The Department is working on a transition strategy to ensure that the wildlife and historic resources of Midway are protected. The Department will also work with other parties and partners with mission responsibilities related to Midway airfield, refueling, and ecotourism operations to find additional resources to operate the facility at higher levels of capability. The Department has no plans to seek additional funding for this transition, but may seek flexibility or authorization to reprogram funds.

Question: What will you do over the longer term if the Midway Phoenix agreement is terminated, and what impact would it have on the 2003 budget?

Answer: The Service will work with partner agencies and other stakeholders to identify cost- sharing opportunities for FY 2003 and beyond. Although there would be limited opportunities for visitation to Midway Atoll NWR in the near term, the Service anticipates that the visitor program at Midway could be expanded incrementally through additional cost-sharing partnerships and project-specific concessionaire contracts.

REFUGE EXPANSIONS

Question: The Committee is pleased to see an emphasis placed on addressing the operational and maintenance shortfalls in the National Wildlife Refuge System. In the past the emphasis has been on land acquisition without acknowledging the strain it placed on constrained operational budgets. What are you doing to control the number of new and expanded wildlife refuges?

Answer: The Department is taking a number of steps to ensure that expansion of the National Wildlife Refuge System is focused on those areas where acquisition of lands by the Federal government represents the best conservation alternative. From a broad perspective, the Department's 2003 budget addresses this concern by focusing on programs that enhance partnerships and provide a range of tools for States, local communities, federal managers, and private citizens to engage in innovative projects to achieve conservation goals. It is important that the Department explore means other than Federal land acquisition to protect wildlife.

The Department is also taking steps to improve the specific processes involved in establishing and expanding refuges. The 2003 budget includes for the first time, as directed by the Appropriations Committees, a proposed list of planning activities for new and expanded refuges. Beginning with 2004 budget development, the Department will require the Service to include a list of planning activities in its budget request to the Department. This will establish a formal budgetary review process for new and expanded refuges.

Another important reform implemented by the Service in 2000 was withdrawal of authority to Regional Directors to establish new refuges and significantly expand refuge boundaries. The Director now only considers new refuges and major expansions of existing refuges when the request from the Region includes documentation as to the total cost of purchasing, staffing, operating, and maintaining the proposed new or expanded national wildlife refuge at full purchase acreage. Regional Directors are required to identify the source of funding for the operational costs of these new units and identify likely future Refuge Operating Needs System (RONS) projects and Maintenance Management System (MMS) projects.

The Secretary, as a member of the Migratory Bird Conservation Commission, has also taken steps to ensure that future operations and maintenance costs are considered in the acquisition of new land through the permanently appropriated Migratory Bird Conservation Fund, by requiring the Service to include estimated operations and maintenance costs in project proposals.

BIA SCHOOL PRIVATIZATION

Question: The BIA budget justification contains insufficient detail to analyze the Administration's School Privatization Initiative. Please describe your goals for the proposal, how you specifically plan to reach those goals, and what role the Tribes have played in developing the proposal.

Answer: The Department's goals for this initiative are an outgrowth of the long-standing policy of Indian self-determination and the President's commitment to results-oriented education reform. The initiative places new emphasis on improving academic performance at BIA schools to enhance the opportunities for Indian children to succeed in learning. Currently Tribes and tribal organizations operate 121 of the 185 schools under BIA supervision under the provisions of Public Law 100-297 as grant schools. Through the School Privatization Initiative, we are continuing to encourage Tribes to exercise their right of self-determination and assume operations of the remaining 64 schools. Outsourcing the schools to tribal grant operation is the preferred option under this initiative. In the event that Tribes do not exercise this option, the BIA plans to enter into partnerships with professional education management companies to manage the schools cooperatively with local tribal school boards.

A general outline of the School Privatization Initiative was provided in the budget justification because of our statutory requirement to consult with tribal governments on policy and program changes. Tribes will clearly play a major

role in developing the details of the privatization plan and its implementation through tribal consultation on the initiative. Several regional consultation meetings will be held throughout Indian Country in locations near high concentrations of BIA schools. Additional written comments will also be accepted.

The budget is explicit with regard to the funding request to support this initiative. The initiative includes $11.9 million in additional funding to increase administrative cost grants, improve facilities operations and student transportation, contract with professional education management companies, and address potential costs of teacher displacement. The precise number of schools each year and the identity of the specific schools to be privatized, as well as the choice of grant or education management partnership could not be dictated by the Department prior to consultation.

TRUST REFORM

Question: What do you see as the biggest problems or challenges to Indian trust reform?

Answer: There are a number of challenges facing the Department in trust reform. It is self evident that the nature and scope of the Federal Government's trust obligations in the area of Indian affairs is complex and reflects a history dating to the establishment of the Federal Government. The problems facing the Department in general include the need for a clear understanding of the Government's trust obligation to the beneficiaries, the difficulty in hiring and retaining experienced trust management staff, and finally, the need to ensure accountability by those responsible for delivering trust services.

The American Indian Trust Fund Management Reform Act of 1994 addresses a principal part of those Federal obligations: the financial and other assets the Government holds or manages as the trustee for Indian tribes and individual Indians. The Department, like any trustee, is responsible for the management of identifiable assets. The Department is required to manage those assets, make investment decisions, account for the income produced, and report to the beneficiaries about its stewardship of these Indian trust assets. Like every other trustee, the Government trustee is required to know what assets are held in trust, how those assets are invested and managed, and to whom the proceeds are to be paid. Currently, the Department cannot perform its trust duties at the level required by the Reform Act. We will be studying the current business processes through which trust activities are managed.

Management problems also affect the Department. The Department lacks senior managers with sufficient experience in delivering trust services and in operating trust systems in the private sector. There is a critical need for senior level project management skills applicable to large trust operations projects.

The Department also lacks a management structure that provides accountability to ensure the delivery of appropriate required trust services to Tribes and individual Indians. The Department and tribal leaders are discussing the relative merits of a variety of organizational proposals.

Question: I understand that the Department is developing a new overall strategic plan for trust reform to replace the High Level Implementation Plan. When will this plan be completed?

Answer: We are currently working on a strategic plan to replace the HLIP, which has taken us as far as it can. The Office of Indian Trust Transition has the lead in this effort and is making rapid progress on developing the new strategic plan. We expect the new plan to be completed later in 2002.

Question: In the interim, what specific activities are you continuing to put in place to fix the current trust fund systems?

Answer: The Department is continuing to address trust reform and is actively working to address trust fund systems issues. A summary of the activities underway include:

- A contract has been awarded to EDS to prepare an "as is" Trust Asset Management Business Model, to assist the Secretary in identifying the steps necessary to address issues that have slowed trust reform in the past.
- The Department is deferring further development and deployment of TAAMS until the business processes are documented and defined. This delay will enable full definition of requirements for the automated system and conformance with recommendations by the General Accounting Office.
- EDS also performed a comprehensive assessment of the High Level Implementation Plan to include progress monitoring, coordination, and management effectiveness for the subprojects. The final EDS report on trust improvement was issued on January 24, 2002. The next major step for DOI will be to determine trust improvement strategy going forward. This effort is currently underway.

Specific changes are also being implemented in several trust reform projects, which will impact trust funds systems. Based on recommendations in the initial EDS report, the following actions have been taken or are being considered in the data clean up, trust asset and accounting management system, and probate clean up projects as follows:

Data Clean up

- Redirection of contractors to concentrate on established data issues while developing a nation-wide data-cleanup plan.
- Development of a consistent, nationwide strategic project plan to include:
- Adequate balance between government and contract personnel.

- Coordination with other projects, e.g., records management and historical accounting.
- Safeguarding of validated data to mitigate risk of corruption.
- Segregation of the data conversion from the data verification process.
- Determination of the universe of data in need of verification.
- Based on fiduciary responsibilities, prioritization of the validation and correction of data.

Probate Clean up

- Contract to compile documentation on comprehensive business processes.
- Determine the universe and current state of pending probates to include validation between manual records and the Trust Funds Accounting System.
- Assess fiduciary duties as they relate to the probate process.
- Complete reengineering of business processes to meet fiduciary duties.
- Augment project management tools.
- Determine the proper mix of contract and dedicated BIA staff to manage the project.

Asset and Accounting Management Systems

- Evaluate the existing Applied Terra-Vision Systems product for land title and additional requirements.
- Defer further development and implementation of the ATS product until business processes are completed.
- Complete the modification including appropriate testing to correct minor flaws in the current title production system.
- Perform a comparison of current title ownership to realty and oil & gas ownership in the legacy system to determine number and type of anomalies.
- Provide additional reporting capability to the current title production system.
- Evaluate and modify, as necessary, all contracts supporting the ATS product to ensure contracts coincide with the EDS recommendations to defer further development and implementation.

EDS will compile documentation on key versions of business processes, validate the current processes, and document any necessary regional variations in practices. This will allow DOI to establish business processes for like processes throughout the organization.

INTERNET ACCESS

Question: What is the Department doing to meet the Court's requirements to allow the Department and its Bureaus access to email and the Internet? How long will it take until everyone is back on line, and what are the costs associated with this effort?

Answer: All bureaus and offices can currently send email within their local bureaus or offices. To allow exchange of email between Bureaus and

offices, we are setting up a virtual exchange point for email traffic in Denver NBC. The bureaus and offices can send email to other bureaus and offices once they have been reconnected to this virtual exchange point.

The Department of the Interior disconnected computer systems from the Internet in accordance with a Temporary Restraining Order (TRO) issued December 5, 2001. On December 17, 2001, the Court entered a Consent Order, which provided four methods by which the Department could reconnect to the Internet and/or resume operations of its computer systems. The Department is working with a court-appointed Special Master to achieve compliance with the Consent Order. Under the terms of the Consent Order, the Department is required to provide the Special Master with "reasonable assurances" that individual Indian trust data on computer systems has been identified, protected and secured.

In order to provide reasonable assurances to the Special Master, Departmental bureaus and offices prepare and submit proposals for reconnection to the Internet and/or resumption of operations to the Associate Deputy Secretary. Upon his approval, these proposals are given to the Department of Justice. Attachments from the proposals, along with declarations from Department officials, are submitted to the Special Master with a formal request to reconnect to the Internet and/or resume operations of particular computer systems. Under the terms of the Consent Order, the Special Master, as necessary, will interview Interior personnel or contractors and conduct site visits "wherever technology systems or individual Indian trust data is housed or accessed." Computer systems are reconnected to the Internet and/or resume operations after the Special Master has provided notification he concurs with the reasonable assurances provided by the Department.

Furthermore, the Consent Order requires the Department to implement specific network security improvements at BIA by January 31, 2002 (which have been completed), and to task a qualified, independent contractor to evaluate the requirements to bring relevant individual Indian trust information systems into compliance with applicable standards of the OMB Circular A-130. In the Second Status Report of the Special Master submitted to the Court on February 5, 2002, the Special Master recognized "that OMB A-130 compliance is simply not possible in the near future given Interior's current budget, resources, and infrastructure . . . [and] has repeatedly emphasized that immediate reconnection and/or resumption of operations will not hinge on full compliance."

Utilizing this process, as of March 21, 2002, approximately 89 percent of the Department has been reconnected to the Internet. This includes the National Park Service, the United States Geological Survey, BIA's Indian Schools network, and the Office of Surface Mining. Four other Departmental bureaus, the Bureau of Land Management, the Bureau of Reclamation, Minerals Management Service, and Fish and Wildlife Service are reconnected under "preliminary approval" until the Special Master has completed his assessment for reasonable assurances that individual Indian trust data is protected and secured.

It is difficult to estimate the exact date all computer systems will be reconnected to the Internet. The remaining bureaus and offices have a more significant role in managing the Department's fiduciary responsibilities to Native Americans, and the process for providing "reasonable assurances" to the Special Master could be more involved.

Estimating costs associated with the effort of reconnecting and/or resuming operations of computer systems is difficult because the Department has and continues to implement a series of immediate computer system security upgrades in order to comply with the Court Order. Other costs have been incurred to create interim solutions, such as operating Departmental administrative systems within the confines of the Consent Order, re-hosting Departmental web sites and supporting customers outside the Department. The Department has also incurred costs to identify, isolate, and protect individual Indian trust data and to put in place a process for certification of all technology systems that house data, including a review of approximately 6,900 servers and many of the individual personal computers throughout the Department.

Email and Internet connections are only a piece of the task of restoring the Department's information technology systems. The larger issue is the security of our IT systems with respect to Individual Indian Trust Data, which must be improved to meet existing guidance and which must meet the Special Master's requirements. The initial estimate of the cost to bring the Trust systems into OMB A-130, Appendix 3 compliance is approximately $65 million over three years. The Department has requested approval to reprogram $11.8 million to begin this process.

BUREAU OF INDIAN TRUST ASSET MANAGEMENT PROPOSAL

Question: Consistent with the EDS recommendations, you have proposed the establishment of a new Bureau of Indian Trust Asset Management and a new Assistant Secretary of Indian Trust Asset Management. What is the status of this proposal?

Answer: We are currently consulting with the Tribes and individual Indians on this proposal. The Tribes have established a Tribal Task Force to provide organized, coordinated input into the process of planning and implementing a new trust organization and are providing and analyzing alternative organizations. We do not yet know the precise configuration of the new organization because we will be incorporating input from the Task Force and from consultations, but we are committed to implementing organizational changes that will improve the management of Indian trust assets in the short and long term.

DEPARTMENTAL SCIENCE

Question: To what extent is the Department of the Interior's science focused on problems of National concern, versus solely on the needs of your Department?

Answer: A significant portion of USGS's programs support Department of the Interior science needs. In addition, USGS science addresses broader national issues such as natural hazards and water quantity and quality.

As DOI's science bureau, the U.S. Geological Survey conducts research on resources and natural hazards and provides scientific data and information to inform land and resource management decisions of importance to DOI bureaus and all other agencies which have land or resource management responsibilities. Issues that require scientific research and analysis are not confined by administrative boundaries and indeed much of USGS science has applicability to similar issues facing other Federal, State, and local agencies. Endangered and invasive species and water-borne contaminants are not bounded by BLM rangelands or FWS refuges. Quality and availability of water, biological, and energy and mineral resources, although important to DOI land and resource decisions, affect the Nation's environmental and economic well-being. Remote sensing data collected, analyzed, and disseminated cover the entire Nation and provide a landscape context for DOI-managed lands.

Question: A recent prestigious journal cited that some of the most important hydrologic research was done by USGS scientists in the toxic substances hydrology program, yet your budget proposes to eliminate this program. Why do you believe that Federal scientists should not do basic hydrological research?

Answer: The Administration is not opposed to the performance of basic hydrologic research by Federal scientists; the FY 2003 budget provides $13.7 million for basic hydrologic research through the Hydrologic Research and Development program. The transfer of the Toxic Substances Hydrology Program to the National Science Foundation reflects the Administration's goal of aligning the Federal government's investment in research and development to give greater support and emphasis to competitive research.

Question: There is bipartisan support for the USGS streamgaging program. This Subcommittee has taken action over the past several years to ensure that high-priority streamgages are not eliminated, especially those that are part of the flood warning system. What is the rationale for your proposal to significantly reduce funding for this program in 2003 ($2 million, 14 percent reduction)?

Answer: The 2003 budget ensures continued emphasis on USGS science programs that support the Department's role in the management of the Nation's lands and resources and the conservation of species. At the same time, the budget continues funding to perform science functions that are inherent to the historical responsibilities of the USGS. The 2003 USGS budget achieves these goals at the request level through a strategy that includes reductions for certain lower priority programs, and also by scaling back some base programs that received significant funding increases in recent years. For example, the 2003 budget retains $6.2 million of the $8.3 million base program increase received in

2001 for streamgages. The 2003 budget strategy also assumes an increased reliance on cost-sharing by USGS partners and beneficiaries of USGS programs.

ABANDONED COAL MINE LAND RECLAMATION

Question: The Administration has increased the emphasis on the need for coal to meet the nation's energy needs. At the same time, for the second year in a row, you have proposed a very large cut in funding to repair coal mine lands, which were abandoned. How do you explain a policy, which stresses reliance on coal but does not provide resources to repair past coal mining damage?

Answer: The proposed $15 million reduction in grant funding in no way signals a lessening of this Administration's support for the AML program. This is a valuable program that the participating States and Indian tribes carry out very effectively. The proposed 10 percent reduction from the fiscal year 2001 grant level is a result of budget choices. The Administration supports the AML program to the greatest extent possible within a responsible budget. Also, the President's Budget will result in an additional 6,900 acres reclaimed and will maintain the Clean Streams Initiative at the FY 2002 level.

Question: To what extent did you consult with the States on cutting AML funding?

Answer: As the details of the President's Budget are embargoed prior to its submission to the Congress, OSM held no specific discussions with the States concerning the reduction. However, OSM personnel maintain frequent contact with State and Tribal representatives and participate in meetings of the National Association of Abandoned Mine Land Programs, which is comprised of the States and Tribes participating in the AML program. Through these contacts, OSM is kept informed of the views of the States and Tribes on matters relating to desired levels of funding and anticipated impacts of funding reductions or increases.

Question: Please explain the Department's position regarding the reauthorization of the Surface Mining Control and Reclamation Act.

Answer: The Department has not yet taken a position on extension of AML fee collection, currently set to expire on September 30, 2004. Over the next several months, OSM staff plans to discuss the issue of possible fee extension with representatives of States and Tribes, industry, environmental groups, Members of Congress, and others to gain a better understanding of the various positions. Based on these discussions, the Department will work with the Administration in formulating a position.

Question: The budget request essentially has level funding for the regulation and technology account which provides matching grants to States to help run the State coal mining programs. How does this request compare with the funding levels requested by the States for their programs?

Answer: The President's Budget requests a total of $57.6 million for State/Tribal regulatory programs. When OSM requested estimates last year when formulating the FY 2003 proposed budget, the State and Tribal requests totaled $60.2 million. The President's budget provides over 95 percent of the State and Tribal request. In addition, the regulatory program funding will allow the States and Tribes to free 94 percent of mine sites from offsite impacts and release 112,000 acres from phase one and two performance bonds.

Question: To what extent will there be shortfalls in funding for individual State regulatory programs? Please provide State level details for the record.

Answer: The following table compares the State/Tribe request for FY 2003 funds with the estimated funding under the President's Budget. Please note that these are estimates only; actual grant awards will be based on historical expenditures, justifications by the States and Tribes, and OSM evaluations. A few States may receive slight increases.

State/Tribe	State/Tribe Original Estimate	President's Budget FY 2003 Regulatory Grant Estimate
Alabama	1,186,826	1,003,371
Alaska	186,148	179,230
Arkansas	146,890	140,326
Colorado	2,027,482	1,852,301
Illinois	2,836,222	2,724,923
Indiana	2,168,434	1,938,321
Iowa	151,018	147,365
Kansas	135,113	135,918
Kentucky	13,201,108	12,846,506
Louisiana	205,513	186,134
Maryland	497,366	484,827
Mississippi	81,262	107,690
Missouri	536,494	498,821
Montana	1,050,000	959,616
New Mexico	746,224	703,135
North Dakota	533,336	481,521
Ohio	1,724,303	1,593,987
Oklahoma	1,121,131	1,072,859
Pennsylvania	11,611,208	11,179,766
Texas	1,494,202	1,521,366
Utah	1,709,100	1,732,150
Virginia	3,579,602	3,323,733
West Virginia	10,248,686	10,141,348
Wyoming	2,043,406	1,928,529
Crow	63,573	71,545
Hopi	220,364	165,864
Navajo	700,005	427,753
N. Cheyenne	26,594	26,095
TOTALS	60,231,610	57,575,000

Question: The budget request includes a special allocation for the West Virginia regulatory program, which comes at the expense of other States. Please explain why you propose to increase funding for poor performing programs while making other, more responsive States, pay?

Answer: OSM believes many of the problems in West Virginia result from inadequate staffing and resources. In July 2000, Congress provided West Virginia a special appropriation to hire additional staff and to make other program enhancements so that the State had sufficient resources to administer its regulatory program. Of the $9.8 million that was appropriated for the State, $3.6 million was for staffing and required State-matching funds. In November 2000, a special session of the West Virginia Legislature was convened to pass a synfuels tax that provides a permanent source of State funding for staffing. OSM must maintain the 50 percent Federal match of the State's grant to enable West Virginia to continue funding the 59 new positions that are being added to its regulatory program. Failure to provide this funding will negate the effort and progress that have been achieved in improving the State's program, and could result in a more expensive Federal takeover of the State's program.

Question: The West Virginia coal-mining program has had substantial problems and several court orders to upgrade its performance. The Congress responded by providing $9,821,000 in supplemental appropriations for the State in 2001. What progress is West Virginia making in upgrading its program? What efforts are underway in the Department to help, and what are you doing to ensure that the State is held accountable for the use of this appropriation?

Answer: OSM awarded the supplemental funding to the State through two separate cooperative agreements. On November 1, 2000, OSM awarded the State a Program Improvement Cooperative Agreement (PICA) for $3.6 million to add 59 people to its regulatory program. On February 7, 2001, a Program Enhancement Cooperative Agreement (PECA) totaling $6.2 million was provided to the State to make technical improvements. OSM included conditions in these cooperative agreements requiring OSM concurrence on major contracts, equipment purchases and staffing permanent positions. An OSM employee was provided to the State through an interagency personnel assignment to assist in managing the cooperative agreements.

To date, the State has issued contracts and has work underway to improve its electronic data management, develop improved models for its hydrologic assessments, create an electronic permitting system, and make other enhancements to modernize its program. The State has filled 34 new positions or 57 percent of the planned positions. However, due to normal attrition and the need to fill some positions from within the agency, the State has a net gain of 14 positions in the regulatory program. There was some slowdown in hiring with the change of State administrations but the current administration is now diligently pursuing hiring goals.

The State is providing OSM quarterly progress reports on staffing and program enhancements. The State is conducting regular meetings with contractors and OSM personnel to monitor the progress of all contracts. OSM is closely monitoring all State expenditures to ensure that the approved positions are being filled; only necessary hardware/software purchases are being made to complete the specified projects; and the projects are on schedule.

TERRITORIAL AND INSULAR AFFAIRS

Question: The budget request includes a reduction in payments to Guam and the Commonwealth of the Northern Mariana Islands to offset the costs caused by migrants from the freely associated states. Is the Administration opposed to compact impact payments? Please explain.

Answer: The Department is not opposed to compact impact assistance. The fiscal year 2003 budget includes $4,580,000 for Guam, even though the legislative earmark for this amount expired at the end of fiscal year 2001. In addition, the Department is requesting $840,000 for impact aid to the Northern Mariana Islands, an increase of $340,000 over the amount in the fiscal year 2002 President's budget. With respect for continuing assistance over the longer term, the Department is working with the State Department to address this issue in the context of renegotiation of Compact assistance for the Marshall Islands and the Federated States of Micronesia. The new long-term assistance package is expected to be implemented in fiscal year 2004.

Question: The economic assistance portions of the Compacts of Free Association between the U.S. and the Federated States of Micronesia and the Republic of the Marshall Islands expire soon and are currently being renegotiated. What is the role of the Interior Department in these negotiations? What progress is being made?

Answer: The Office of Insular Affairs has participated in all discussions with the freely associated states. Within the Administration, the Office comments on all proposals and plays a lead role in drafting proposals that are of particular concern to the Department. As the agency that will be charged with implementation of the financial assistance, our major concerns are the budget and the processes for administering the assistance and ensuring adequate accountability. The Department is very supportive of the efforts of the new Compact negotiator and believes that significant progress is being made. The Department strongly supports the negotiator's target schedule to have the basic agreements completed by late Summer of 2002, so they can be incorporated in the fiscal year 2004 budget. This schedule would also give Congress approximately one full year to enact the necessary authorizing legislation.

QUESTIONS SUBMITTED BY CHAIRMAN JOE SKEEN

NATOMAS HABITAT CONSERVATION PLAN

Question: One approach your Department has used for resolving potential conflicts between the use of property and protection of endangered species is the implementation of a Habitat Conservation Plan. The Natomas Habitat Conservation Plan in California was developed and subsequently approved by the U.S. Fish and Wildlife Service (FWS). Later, in response to a legal challenge, the court upheld the validity of the process, but required some revisions in the plan and the development of an Environmental Impact Statement. The delay in producing these documents is having severe impacts on reasonable, locally approved development in and around Sacramento, California. Why is the process so far behind schedule? When will the documents be completed? What is the schedule and who has responsibility for each step in the process? Can the FWS assure this committee that these items will be completed in time to allow construction to begin this summer?

Answer: To address the court's ruling, the Natomas Basin Habitat Conservation Plan (NBHCP) must be revised and a new Environmental Impact Statement prepared. The applicants, the City of Sacramento, Sutter County, Reclamation District No. 1000 and Natomas Mutual Water Company are jointly preparing a revised NBHCP. An administrative draft revised NBHCP was originally scheduled to be completed by the applicants, and submitted to the Service in April 2001, which would have provided the necessary time for the Service to make a permit decision by May 2002. However, drafts were not provided to the Service until August 1, 2001. The time delay was necessary to determine the scope and range of alternatives due to the addition of Reclamation District No. 1000 and Natomas Mutual Water Company as applicants. In addition, the revised documents have had to address the various changes that have occurred in the Natomas Basin (both biological and land use) and include the No Surprises regulation information that was finalized after the 1997 permit was issued. Subsequently, the Service has reviewed and provided comments on several iterations of the draft documents. The Service has not yet received a complete application package from the applicants. Once the Service receives the complete application package, it can begin processing the documents and open the public comment period. The Service and the applicants have agreed upon, and are committed to, a revised schedule. It is currently anticipated that the HCP and associated NEPA documents will be proposed for public review by early summer 2002 and a permit decision will be made by early 2003.

ENVIRONMENTAL IMPACT STATEMENTS

Question: Many counties in New Mexico would appreciate the opportunity to become co-partners or co-leads with the Department of Interior in the development of Environmental Impact Statements. Does the Department have a position on this type of arrangement?

Answer: The Department of the Interior's NEPA procedures state that a non-Federal agency will not be designated as a joint lead agency unless it has a duty to comply with a local or State EIS requirement that is comparable to a NEPA statement (516 DM 2.4C). Although many States have a comparable NEPA requirement, the state of New Mexico does not have a corresponding NEPA law. However, since the Department of the Interior recognizes the advantages to state or local agencies to resolve law, policy, and resource conflicts under NEPA, non-Federal agencies are encouraged to be cooperating agencies by agreement with the bureaus on the preparation of EISs and EAs (516 DM 2.4C). The Department strongly supports CEQ's guidance on *Cooperating Agencies in Implementing the Procedural Requirements of the National Environmental Policy Act* (January 30, 2002) that provides these advantages to state and local governments.

MEXICAN WOLF PROGRAM

Question: The Congress has asked the Department to review the recent scientific report prepared by outside entities regarding the Mexican wolf program. Instead of a review the FWS appears to be proceeding quickly in approving new changes to the program based on a report of extremely questionable origin. If that is the case, why is FWS proceeding?

Answer: The Service is committed to public involvement in the recovery program. The Service is not implementing changes to the Mexican wolf recovery program as a result of the scientific report. Rather, the modifications to the Mexican wolf recovery program the Service has made were based on recommendations from the stakeholders as a result of the three-year review process. The stakeholder recommendations included inviting the public to the Mexican Wolf Interagency Management Advisory Group meetings and the formation of a stakeholder advisory group. The Service is also implementing additional program improvements, many of which had been recognized prior to the three-year review process. These improvements include hiring more experienced staff; interacting more frequently with local governments; and initiating additional recovery planning activities.

The Service, however, does believe the scientific report contains valuable recommendations worthy of consideration. The Service, when planning the Mexican Wolf Recovery Program, committed to conducting an internal review of the program after three years and contracted with a specialist group within the World Conservation Union (IUCN). The IUCN is internationally recognized as a leader in bringing the public into resolution of environmental conflicts. The IUCn specialist group selected the scientists who authored the review and facilitated the public's involvement.

Congress directed that "Within the funds provided for the ESA recovery program, the Service should contract for an independent review of the Mexican gray wolf program." As a result of this direction, the Service is working with the New Mexico Department of Fish and Game and the Arizona Game and Fish Department to determine what recommendations from the specialist group and

what aspects of the Mexican wolf recovery program would benefit from further independent review. Because the Service and the States have a strong partnership in the recovery of the Mexican gray wolf, it is important all partners participate in all independent reviews of the program. Once areas of the program suitable for further independent review have been identified, the Service will brief the interested members of Congress on the proposed review.

QUESTIONS SUBMITTED BY CONGRESSMAN NORMAN D. DICKS

INDIAN TRUST REFORM

Question: Former Assistant Secretary for Indian Affairs Kevin Gover recently wrote an op-ed piece calling for a revisiting of the proposal made many times over the years to create a separate cabinet level Department of Indian Affairs. Should Congress be considering such a proposal at this point in time? It seems compatible with the recommendations of the EDS report and just one step further than you yourself suggested in your December reorganization proposal.

Answer: Simply elevating the Bureau of Indian Affairs of the Department of the Interior to a new Cabinet-level Department does not solve the inherent problems of trust management without also making additional changes in management structure within that new organization. Nonetheless, the Department is willing to work with interested members of Congress to evaluate the relative merits of this organizational option.

Question: Two months ago the Chairman and I indicated support "in principle" of the proposal to reorganize Indian Trust activities subject to completion of the consultation process with the tribes and their input. What is the status of this consultation and the revised and more detailed reprogramming.

Answer: We are in the process of consulting with the Tribes and with individual Indians on this proposal. Through the Tribal Trust Task Force we will receive additional feedback on the Department's proposal for a new trust organization as well as alternative proposals for consideration. The Task Force met in Phoenix on March 8 and 9 to review organizational options and to meet with Department officials and EDS representatives. The Task Force will have additional meetings in late April in San Diego, in late May in Minneapolis, and in mid-June in Bismarck.

We do not yet know the precise configuration because we will be incorporating input from the Task Force and other consultation meetings, but we are committed to implementing organizational changes that will improve the management of Indian trust assets in the short and long term. We will provide the Committees with a revised and more detailed reprogramming request when we have a final proposed organizational structure and are able to determine the costs associated with that revised organizational structure.

Question: What is your sense of the additional amounts of money which may be required in 2002 and in 2003 for trust reform beyond those in your current appropriation and 2003 budget request?

Answer: The Department is currently in the process of evaluating the impact of the recommendations of the EDS reports, and working to develop solutions to resolve Department-wide IT security issues related to trust reform. In addition, it is likely that Court rulings on the *Cobell v. Norton* case may also impact budget resources. These are complex issues to resolve. At this time the Department has not yet determined the full extent of additional resources, if any, that may be needed in 2002 and 2003 to address these emerging issues. However, the Department has requested reprogramming authority to address computer systems security requirements. We will advise the Committee if any adjustment to the 2003 budget request will be needed.

CALIFORNIA OIL DRILLING

Question: Are there any Department of the Interior employees currently working on the process to approve drilling on the tracts off the California coast discussed in the *Washington Post* article we just discussed?

Answer: The author of the *Washington Post* article was, unfortunately, not correctly informed regarding both the factual situation concerning the 36 undeveloped leases offshore of California and the legal dispute involved in the current litigation brought by the State. There are no Interior Department employees currently working on "the process to approve drilling" on any of the undeveloped leases because the lessees have not submitted any Applications for Permits to Drill (APDs) for any of these leases. MMS does not expect any APDs to be submitted in the immediate future because of the pendency of litigation.

Notwithstanding the characterizations in the *Washington Post* article, the litigation brought by the State does not involve drilling, APDs, or any other procedures relevant to "drilling." The State challenged the Minerals Management Service's (MMS') granting of lease *suspensions* that the lessees had requested in 1999 at the end of a series of suspensions that had been directed by MMS since late 1992 or early 1993. Suspensions do not authorize activities on the lease - indeed, they *suspend* any drilling and other operations. The State asserted that the Coastal Zone Management Act (CZMA) compelled either the lessees or MMS to go through certain "consistency review" procedures before MMS could grant the suspensions. The U.S. District Court for the Northern District of California held that MMS was required to issue a so-called "consistency determination" under section 307(c)(1) of the CZMA before it could grant the suspensions. The government has appealed that ruling to the Ninth Circuit. The appeal does not concern drilling, notwithstanding any representations that other parties may have made to the author of the *Washington Post* article. The lawsuit and the appeal involve only a CZMA procedural dispute regarding the suspensions.

Question: If Congress were to extend the terms of the current sec. 107 general provision of the Interior bill to specifically exclude federal funding of

any efforts to drill within these disputed California lease areas, would that provide an adequate legal basis for the Department [sic] of Justice and Interior to block the companies from drilling?

Answer: We presume that the phrase "federal funding of any efforts to drill" refers to any expenditure of funds by the Department of the Interior to process APDs or other documents to authorize drilling on these leases. If that understanding is correct, then such a legislative provision could constitute a breach by the government of the leases under the Supreme Court's recent decision in *Mobil Oil Exploration & Producing Southeast, Inc. v. United States* 530 U.S. 604, 120 S. Ct. 2423 (2000). If Congress by legislation effectively prohibits in advance any future drilling on these leases, the government could be liable for a significant amount of money in a breach-of-contract or takings action.

FISH AND WILDLIFE SERVICE ISSUES

Question: Next year as we all know is the 100th anniversary of the Wildlife Refuge system, which Theodore Roosevelt established at Pelican Island in Florida. We were all pleased when you announced several months ago a $56 million 18 percent increase for refuge operations to deal with many of the problems in the refuge system which have been well documented. Unfortunately we were disappointed when the details of the budget came out which showed that the funding for operations came at the expense of cuts in refuge land acquisition and construction accounts at the Service. Overall the Fish and Wildlife budget is essentially a freeze at last year's level. What is the basis for the cutbacks in the Service's land acquisition and construction accounts?

Answer: The Department's 2003 budget provides funding for a mix of programs that promote partnerships and provide a range of tools for States, local communities, federal managers, and private citizens to engage in innovative projects to achieve conservation goals. It is important that expansion of the National Wildlife Refuge System is focused on those areas where acquisition of lands by the Federal government represents the best conservation alternative. The budget includes a $71.1 request for FWS land acquisition. This is a significant request that will support 52 projects that will provide for the conservation of an additional 50,000 acres of lands within the Refuge System. This funding level is consistent with historical funding averages.

The 2003 request for FWS construction is at about the same level as the 2002 President's budget and is consistent with the Service's Five-Year Construction Plan. The reduction from 2002 is mainly for unrequested projects funded in 2002.

Question: What actions are being taken to assure the country of the integrity of our science and to insure the quality of the scientific work being done by the Fish and Wildlife Service in its endangered species work?

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Question: What actions are being taken to assure the country of the integrity of our science and to insure the quality of the scientific work being done by the Fish and Wildlife Service in its endangered species work?

Optimize External Resources The Service will fully utilize good science support, including bringing external science expertise to bear on the design and conduct of scientific studies and evaluations, as well as review of the final product. They will seek advice from respected wildlife management professionals, academia, states, and the private sector. In cooperation with the Department, the Service is examining which products and processes would benefit by additional peer review. The findings of this review will be rapidly implemented.

Whenever possible, the Service would like to utilize independent scientific expertise in their activities at the planning level.

Training The Service's National Conservation Training Center will review the full range of it's instructional programs to ensure the importance of scientific rigor, scientific integrity and ethics in science is integrated into all of the technical curriculum, supervisory training, leadership development programs, and current new employee orientation. It is a well-established axiom that an organization will apply the skills that it focuses on in its learning phase.

All agency managers, supervisors, and leadership will be required to satisfactorily complete this training. It will be provided to all new employees as an additional part of standard existing new-employee training.

The National Conservation Training Center is making preparations for the Director to discuss this issue with the entire organization through the use of the interactive broadcast network. Additionally, during this broadcast each employee will personally receive a copy of the Director's policy regarding scientific integrity and professional ethics to raise Service-wide awareness about this issue and to leave no doubt where he stands on this subject and the consequences awaiting any employee who violates this policy.

Lastly, instructional materials will be prepared and made available to each Regional Director to enable them to conduct special local sessions with their employees about the topics of scientific rigor, validity, and integrity.

The steps outlined here provide long-term emphasis on professionalism and ethics. Most importantly, the emphasis on standards, training, leadership, and enforcement will support continued good work by the Service in all its programs, and will avoid actions that would undermine those standards.

COOPERATIVE CONSERVATION INITIATIVE

Question: Can you tell the Subcommittee if the new proposed Cooperative Conservation Initiative will require a separate authorization?

Answer: No, separate authorizations will not be required.

Question: If not, can you tell us the legal basis for using existing authorities?

Answer: BLM, FWS, and NPS will use the authorities discussed below to implement CCI.

For the LWCF State grants portion of CCI, the Land and Water Conservation Act of 1965 authorities 16 U.S.C.460*l*-4 through 11 in concert with the proposed appropriations language "...including $50,000,000 for a Cooperative Conservation Program that provides competitively awarded grants to states for the purposes of restoration, protection, and enhancement of natural areas, as determined by the Secretary: Provided, That these purposes shall include but not be limited to: habitat protection, wetlands restoration, and riparian area protection:..." describes the scope of the purposes for the use of the $50.0 million for a CCI State grant program within the broader authorities of the LWCF Act.

The CCI operating account programs in BLM, FWS, and NPS will use the following authorities:

Bureau of Land Management	Federal Land Policy and Management Act of 1976 and other authorities, cited in the BLM FY 2003 Budget Justification, p. III, 3 and pps. 1-2, 4-14.
Fish and Wildlife Service	Authorities cited in the FWS FY 2003 Budget Justification, pps. 26-34.
National Park Service:	Authorities cited in the NPS FY 2003 Budget Justification, pps. ONPS 1-4.

STATE WILDLIFE GRANTS

Question: Madam Secretary, can you explain why this budget proposes to reduce funding for state wildlife grants from $85 million to $60 million? Is there a programmatic justification behind this or just a matter of scarce resources?

Answer: The 2003 budget makes difficult decisions among good programs. The 2002 State and Tribal Wildlife grant program is a new program that consolidated two new 2001 State wildlife grant programs: a competitive program and a formula grant program. The 2002 budget provided new appropriations of $85.0 million, but rescinded $25.0 million in carryover balances for a net 2002 appropriation of $60.0 million. Budget constraints did not allow restoration of the program above the 2002 enacted level of $60.0 million.

Question: The state wildlife grants were designed to augment efforts on behalf of a full array of wildlife in order to prevent species from becoming threatened. This committee specifically required that States prepare plans for protecting a broad array of species. Where do the States stand in terms of preparing these plans?

Answer: No plans have been submitted to the Secretary yet. However, the States have until 2005 to prepare them in accordance with requirements contained in the 2002 Interior and Related Agencies Appropriations Act. To be eligible for the 2002 State Wildlife Grants Program, a State must commit to develop a comprehensive wildlife conservation plan no later than October 1, 2005. A process will be in place to ensure each State provides a commitment letter or has an approved plan prior to the award of grant funds under this program.

During February, in Denver, Colorado, the Service engaged in collaborative, in-depth discussions with a group of State representatives on general program implementation guidelines. The Service provided these guidelines to the States the last week in March. These guidelines include a broad framework for the plans. The Service also intends to work with interested non-governmental organizations and States over the next few months to refine and clarify expectations for the plans. The Service recognizes the need to collaborate with the States and NGOs to identify what a successful plan will address. Discussions will also help clarify concerns such as project standards and plan format and content. Final details for plan development are scheduled to be completed by the end of the summer. These guidelines will help ensure States can develop their conservation plans with a clear understanding of the requirements.

Question: Last Fall you announced a series of awards under the 2001 state wildlife competitive grants program including several in Washington State. Those were at least temporarily blocked in the courts. Have those grants been released?

Answer: The Missouri Conservation Commission filed a lawsuit on December 26, 2001, requesting that the Fish and Wildlife Service be restrained from disbursing funds for the 2001 State Wildlife Grant program. The Commission claimed that the Service's process for awarding the grants was arbitrary and capricious and in violation of the Administrative Procedures Act. On January 4, 2002, the Court issued a Temporary Restraining Order that enjoins the Service from disbursing any of the Fiscal Year 2001 State Wildlife Grant Funds until further notice by the Court. Therefore, no funds associated with the Fiscal Year 2001 State Wildlife Grants have been released.

The Court established a briefing schedule for the case, which was completed on March 1, 2002. The TRO remains in place until a further ruling from the Court.

FIREFIGHTING COSTS

Question: I am concerned about the president's FY 2003 budget for firefighting costs, but I am first worried whether we have enough money in 2002. Last summer, despite a relatively mild fire season, the Department came very close to using its borrowing authority to cover a 2001 shortfall for firefighting costs. Do you believe you have enough funds available in 2002 and in 2003 under your proposed budget if there is an average fire season in terms of severity?

Answer: Yes, we believe the 2002 appropriation and the President's request for 2003 will be adequate for suppression of wildland fires if these are average fire seasons. Of course, the amount of funding required for suppression operations can vary a great deal from year to year, depending upon the number, severity, and location of the fires. The 2003 budget request is predicated on the assumption of an average year.

The 2002 enacted amount for suppression is $127.4 million. In addition, $34.0 million in emergency funding was also appropriated, contingent upon the declaration of an emergency. Together, the appropriation provides $161.4 million which, when combined with $8.8 million carryover funds from 2001, provides $170.2 million for fire suppression in 2002. This amount is approximately equal to the ten-year average of $172.2 million.

The 2003 budget request is $160,351,000, an increase of $32.9 million over the base appropriation for fire suppression operations in 2002. In essence, the Department is requesting that Congress include the 2002 emergency contingency funds in the base appropriation for suppression operations in 2003.

Question: You indicate that your fire budget is based on funding models which are based on the rolling 10-year average cost of firefighting. This does not appear to factor in inflation or the higher costs associated with more active management of fires that have been developed very recently. Is the 10-year model adequate for predicting costs?

Answer: The ten-year average cost of wildland fire suppression provides the Department with a benchmark for determining future estimates. It does not, however, equate to a prediction of the costs for any given year. It is recalculated every year based on the previous ten years' annual suppression expenditures. Therefore, it can move up or down as past fire seasons are subtracted and recent ones are added to the calculation. The 10-year model does not account for climate, weather, and local fuel conditions, all of which can have dramatic effects on the severity of the fire season. The Department is hopeful that an aggressive fuels treatment program will mitigate the impact of future local fuel conditions. Because budget estimates are based upon an average, the Department also has the authority to transfer funds from other accounts if a particular fire season turns out to be "above average".

SNOWMOBILE POLICY AND PERSONAL WATERCRAFT

Question: In February, the Department published a Supplemental Environmental Impact Study related to the use of snowmobiles at Yellowstone as a result of settlement of a lawsuit brought by the manufacturers. Can you tell the Subcommittee the basis for this EIS and the alternatives being put forward for discussion?

Answer: Nine cooperating agencies joined the NPS in the prepartion of the EIS. They were the U.S. Forest Service; the States of Idaho, Montana and Wyoming; and the Counties of Gallatin and Park, Montana, Park and Teton, Wyoming and Fremont, Idaho. The basis for the SEIS stems from the allegations raised by the International Snowmobile Manufacturers Association (ISMA) during the initial EIS process. Those allegations included failure of the National Park Service (NPS) to give proper consideration to all the alternatives, failure to consider the proposals and expertise of the cooperating agencies, improper adoption of the implementing regulations, and other allegations. This supplemental EIS process affords the public additional time to comment on existing regulations – identified as the no-action alternative (1a) in the Supplemental Environmental Impact Study (SEIS) – and three other alternatives. Alternative 1(b) differs in that the existing regulation is phased in more slowly. Alternative 2 sets noise and emissions levels for rental snowmobiles and requires public snowmobiles to use bio-fuels. It also includes a carrying capacity study to determine the appropriate level of snowmobile use at the park. Alternative 3 establishes interim emission requirements based on best available technology and requirements are evaluated and adjusted annually.

These alternatives explore information provided by the manufacturers regarding new snowmobile technology as well as a variety of ways of implementing conditions on snowmobile use to mitigate impacts to the park. The alternatives themselves stem from the requirements in NEPA as well as meetings between the NPS and cooperating agencies. The alternatives were the product of those collaborations.

Question: How much less polluting are the new generation 4-stroke engines for the snowmobiles?

Answer: It is important to note that four-stroke technology does not guarantee low pollution or noise emissions. Although four-stroke engines generally produce less "pollutants", it would be difficult to give a specific response regarding an exact decrease between new generation snowmobiles, and the ones currently used in Yellowstone. These snowmobiles include a vast array of ages, engine types and emission controls, therefore it is difficult to quantify the exact decrease in emissions.

If the preferred alternative were to include a requirement for cleaner and quieter snowmobiles, all rental snowmobiles, 2-stroke or 4-stroke, would be required to meet the same standard for emissions. Under alternative two, this would result in a phase-in that would require a rental snowmobile that enters the park to be

certified that it meets an emission standard of 200g/kW-hr (grams per kiloWatt hour) for carbon monoxide and 75 g/KW-hr for hydrocarbons, which is the proposed 2010 EPA emissions rule. By 2005-2006, all snowmobiles would have to meet the 2010 emissions standards.

Alternative three approaches setting an emission level differently. It would gradually replace the snowmobiles currently used by the parks with snowmobiles that utilize the best clean and quiet technologies available to meet NPS requirements. It would also allow limited use of snowmobiles by concessionaires and require, through permit and contracts, best available clean and quiet technologies as they are developed and encourage the use of snowcoaches.

Question: This SEIS is somewhat unusual in that it does not include a preferred option. When will the Department plan to announce its decision?

Answer: The preferred alternative will be identified in the final SEIS, which is planned to be issued on October 15, 2002.

Question: Will any option other than keeping the existing snowmobile rule require a new formal rulemaking process?

Answer: Yes. Alternatives 1b, 2 and 3 would each require a new implementing regulation or at least a modification to the existing regulations. Any of those options would require a complete rulemaking process; including issuing proposed rules, taking comment, and publishing a final rule.

Question: What is the current status of policies regarding personal watercraft in the parks?

Answer: The only current policy on personal watercraft is addressed in paragraph 8.2.3.3 of the 2001 NPS Management Policies. It states that "PWC use is prohibited unless it has been identified as appropriate for a specific park. PWC may be authorized if an evaluation of the park's enabling legislation, resources and values, and other visitor uses, and overall management objectives confirms that PWC use is appropriate..."

Question: Exactly how much money did you request in FY 2001 through FY 2002 for environmental reviews for the 21 park units mentioned in the personal watercraft settlement agreement?

Answer: The personal watercraft settlement agreement itself was not approved until April of 2001. Over $300,000 was spent in FY 2001 on work required by the personal watercraft settlement agreement from existing funds. In FY 2002, a reprogramming request for $5.0 million was submitted to Congress for development of environmental reviews and regulatory and economic studies associated with the personal watercraft settlement agreement. The reprogramming request was approved by the House Subcommittee on Interior

and Related Agencies on November 16, 2001 and by the Senate Subcommittee on Interior and Related Agencies on November 26, 2001.

Question: According to the correspondence sent by eight park units including Gulf Islands, Cape Lookout, Padre Islands, Indiana Dunes and others, these superintendents have already reviewed and determined that personal watercraft use impairs park resources and wildlife. The Department of Justice has suggested that these units would have to promulgate a rule regardless. Wouldn't it save taxpayers money to allow these park units to move ahead with their bans since they have already determined impairment?

Answer: The eight park units mentioned above have expressed their intent not to pursue a rulemaking to the Director of the NPS. Each park unit evaluated several factors in coming to that determination, including public input, and all but one unit has substantiated that determination in writing. The eighth unit is in the process of drafting its determination. One note of importance is that the term "impairment" has a specific meaning within the NPS and would require a formal, detailed environmental analysis to be able to make a determination of impairment. These superintendents have made a determination that these vessels are inappropriate in their respective areas. Under the NPS rule, and under the settlement agreement entered into with Bluewater Network and the NPS in December 2000, only areas that choose to stay open to PWC use would be required to promulgate a special regulation.

HOMELAND SECURITY

Question: Would you explain for the Subcommittee your current plans for improving security at the Washington Monument and the Lincoln and Jefferson Memorials?

Answer: In 1998 we commissioned a security review by Booz-Allen & Hamilton to recommend to the NPS the steps to be taken to enhance security around these three national icons. The review recommended protecting all three buildings from vehicle attack and to screen all visitors entering the Washington Monument.

We currently have concept designs for permanent measures to prevent vehicles from approaching all three buildings, which will replace the temporary measures in place at all three sites. These plans include the use of retaining walls and bollards at the Washington Monument and the Lincoln Memorial, and bollards and other types of barriers at the Jefferson Memorial.
An underground visitor screening facility for the Washington Monument is also in the concept design phase. This facility will be connected to the Monument by a tunnel.

Question: Would you describe the need for these security upgrades as urgent?

Answer: Currently jersey barriers and some planters are providing the vehicle protection around all three buildings and visitors to the Monument are screened in an interim facility. While these measures offer some degree of protection from anticipated threats they do not provide the level of protection that a permanent solution affords.

Question: If Congress approves these funds as part of your 2003 appropriation, when is the earliest that work can commence and when will it likely be completed?

Answer: If funds are made available, work would start by November 1, 2002, and estimated start-to-completion dates are as follows:

Washington Monument:	November 2002 to November 2003
Jefferson Memorial:	February 2003 to February 2004
Lincoln Memorial:	April 2003 to August 2004 *

*The Lincoln Memorial permanent security improvement project is planned to be combined with the Federal Highway Administration Lincoln Circle Road project and a Fee Demonstration project to improve pedestrian safety in the same area. This combined approach is the most efficient and cost effective accomplishment of work through use of one contract.

Question: Do these security projects require formal approval by the National Capital Planning Commission and the other government bodies for aesthetics?

Answer: All three projects require approval from the Commission of Fine Arts, the National Capital Planning Commission, the District of Columbia State Historic Preservation Office, and possibly the Advisory Council for Historic Preservation. Currently we have concept approval for the Washington Monument from these agencies and are working closely with all agencies on the Lincoln and Jefferson Memorial projects.

Question: The budget indicates that $23.8 million has been included in the 2003 budget. Last fall the Department gave the Committee an estimate of at least $41 million. Are funds included in the budget for the new visitor screening facility at the Washington Monument or will that need to be added in 2004? If there is a delay, how will this impact security at the Monument?

Answer: Funds will be requested in the 2004 budget for the Washington Monument underground visitor screening facility. While phasing this project will require the NPS to close the Monument to visitors for a greater period of time due to work taking place on the eastern portion of the grounds in consecutive years, security measures will not be adversely affected. The interim screening facility will be in use until the permanent structure is completed.

Question: Does the 2003 request include funds to maintain the higher level of alert at Interior facilities nation-wide associated with Homeland Security?

Answer: The level of security has significantly increased since September 11, 2001. The 2003 request includes sufficient funds to accommodate a heightened level of security significantly above that present prior to September 11 at key NPS sites, including the Washington, DC monument core, the Statue of Liberty, Mount Rushmore, and Independence Hall. The 2003 request relies on more permanent staffing measures and solutions than the funding provided on an emergency basis in 2002, which centered on the use of overtime or other temporary measures. With the funding requested for 2003, the Park Service is moving to the creation of an appropriate, sustainable level of security necessary to protect employees, visitors, and resources.

CONSERVATION SPENDING CATEGORY—LWCF REQUEST

The President's request for funding under the conservation category for this Subcommittee is slightly above last year but $120 million below the $1,440 million authorized for 2003. While you have not requested the full amount, our understanding is that no changes in the basic authorizing statute for conservation spending has been proposed. Under the law the full $1,440 million is fenced solely for conservation and will be available to this Subcommittee on top of its basic allocation of funds under the budget act.

Question: Are we correct that no changes in the authorization are requested in this budget?

Answer: While no specific authority is required for CCI, the FY 2003 budget includes bill language regarding the $50.0 million Cooperative Conservation Initiative in the LWCF Stateside grant program.

Question: Your budget eliminates only one program under the conservation category as far as I can tell, the UPARR urban parks and recreation activity. In fact, I believe that might be the only Interior Department program eliminated in the President's budget. The Committee gets literally hundreds of requests in this area. Why are you opposed to the UPARR program?

Answer: The Department is not opposed to the goals of the UPARR program. The need to balance competing needs during a time of fiscal constraint prevents funding all of the worthwhile projects and the Department believes that the goals of UPARR can be met through the Stateside Land and Water Conservation Fund program, which is increased in the budget

Within the conservation program you have submitted a request to finance $911 million of activities from the Land and Water Conservation Fund which is derived from Outer Continental Shelf Revenues. Many conservationists have

objected to using LWCF funds for activities such as your proposed cooperative conservation initiative.

Question: Can you explain your view of the type of activities that can be funded through LWCF?

Answer: The Administration's LWCF proposal in FY 2003 comports well with the purposes of LWCF. The purposes of the Land and Water Conservation Fund Act of 1965 as stated in 16 U.S.C. 460*l*-4 are:

> "...to assist in preserving, developing, and assuring accessibility to all citizens of the United States of America of present and future generations and visitors who are lawfully present within the boundaries of the United States of America such quality and quantity of outdoor recreation resources as may be available and are necessary and desirable for individual active participation in such recreation and to strengthen the health and vitality of the citizens of the United States by 1) providing funds for and authorizing Federal assistance to the States in planning acquisition, and development of needed land and water areas and facilities and 2) providing funds for the Federal acquisition and development of certain lands and other areas."

All of the programs in this year's LWCF proposal either acquire interests in land for conservation purposes or promote conservation on lands. Also, in FY 2001 and FY 2002, Congress approved funds from the Land and Water Conservation Fund for a number of programs not traditionally funded from the LWCF.

ENDANGERED SPECIES ISSUES

Question: Last year you requested language that would have restricted the listing of imperiled species under the Endangered Species Act. The House and Senate both rejected this language. Are you planning any changes in 2002 or 2003 to existing section 4 listing and critical habitat policies or regulations?

Answer: The language proposed in the 2002 President's budget was intended to ensure limited listing funds are directed toward activities that provide the greatest benefit for species at risk of extinction and was not intended to restrict listing of imperiled species. Congress did not adopt this language, but instead provided a limit on the amount of the Service's listing appropriation that can be spent on critical habitat designations for already-listed species; Congress capped this amount at $6.0 million. This limit is referred to as the critical habitat subcap. The 2003 President's budget continues the language adopted by Congress in 2002, but proposes to adjust the subcap from $6.0 million to $5.0 million. This will allow the Service to implement a more balanced listing program.

At present, the Service is working on two policy changes in the section 4 program: a Listing Action Prioritization System and a Framework for Economic Analysis for Critical Habitat designations.

The House Report language from 2002 states that the Service is expected to use a system to prioritize listing actions. The Service's current system only covers the addition of species to the list, and does not deal with the full range of listing actions. The Service is developing a system by which all the petition findings, listing determinations, and critical habitat designations will be prioritized in a manner that is scientifically credible, managerially feasible, and legally defensible. This system will provide the order in which funding will be provided to undertake backlogged listing actions. It will apply where we have additional funding beyond that needed to respond to court orders. The Service is establishing an effective listing action prioritization system based on reliable, unbiased science. This will help enhance public confidence in the Service's listing decisions.

The Service will develop and seek public comment on a new guidance document for conducting economic analyses that are done under section 4(b)(2) of the Endangered Species Act for critical habitat designation. The purpose of this guidance document is to provide the Service with a standard analytic framework for assessing the costs, benefits, and other economic impacts of critical habitat designation. In *New Mexico Cattle Growers* (New Mexico Cattle Growers Ass'n v. U.S.F.W.S., 248 F.3d 1277 (10th Cir. 2001)) the 10th Circuit held that the Service's approach to economic analysis was "not in accord with the language or intent of the ESA." In particular, the court was concerned that the Service had failed to analyze any economic impact that would result from the designation, because the Service had taken the position that any economic impact from the designation of critical habitat was co-extensive with the economic impact of listing the species. The court rejected the Service's argument that it was required only to evaluate the additional incremental economic impact beyond those imposed by the listing.

The Service is addressing the 10th Circuit's concern in its current analyses and in the framework document. Analyses done under the framework will address the impacts of critical habitat designation that may be "attributable co-extensively" to the listing of the species.

Question: It was reported last year that the U.S. Fish and Wildlife Service stated it would need approximately $120 million to address the current backlog of more than 250 imperiled species awaiting listing determinations under the ESA, and the several hundred listed species awaiting critical habitat. In light of this backlog, how can you justify requesting only approximately $9 million for ESA listing and critical habitat activities? Please provide the committee with an explanation of how and when you plan to address this backlog.

Answer: In 2002, the listing program was funded at $9.0 million, a significant, 43 percent increase over 2001. This increase is maintained in the 2003

budget. The Service is processing backlogged listing actions as expeditiously as possible consistent with the availability of trained staff and managers, as well as sound science. However, the Service's ability to process listing actions can be impacted by new litigation, requiring adjustments to workplans and reallocation of resources.

The 2003 budget balances competing needs at a time of fiscal constraint, and includes a balanced proposal for all aspects of the endangered species program, including candidate conservation, consultation/ HCP planning, and recovery. The budget includes an increase of $1.4 million for the candidate conservation program which helps prevent species from being listed. Candidate species are included in the listing program backlog, and conservation actions taken on candidate species can reduce or eliminate the need to list these species, hence, reducing the backlog. The budget also focuses resources on the ESA consultation/HCP planning and recovery programs, through general program increases of $2.0 million and $2.5 million, respectively; and prioritizes grants to States, Tribes, local communities, and landowners for conservation actions benefiting at-risk species, through the landowner incentive program and the Cooperative Endangered Species Conservation Fund.

ARCTIC NATIONAL WILDLIFE REFUGE AND CALIFORNIA DRILLING

Question: Last year Congress deleted funding from your 2002 budget request which had been requested for seismic studies or pre-lease studies related to ANWR. Can you assure the Subcommittee that no funds are being spent for this purpose during the current year.

Answer: No funding is being spent on pre-lease studies related to development of the ANWR or any other pre-leasing activities.

Question: How much money is included in your FY 2003 budget request for work related to oil and gas exploration within ANWR ?

Answer: The 2003 budget for the BLM does not specifically identify funding for oil and gas development work in the 1002 area of ANWR, but instead proposes a $3.0 million increase for activities on the North Slope of Alaska. This increase would fund increased operating costs and preparation for additional leasing in the National Petroleum Reserve-Alaska. The Department and BLM would use a portion of this North Slope funding to support ANWR-related activities if legislation authorizing oil and gas exploration and development in the refuge were enacted in 2002 or 2003.

QUESTIONS SUBMITTED BY CONGRESSMAN GEORGE R. NETHERCUTT, JR.

KLAMATH BASIN

Question: We were glad to hear the President's remarks on January 5 in Portland, Oregon addressing the long overdue needs of the Klamath Basin. However, I see by the FY 2003 budget that no new spending was requested by the administration to take care of some of these needs. Can you tell me why there is no money for restoration or water augmentation in the Basin when it is such a hotbed of environmental activity? The Administration continues to say that they are doing something about this awful situation, but there has been little to show for it.

Answer: On March 1, 2002, President Bush established a cabinet-level panel to investigate water quality and water quantity issues in the Klamath Basin, and develop short-term and long-term solutions to the challenges affecting farmers, ranchers, fisherman, tribes and others in the Klamath Basin. This panel, made up of the Secretaries of Interior, Commerce, Agriculture and the Chairman of the Council of Environmental Quality, will report its findings within 18-months. In the interim, the panel announced a number of immediate measures in early March that will assist farmers and ranchers, and conserve fish.

The 2003 budget funds a number of activities in BOR and FWS for 2002, as described below. On February 27, 2002, BOR released a final biological assessment for operation of the Klamath Project. Consultation with FWS and NMFS is ongoing. As the consultation process continues, the Department will continue to assess funding implications and work with OMB to ensure that adequate resources are available.

BOR's budget includes a total of $14.3 million for the Klamath project. The budget includes funding to complete the installation of the fish screen at the "A" Canal Headgates to reduce entrainment of suckers. Construction is expected to begin this fall and be completed by April 1, 2003. A feasibility study for increasing storage capacity of Gerber Reservoir is progressing on schedule and should be completed late in 2003. Funding will also support ESA compliance research and monitoring studies; feasibility studies on development of water acquisitions, groundwater supplies, and water quality enhancement; and other high priority project activities.

The FWS budget continues funding of the Klamath River Flow Study at $748,000. FWS, in cooperation with BOR, USGS and BIA, will continue to collect baseline information to assess fish habitat conditions, determine the relationship between habitat and flow regimes, and evaluate conditions limiting species survival in the river and its tributaries below Iron Gate Dam. Actions resulting from the study will help recover species, avoid further listings, enhance tribal trust

responsibilities, restore recreational fisheries and related local economies, and reduce impacts of conservation efforts on water users.

FWS will also continue implementing the Upper Klamath River Basin Restoration Initiative under the Partners for Fish and Wildlife Service program. This cooperative effort between federal, state and local agencies, tribes, public organizations and individuals is helping restore the Klamath Basin ecosystem. FWS funding supports the selection and implementation of wetland and other habitat restoration projects in the Upper Klamath Basin.

The budget also includes $1.0 million for continued construction of structures to provide alternative water sources for the Lower Klamath National Wildlife Refuge.

Additionally, the Bureau of Reclamation has reprogrammed funds in Fiscal Year 2002 from other projects to the Klamath project. In conjunction with the President's Klamath River Basin Federal Working Group, Reclamation has proposed, and OMB has approved moving $5 million from five projects to the Klamath project. Reclamation will use these funds to accelerate construction on the A-Canal fish screens, and to pursue habitat restoration and water supply augmentation activities.

Question: Recently the National Academy of Sciences came out with their interim review of the science and conclusions that led to last year's shut off of water to the farmers in the Klamath Basin. We thank you for that review. After the release of that review, you instructed the Fish and Wildlife Service and the Bureau of Reclamation to review those findings and give you a report within 10 days. Is that report complete? What were the findings?

Answer: The Commissioner of the Bureau of Reclamation and the Director of the Fish and Wildlife Service did report back orally to the Secretary with their initial findings. The findings in the National Academy of Science's interim report indicate that there were flaws with respect to critical components of the analysis in the 2001 biological assessment and opinions. Significantly, among the NAS's conclusions is its finding that there was no substantial scientific foundation for requiring higher water levels in Upper Klamath lake or higher water levels in the Klamath River, nor justification for changing the operation of the Klamath Project away from the regime observed in the 1990s. It was also found that there was no justification for the levels and flows proposed by the biological assessment. Other components of the biological opinions were found to have good scientific and technical support, including recommendations regarding water quality, fish passage, entrainment, and adaptive management.

Question: Can you tell us the long-term and short-term priorities for the Department of the Interior? Is there any documented, formal assessment of what needs to be done in the Klamath Basin that will help both fish and farmers? If so, can you share it with the Committee?

Answer: On March 1, 2002, President Bush established a Cabinet-level committee to develop immediate and long-term solutions to the water crisis. The Klamath River Basin Federal Working Group consists of the Secretary of the Interior, the Secretary of Commerce, the Secretary of Agriculture and the Chairman of the Council on Environmental Quality. Work has already begun to meet this very important challenge. The working group will report its findings within 18-months. In the meantime, the Department will continue to seek collaborative solutions for the Basin.

Question: As you know, the threat of lawsuits over this year's biological assessment, biological opinion, and operating plan have already been heard. What is your strategy for dealing with these lawsuits? Does the Department of the Interior believe that these documents are on sound legal ground, or is your intention to throw the problem into the courts to let the judicial process decide the fate of agriculture in the Basin?

Answer: The Department is in the process of complying with its trust responsibilities, its obligations under the ESA, and its proposals and procedures have been based on sound legal ground. Ideally, the Department hopes to avoid litigation and to work on long-term solutions in the Klamath Basin through cooperative means. This will require broad-based participation from interests in the Basin. The Department believes that litigation only turns time, energy, and resources away from resolving the issues at hand. Through its recently released Biological Assessment, BOR is consulting over its proposed discretionary actions as required by section 7(a)(2) of the ESA and is proposing actions to conserve and protect listed species, consistent with section 7(a)(1) of the ESA. However, the Biological Assessment is only the first step in the consultation process and is not a "final agency action." Lawsuits at this stage of the process would be premature. It is the Department's intent, through the consultation process and subsequent development of an operations plan, to meet all of the Department's multiple legal obligations in the Basin. As such, the Department anticipates that its actions will be legally defensible.

Question: The Klamath Basin issue and the controversy surrounding the planting of lynx hair by Interior officials has deepened an already severe distrust in the science used to make regulatory decisions. What specific measures are you prepared to put in place to ensure the appropriate sound science is used to make regulatory decisions? Further, what would you like to see Congress do to ensure that decisions that are made by your department are based on fact not on agenda?

Answer: Because of the importance of science to both the perception and the reality of the Service's activities, particularly with regard to the Endangered Species Act, the following principles must guide the Fish and Wildlife Service's administration of ESA activities: Ensure that decisions are based on the best available science; seek independent scientific review of decisions where possible; provide for public participation throughout the decision-making process; and ensure that the decision-making process is

understandable and transparent. These principles establish a solid framework within which science-based decisions can be made under the ESA.

The Service is committed to provide the leadership, guidance, training, resources, and discipline to ensure and enforce high standards of scientific integrity and ethics in addressing its responsibilities. A multi-faceted approach has been developed to address this issue. The Service is implementing these actions administratively, and they do not require Congress to enact legislative changes. Key elements include:

Performance and Conduct Standards. The Service has developed personnel standards that specify disciplinary consequences for inappropriate or unacceptable behavior related to science. On February 12, 2002, a Director's Order was issued concerning "Disciplinary Action for Unauthorized Activities in the Course of Scientific Studies or Investigations." Key components of this Order include:

- Requiring that all employees who are involved in scientific studies or investigations adhere strictly to established scientific protocols;
- Requiring that any employee who questions the scientific methods being used in a study, including the quality assurance and quality control procedures for analysis, use appropriate channels to address their concerns with the Director of the research;
- Stating that any measures taken outside of established study protocols to "test" any aspect of a study without the knowledge and consent of the principal investigator are always unacceptable; and
- Informing employees that acting outside of established scientific protocols would be grounds for disciplinary action up to and including removal from the Service.

Leadership. The Director has met personally with Regional and field managers in three of the seven Regions, and focused on the science issue in his public and private remarks. The Director plans to do the same with the remaining Regions in the near future.

The Director will ensure that all Regional Directors and Assistant Directors, both in their collective meetings and in their individual actions, focus on sound science as the foundation for decisions.

Optimize External Resources. The Service will fully utilize good science support, including bringing external science expertise to bear on the design and conduct of scientific studies and evaluations, as well as review of the final product. They will seek advice from respected wildlife management professionals, academia, States, and the private sector.

In cooperation with the Department, the Service is examining which products and processes would benefit from additional peer review. The findings of this review will be rapidly implemented.

Whenever possible, the Service will utilize independent scientific expertise in its activities at the planning level.

Training. The Service's National Conservation Training Center will review the full range of its instructional programs to ensure that the importance of scientific rigor, scientific integrity and ethics in science is integrated into all of their technical curriculum, supervisory training, leadership development programs, and current new employee orientation. It is a well-established axiom that an organization's staff will apply the skills that they focus on in their learning phase.

All agency managers, supervisors, and leadership will be required to satisfactorily complete this training. It will be provided to all new employees as an additional part of standard existing new-employee training.

The National Conservation Training Center is preparing for the Director to discuss this issue with the entire organization through the use of the interactive broadcast network. Additionally, during this broadcast each employee will personally receive a copy of the Director's policy regarding scientific integrity and professional ethics to raise Service-wide awareness about this issue and to leave no doubt where he stands on this subject and the consequences awaiting any employee who violates this policy.

Lastly, instructional materials will be prepared and made available to each Regional Director to enable them to conduct special local sessions with their employees about the topics of scientific rigor, validity, and integrity.

It is the Director's commitment and priority to address the problem evidenced by the unauthorized activity in the lynx survey. The steps outlined here provide long-term emphasis on professionalism and ethics. Most importantly, the emphasis on standards, training, leadership, and enforcement will support continued good work by the Service in all its programs, and will avoid actions that would undermine those standards.

BULL TROUT REPORT

Question: It is my understanding the Bull Trout Report is hung up in the Departmental budget office. They wanted some changes. The report was due to Congress by January 31st. 2001. There is a significant increase in the budget for Bull Trout. Page 6 of the Fish and Wildlife budget justification document lists a cross-cutting initiative for the Pacific Northwest Salmonid Conservation.

"The Service requests an additional $3,720,000 in our Resources Management account to carry out the Services' requirements for implementing the Reasonable and Prudent Alternatives for several biological opinions in the Columbia River Basin to address declining species such as bull trout, Kootenai white sturgeon, 12 salmon steelhead populations, and others.

Where is the report? And why are you asking for more money when we don't know the results of the report and what it will say about the bull trout?

Answer: Report language accompanying the House version of the Fiscal Year 2002 Interior Appropriations bill directed the Fish and Wildlife Service to ". . . report to the Committee by January 31, 2002, on (1) the actual location of bull trout presence by life cycle in Washington State; (2) the process the Service will use to amend the bull trout distribution maps; and (3) the timelines for completion of such maps."

The report will clarify the status of Fish and Wildlife Service's bull trout population studies and mapping efforts in Washington State. The report also provides additional information regarding how funds appropriated for these efforts have been spent, as well as how the studies, survey protocols, data review and updates, and mapping efforts are integrated into statewide conservation actions for bull trout. The studies and mapping efforts are being carried out using extensive peer review and stakeholder involvement, resulting in the development of the best scientific information and most rigorous study protocols available.

A draft of the report was submitted to the Department on April 12, 2002. Departmental and OMB review is in process.

The 2003 President's Budget includes a $3,720,000 increase request for implementation of the National Marine Fisheries and Fish and Wildlife Service's biological opinions on operations of the federal Columbia River Power System. These biological opinions address the power system's impact on 12 endangered salmon populations, bull trout, and Kootenai white sturgeon. FWS responsibilities for implementing these biological opinions stem from statutory requirements under ESA and the migratory bird conservation act; and as an operator of fish hatcheries in the Columbia River Basin that propagate salmon and steelhead.

A total of $1,690,000 of the increase is expected to be targeted for bull trout and Kootenai white sturgeon activities required under the FWS biological opinion. Funding will support ESA consultation; aid in the development of HCP's and other conservation agreements on state and private lands that are expected to increase as a result of the sub-basin planning efforts; and provide technical assistance on TMDL development.

Actions to be funded by this request are limited, and the focus will be to apply them in areas where bull trout are already known to exist. Accordingly, completion of the report on species presence and the process to update distribution maps will have no effect on planned activities.

QUESTIONS SUBMITTED BY CONGRESSMAN JOHN PETERSON

CONSERVATION TAX CREDIT

Question: Has the agency analyzed the potential response to the Conservation Tax Credit?

Answer: The Administration's proposed Conservation Tax Credit provides a 50 percent capital gains exclusion for private landowners who voluntarily sell land or water to a government agency or qualified conservation organization for conservation purposes. The Conservation Tax Credit was initially proposed by then-Governor Bush as part of his June 1, 2000 plan for building conservation partnerships.

Given the potential tax savings to the landowner, it is likely that there may be a significant increase in willing sellers interested in selling land to the Department of the Interior's land-managing agencies. However the tax credit will not take effect until FY 2004.

Question: If there would be additional costs in the future for managing these lands, how would this impact your budgets and ability to manage them?

Answer: The FY 2003 Interior budget does not request funds for the management of additional acres since the tax provision applies only to sales taking place on or after January 1, 2004 for lands sold to federal, State, and local governments and non-profit organizations such as the Nature Conservancy.

It is not clear whether the tax credit would result in acquisition of additional acres for Interior in the future, because the proposal does not reduce the cost or the land. However, the proposal may result in a larger universe of willing sellers allowing Interior to be more selective in its land acquisition.

QUESTIONS SUBMITTED BY CONGRESSMAN JAMES P. MORAN

LAND AND WATER CONSERVATION FUND

I appreciate your interest in the LWCF's state side grant program. I assume, however, that fiscal constraints prevent you from boosting this funding level to last year's proposed $450 million.

Question: Could you explain to me why you have proposed to make the $50 million available under the new Cooperative Conservation Initiative a competitive grant?

Answer: The new CCI LWCF State Assistance program is proposed as a competitive program to bring to national attention--for possible replication--the best State ideas that include but are not limited to resource protection, restoration, and enhancement of natural areas. The nomination of these projects will be through the existing Governors' LWCF State Liaison Officers. Selection of projects will be made by the Director of the National Park Service with final review by the Secretary of the Interior.

The CCI program encourages prospective partners to create large coalitions of interests with concomitant large amounts of match that will result in more benefits accruing to the resources of the Nation. Any property acquired or developed by partners must have clear links to restoration goals and be consistent with accessibility and meet purposes of perpetuity. Preference is to be given to non-traditional methods of conservation.

Meanwhile, the FY 2003 President's Budget requests $150.0 million for total costs of the "traditional" Stateside grant program, an increase of $6.0 million over the current level.

Question: Is there a problem with the distribution formula now used under the stateside grant program?

Answer: The current distribution formula, primarily based on population, now used under the stateside LWCF grant program, works fine for projects that are oriented toward traditional recreation in both cities and rural areas. However, for CCI projects that focus on natural resources, our goal is to encourage innovation and cooperation through a competitive process, so that resources go to those areas with critical conservation needs and opportunities for overcoming resource use conflicts through partnerships.

Question: How exactly will the land management agencies alter their current mission and obligations to commit $50 million for their share of the Cooperative Conservation Initiative?

Answer: BLM, FWS, and NPS will not need to alter their current mission and obligations to commit their portion of the $50 million in CCI operating account funds. Partners under this Federal portion of the program will be nominated by local bureau units and will be committing themselves to efforts that will enhance Federal efforts.

Two years ago, both the House and Senate voted overwhelmingly (by 348-69 and 83-13 respectively) to pass the Interior appropriations bill which created the new Land Conservation, Preservation, and Infrastructure Improvement Fund (LCPII). For fiscal 2003, the fund was authorized to spend up to $1.44 billion, but the administration's budget proposes to spend only $1.32 billion. And, some would question this figure by noting that some of the programs included within the Interior Department's share of this total, including the Landowners Incentive program ($60 million), the Cooperative Conservation Initiative ($50 million), and the Forest Stewardship program ($50 million), that were not originally part of the fund.

Question: Wouldn't it have been more appropriate to request the additional funding needed to make up the $900 million for LWCF on top of existing funding for the LCPII programs rather than rearrange existing conservation funding?

Answer: The Administration's proposal fully comports with providing funding for land conservation, preservation, and infrastructure improvement programs.

The Administration's budget request also erodes the original purpose of the LCPII by: cutting existing programs such as the Land and Water Conservation Fund by $88 million, State and Tribal Wildlife Grants by $25 million, and the Cooperative Endangered Species Fund by $5 million and zeroing out the Urban Parks and Recreation Recovery program; substantially increasing the level in the fund for federal lands maintenance – originally intended to be complementary to the amounts provided for maintenance under regular appropriations; and adding the new $100 million Cooperative Conservation Initiative.

Question: Can you explain why you are cutting important existing programs in the fund while funding a brand new initiative?

Answer: Whenever a budget is formulated, the Department and the Administration have to make difficult choices among good programs and balance all needs and priorities.

The proposed budget allocation for FY 2003 provides an excellent balance of programs, with realistic fiscal constraints, to address natural resource conservation, as well as recreation and wildlife needs.

The Administration proposes fully funding the Land and Water Conservation Fund with its request of $911.1 million in total and $658.7 million in the

Department of the Interior, exclusive of the $252.4 million requested by the U.S. Forest Service.

The Cooperative Conservation Initiative focuses on broad natural resource restoration/protection for federal bureau units and States and de-emphasizes both recreation projects like those funded under the Urban Parks and Recreation Recovery program and efforts on private lands included in the State and Tribal Wildlife Grants and Cooperative Endangered Species Fund projects.

Question: Can you also explain why you are increasing the amount that will be spent for maintenance under LCPII when that amount is intended to be complementary to the rest of the maintenance funding in the Interior bill?

Answer: Following Congress' lead in FY 2002, the Interior Department is showing any increase in maintenance over the FY 2001 baseline to be included in the LCPII program.

Question: Is the LCPII being underfunded?

Answer: The Administration would not characterize the LCPII program as being underfunded since it is being funded at essentially the level in FY 2002, despite new priorities associated with Homeland Security and national defense.

Question: Does this underfunding help fuel the argument for taking the Land and Water Conservation Funds off budget?

Answer: As indicated in the previous question, the LCPII program is being funded at essentially the FY 2002 level. Nevertheless, within the context of the overall budget policy, we oppose taking the Land and Water Conservation Fund off-budget. The Administration is opposed to all proposals to shift government activities off-budget. The budget is intended to present all receipts and expenditures of the government. Taking accounts off-budget does not change the governmental nature of the underlying transaction, but does complicate public understanding of the budget.

Question: Do you support the Conservation and Reinvestment Act (CARA) bill?

Answer: We have not yet taken a position on CARA. However, the Administration's commitment to conservation based on stewardship of our lands, watersheds, and other natural resources is demonstrated in the President's Budget by fully funding the Land and Water Conservation Fund, proposing the new Cooperative Conservation Initiative, and supporting other important conservation programs.

ANWR

Question: One of the most controversial elements included in the Bush Administration's budget is the proposal to open the Arctic National Wildlife Refuge to exploration for potential oil and gas resources. Of course, no drilling can occur unless the Congress specifically authorizes such action. The multi-year budget plan presented to Congress this year included estimated receipts of $1.2 billion in fiscal year 2004 from oil and gas lease sales in the Arctic Refuge. The House passed energy bill (H.R. 4) authorizes drilling in the refuge. The Senate bill is now being debated, but as introduced does not authorize drilling.

The Interior Department's 2003 budget request includes $3 million in funding to initiate planning and associated environmental studies in the 1002 area.

Answer: The Department recognizes that no development may take place in the Arctic National Wildlife Refuge without Congressional authorization. The $3.0 million increase included in the 2003 Bureau of Land Management budget request would fund increased operating costs and preparation for additional leasing in the National Petroleum Reserve-Alaska, which is land managed by the BLM and already authorized for oil development. However, if legislation to authorize leasing in ANWR were enacted in 2002 or 2003, the Department and BLM could redirect a portion of this $3.0 million to support ANWR planning and leasing.

Question: I'd like to clarify the amount in the budget. Last year, the department requested $5 million for oil and gas management in the North Slope of Alaska. What is the amount targeted specifically to the Coastal Plain of the Arctic Refuge in this year's budget and what exactly will it be spent on?

Answer: The 2003 budget for the BLM does not specifically identify funding for oil and gas development work in the 1002 area of ANWR, but instead proposes a $3.0 million increase for activities on the North Slope of Alaska. This increase would fund increased operating costs and preparation for additional leasing in the National Petroleum Reserve-Alaska. The Department and BLM could use a portion of this North Slope funding to support ANWR-related activities if legislation authorizing oil and gas exploration and development in the refuge were enacted in 2002 or 2003.

Question: Will any of the appropriated funds be used to conduct new seismic tests?

Answer: No, the BLM does not expect to use any amount from its 2002 appropriation to conduct new seismic tests.

Question: What involvement will the Fish and Wildlife Service and the U.S. Geologic Survey have in the management and control over the funds requested for oil and gas activities in the Arctic Refuge ?

Answer: The FWS and USGS would not have any control over BLM funds. To the extent that BLM required scientific or other support from USGS or FWS to fulfill its responsibilities, then BLM would consult with USGS or FWS to provide this support on a reimbursable basis.

FEDERAL EMPLOYEES

Question: There is a rumor circulating among your employees that the Department has some grand plan to privatize or out source up to 25,000 Interior Department career jobs. I see nothing in your budget proposal that would confirm this rumor. Could you comment on it?

Answer: That rumor reflects a misunderstanding of the Department's competitive sourcing strategy in response to the President's Management Agenda. Competitive sourcing is an important tool for the Department to respond to the workforce and budgetary challenges that the Department faces. The overriding goal of competitive sourcing is to examine work practices to ensure that the Department is as well organized and efficient as possible. In some cases, the process may result in positions being converted to the private sector. In others, functions will continue to be performed by Federal employees in more efficient and effective organizations.

As required by the Federal Activities Inventory Reform Act, the Department has prepared and submitted to OMB inventories for both FY 2000 and 2001 that identify the commercial activities currently staffed by Federal employees. For FY 2000 the Department identified 20,269 positions; in FY 2001 the Department identified 23,186 positions.

As required by the FAIR Act, DOI will complete public-private or direct conversion competitions. Based on the President's Management Agenda, DOI will conduct these studies on not less than 15 percent of the FTE listed in the FAIR Act inventories by the end of FY 2003. More specifically, the Department will study 1,025 and 2,320 FTEs for FY 2001 and 2002 respectively. The Department is committed to developing a strategic approach to these study requirements that focuses on parity, clarity and consistency.

As part of this process, the Department is not planning reductions in force. The Department is not prejudging the results of the competitions that will take place in 2002 and 2003. The historical experience at the Department of Defense, which may not be relevant to civilian agencies like Interior, is that roughly half the time the private sector wins the competition. The 1000 FTE figure in the 2003 budget is a statistical projection, based on DOD's experience, which may not prove to be an accurate guide.

In any case, the placeholder does not translate into FTE reduction goals or targets. The Department has not established any goals or targets. As competitive sourcing decisions are made over the next few years, those decisions will factor in workforce planning that takes into account the historically high

retirement rates that the Department is facing, opportunities to retrain any displaced employees, and opportunities to place any such employees in available vacancies.

USGS

I believe the most vital component of good government programs is the people that manage them. In recent years, there has been strong call for federal agencies to employ "sound science" before crafting new regulations and policies. Well, in this light, I am troubled to learn that the proposed budget for the USGS will force the federal government's only earth science and biological agency into full retreat in research and scientific inquiry.

Question: Could you provide me with the rationale you used to make such a major reduction and retreat in programs implemented by the federal government's only earth science and biological agency?

Answer: The reduction in USGS's budget is largely the result of discontinued funding for one-time activities, Congressional add-ons, and lower priority programs. The 2003 request also reflects the transfer of USGS's Toxic Substances Hydrology Program to the National Science Foundation and a plan to expect a reasonable level (10 percent) of reimbursable funding from beneficiaries of the NAWQA program to help defray its costs. Finally, the request includes savings of $6.0 million that USGS will achieve through implementation of management reforms and workforce restructuring.

Question: It is my understanding that as many as 250 federal jobs will be lost. Can you tell me the actual numbers of expected job losses both at headquarters and in the field? What is your plan for assisting employees in any RIF situation?

Answer: The President's budget includes a reduction of 249 FTE at the USGS in conjunction with its proposed reduced appropriation for FY 2003. The job reductions will occur both at headquarters and in the field, with the largest percentage of those reductions expected to occur at field centers. However, the exact numbers of FTE reductions at various locations have not been determined, because of the myriad of factors that would play into an FTE reduction, such as potentially accelerated attrition, transfers to available vacancies, and early-out and buy-out opportunities. The USGS will minimize impacts to employees displaced by budget reductions and is not planning reductions in force. To mitigate the impact of the proposed elimination of funding for the Toxics Substances Hydrology program, we have worked out an agreement with the National Science Foundation to phase this program over a three-year period to help USGS better manage the personnel implications of this proposal.

Question: Some within the Department claim that the USGS programs targeted for reduction will be assumed by other federal agencies.

Could you provide me with examples elsewhere in the administration's budget where other federal agencies assume the cost of these programs?

Answer: The transfer of $10 million in Toxics funding to NSF reflects a broader Administration goal of aligning the Federal Government's investment in research and development to give greater support and emphasis to competitive research. The budget also includes a $5.8 million reduction to the National Water-Quality Assessment Program, which is less than 10 percent of the program's budget, and assumes that this amount can be offset through cost sharing from program partners and beneficiaries, primarily EPA. The budget proposes that USGS fire research will be funded through the Department's Wildland Fire Management account ($2.8 million).

In recent years water, both its quality and quantity, have emerged as national issues. In the USGS budget, you have proposed significant cuts in two important USGS water research programs: $22 million reduction ($135.5 million to $113 million) in the Hydrologic Monitoring, Assessments and Research program and no funds in the Water Resources Research Act program. It was funded at $6 million in 2002.

Question: What is the rationale for these funding cuts?

Answer: The 2003 budget ensures continued emphasis on USGS science programs that support the Department's role in the management of America's lands and resources and the conservation of species. At the same time, the budget continues funding to perform science functions that are inherent to the historical responsibilities of the USGS. The 2003 USGS budget achieves these goals at the request level through a strategy that includes reductions for certain lower priority programs, and also by scaling back some base programs that received significant funding increases in recent years.

In the Water programs, for example, the 2003 budget retains $6.2 million of the $8.3 million base program increase received in 2001 for streamgages. The 2003 budget strategy also assumes an increased reliance on cost-sharing by USGS partners and beneficiaries of USGS programs. The proposed decrease for the National Water-Quality Assessment Program assumes that the decrease in appropriations can be offset with funds provided by external customers and stakeholders that will maintain the current scope and schedule of the program. The overall reduction in USGS water resources funding also reflects the transfer of the Toxic Substances Hydrology Program to the National Science Foundation (-$10 million). In the case of the Water Resources Research Act Program, the State Water Research Institutes who receive grant funds through this program have been highly successful in leveraging their Federal grants with non-Federal funding. It is anticipated that most of the 56 Institutes will be able to continue their work, using other funding sources.

Question: Last year the committee provided additional funding to restore lost and upgrade existing streamgages. How will your proposed

reductions affect these streamgages, particularly those that are a part of the national flood warning network?

Answer: With the additional funding for the streamgaging network in FY 2000 and 2001, USGS added 37 new streamgages to the network, reactivated 73 streamgages that at one time were operational but had been inactive, and upgraded equipment at 127 streamgages to provide real-time telemetry. The funding decrease proposed in the FY 2003 budget would halt operations at 129 existing streamgages, unless Federal or non-Federal partners can provide additional program support to keep these streamgages operational. Of these 129 streamgages, 42 were newly installed or reactivated using the funding increases for the streamgaging program received in FY 2000 or 2001. The National Weather Service uses 90 of the 129 streamgages that would be discontinued to provide flood forecasts.

ENDANGERED SPECIES ACT

Question: Last year you requested language that would have significantly restricted the ability of citizens to secure the listing of imperiled species under the Endangered Species Act. The House and Senate both wisely rejected this language. Are you planning to prevail upon the appropriators to include this or similar language this year?

Answer: No. The language proposed in the 2002 President's budget was intended to ensure limited listing funds are directed toward activities that provide the greatest benefit for species at risk of extinction and was not intended to restrict listing of imperiled species. Congress did not adopt this language, but instead provided a limit on the amount of the Service's listing appropriation that can be spent on critical habitat designations for already-listed species; Congress capped this amount at $6.0 million. This limit is referred to as the critical habitat subcap. The 2003 budget continues the language adopted by Congress in 2002, but proposes to adjust the subcap from $6.0 million to $5.0 million. This will allow the Service to implement a more balanced listing program.

Question: Are you planning any changes to existing listing and critical habitat policies or regulations?

Answer: At present, the Service is working on two policy changes in the section 4 program: a Listing Action Prioritization System and a Framework for Economic Analysis for Critical Habitat designations.

The House Report language from 2002 states that the Service is expected to use a system to prioritize listing actions. The Service's current system only covers the addition of species to the list, and does not deal with the full range of listing actions. The Service is developing a system by which all the petition findings, listing determinations, and critical habitat designations will be prioritized in a manner that is scientifically credible, managerially feasible, and legally defensible. This system will provide the order in which funding will be provided to undertake backlogged listing actions. It will apply where we have

additional funding beyond that needed to respond to court orders. The Service is to establish an effective listing action prioritization system based on reliable, unbiased science. This will help enhance public confidence in the Service's listing decisions.

The Service will develop and seek public comment on a new guidance document for conducting economic analysis that are done under section 4(b)(2) of the Endangered Species Act for critical habitat designation. The purpose of this guidance document is to provide the Service with a standard analytic framework for assessing the costs, benefits, and other economic impacts of critical habitat designation. In *New Mexico Cattle Growers* (New Mexico Cattle Growers Ass'n v. U.S.F.W.S., 248 F.3d 1277 (10th Cir. 2001)) the 10th Circuit held that the Service's approach to economic analysis was "not in accord with the language or intent of the ESA." In particular, the court was concerned that the Service had failed to analyze any economic impact that would result from the designation, because the Service had taken the position that any economic impact from the designation of critical habitat was co-extensive with the economic impact of listing the species. The court rejected the Service's argument that it was required only to evaluate the additional incremental economic impact beyond those imposed by the listing.

The Service is addressing the 10th Circuit's concern in its current analyses and in the framework document. Analyses done under the framework will address the impacts of critical habitat designation that may be "attributable co-extensively" to the listing of the species.

Question: The U.S. Fish and Wildlife Service has reportedly stated it would need approximately $120 million to address the current backlog of more than 250 imperiled species awaiting listing determinations under the ESA, and the several hundred listed species awaiting critical habitat. How do you plan to address the backlog with a funding request of only $9 million?

Answer: In 2002, the listing program was funded at $9.0 million, a significant, 43 percent increase over 2001. This increase is maintained in the 2003 budget. The Service is processing backlogged listing actions as expeditiously as possible consistent with the availability of trained staff and managers, as well as sound science. However, the Service's ability to process listing actions can be impacted by new litigation, requiring adjustments to work plans and reallocation of resources.

The 2003 budget balances competing needs at a time of fiscal constraint, and includes a balanced proposal for all aspects of the endangered species program, including candidate conservation, consultation/ HCP planning, and recovery. The budget includes an increase of $1.4 million for the candidate conservation program that helps prevent species from being listed. Candidate species are included in the listing program backlog, and conservation actions taken on candidate species can reduce or eliminate the need to list these species, hence, reducing the backlog. The budget also focuses resources on the ESA consultation/HCP planning and recovery programs, through general program

increases of $2.0 million and $2.5 million, respectively; and prioritizes grants to States, Tribes, local communities, and landowners for conservation actions benefiting at-risk species, through the landowner incentive program and the Cooperative Endangered Species Conservation Fund.

Question: It is my understanding that a number of species listed on the ESA recovery program continue to decline, even though they are currently protected under the ESA. Can you please provide this subcommittee with a list of these species? Can you also provide an assessment of how much recovery funding is needed to arrest this decline and how that funding would be used?

Answer: The Service currently recognizes that 414 federally listed species are declining, 497 species are either stable or improving. The Service does not have conclusive data for 277 species. A list of the 414 declining species follows.

Final recovery plans are in place for nearly 80 percent of U.S. listed species. Each recovery plan includes the estimated costs of the proposed recovery actions for the first five years of the plan. These costs include FWS activities, as well as activities of affected Federal agencies, States and others. FWS does not currently have a system in place that aggregates these costs on a national basis; nor formal budgetary review procedures of the cost estimates. The 2003 FWS budget includes funding that will assist in recovery of critically endangered species, including $60.2 million for the ESA recovery program, which includes a general increase of $2.5 million that will support, in part, immediate actions to stabilize critically endangered species that are on the brink of extinction. Grant programs such as the Cooperative Endangered Species Conservation Fund and landowner incentive grants will provide assistance to States for implementing conservation actions benefiting at-risk species. Other agency budgets also include funding to support endangered species recovery. For example, BLM's 2003 budget includes a $1.0 million increase to speed recovery of listed species on BLM lands.

Question: I was informed that the Bureau of Reclamation has issued a draft Biological Assessment for its operation of the Klamath project that to paraphrase claims that Reclamation will no longer take any action to protect listed species if doing so would interfere with water rights. I assume this means that no action affecting water rights would be taken if this inaction would jeopardize the continued existence of listed species. Is this assessment correct? Do you plan to implement this reinterpretation as policy nationwide? Do you think you may find yourself embroiled in another lawsuit?

Answer: The Department is not aware of any statement in BOR's Biological Assessment that says or suggests that BOR will no longer take any action to protect listed species if doing so would in any way interfere with water rights, even if failing to take action would jeopardize the continued existence of listed species.

1.Moran.4

Endangered Species
List of Declining Species

Common Name	Listing Status (2001)	Lead Region	Pop. Status - 2001		Date First Listed
bat, Indiana	E, CH	3	D		11-Mar-67
bat, Mariana fruit (=Mariana flying fox)	E	1	D		27-Aug-84
caribou, woodland	E	1	D		14-Jan-83
fox, San Joaquin kit	E	1	D		11-Mar-67
kangaroo rat, Morro Bay	E, CH	1	D		13-Oct-70
kangaroo rat, San Bernardino Merriam's	E	1	D		27-Jan-98
kangaroo rat, Tipton	E	1	D		8-Jul-88
kangaroo rat, giant	E	1	D		5-Jan-87
mouse, Pacific pocket	E	1	D		3-Feb-94
mouse, Preble's meadow jumping	T	6	D		13-May-98
ocelot	E	2	D		28-Mar-72
pronghorn, Sonoran	E	2	D		11-Mar-67
rabbit, Lower Keys marsh	E	4	D		21-Jun-90
rabbit, riparian brush	E	1	D		23-Feb-00
squirrel, Mount Graham red	E, CH	2	D		3-Jun-87
woodrat, Key Largo	E	4	D		21-Sep-83
woodrat, riparian (=San Joaquin Valley)	E	1	D		23-Feb-00
Plover, piping (Northern Plains)	T, CH	6	D		11-Dec-85
akiapola`au (honeycreeper)	E	1	D		11-Mar-67
creeper, Oahu	E	1	D		13-Oct-70
crow, Hawaiian	E	1	D		11-Mar-67
crow, Mariana	E	1	D		27-Aug-84
elepaio, Oahu	E	1	D		18-Apr-00
gnatcatcher, coastal California	T, CH	1	D		30-Mar-93
jay, Florida scrub	T	4	D		3-Jun-87
murrelet, marbled	T, CH	1	D		1-Oct-92
nukupu`u (honeycreeper)	E	1	D		11-Mar-67
owl, northern spotted	T, CH	1	D		26-Jun-90
plover, western snowy	T, CH	1	D		5-Mar-93
po`ouli (honeycreeper)	E	1	D		25-Sep-75
prairie-chicken, Attwater's greater	E	2	D		11-Mar-67
pygmy-owl, cactus ferruginous	E, CH	2	D		10-Mar-97
shearwater, Newell's Townsend's	T	1	D		25-Sep-75
vireo, black-capped	E	2	D		6-Oct-87
warbler (=wood), golden-cheeked	E	2	D		4-May-90
warbler, nightingale reed (old world warbler)	E	1	D		1
boa, Puerto Rican	E	4	D		13-Oct-70
lizard, Coachella Valley fringe-toed	T, CH	1	D		25-Sep-80
lizard, blunt-nosed leopard	E	1	D		11-Mar-67
sea turtle, hawksbill	E, CH	4	D	R	
sea turtle, leatherback	E, CH	4	D	R	
snake, Atlantic salt marsh	T	4	D		29-Nov-77
snake, Lake Erie water	T	3	D		30-Aug-99
snake, San Francisco garter	E	1	D		11-Mar-67
snake, copperbelly water	T	3	D		29-Jan-97
snake, eastern indigo	T	4	D		31-Jan-78
tortoise, gopher	T	4	D		7-Jul-87
turtle, bog (=Muhlenberg)	T	5	D		4-Nov-97
turtle, flattened musk	T	4	D		11-Jun-87
turtle, ringed map	T	4	D		23-Dec-86
turtle, yellow-blotched map	T	4	D		14-Jan-91
whipsnake (=striped racer), Alameda	T, CH	1	D		5-Dec-97
frog, California red-legged	T, CH	1	D		23-May-96
salamander, Barton Springs	E	2	D		30-Apr-97

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Endangered Species
List of Declining Species

Common Name	Listing Status (2001)	Lead Region	Pop. Status - 2001	Date First Listed
salamander, California tiger	E	1	D	19-Jan-00
salamander, San Marcos	T, CH	2	D	14-Jul-80
salamander, Santa Cruz long-toed	E	1	D	11-Mar-67
salamander, Texas blind	E	2	D	11-Mar-67
salamander, flatwoods	T	4	D	1-Apr-99
toad, Houston	E, CH	2	D	13-Oct-70
toad, Wyoming	E	6	D	17-Jan-84
toad, arroyo (=arroyo southwestern)	E, CH	1	D	16-Dec-94
catfish, Yaqui	T, CH	2	D	31-Aug-84
chub, Pahranagat roundtail	E	1	D	13-Oct-70
chub, slender	T, CH	4	D	9-Sep-77
dace, Ash Meadows speckled	E, CH	1	D	10-May-82
dace, Moapa	E	1	D	11-Mar-67
darter, Cherokee	T	4	D	20-Dec-94
darter, fountain	E, CH	2	D	13-Oct-70
darter, leopard	T, CH	2	D	27-Jan-78
gambusia, Pecos	E	2	D	13-Oct-70
madtom, Neosho	T	6	D	22-May-90
madtom, yellowfin	T, CH	4	D	9-Sep-77
minnow, Rio Grande silvery	E, CH	2	D	20-Jul-94
minnow, loach	T, CH	2	D	28-Oct-86
pupfish, Comanche Springs	E	2	D	11-Mar-67
salmon, Atlantic	E	5	D	17-Nov-00
shiner, Arkansas River	T, CH	2	D	23-Nov-98
shiner, Topeka	E	6	D	15-Dec-98
shiner, beautiful	T, CH	2	D	31-Aug-84
spikedace	T, CH	2	D	1-Jul-86
spinedace, Big Spring	T, CH	1	D	28-Mar-85
spinedace, Little Colorado	T, CH	2	D	11-Mar-67
springfish, Railroad Valley	T, CH	1	D	31-Mar-86
sturgeon, pallid	E	6	D	6-Sep-90
sturgeon, white	E	1	D	6-Sep-94
sucker, June	E, CH	6	D	31-Mar-86
trout, Lahontan cutthroat	T	1	D	13-Oct-70
woundfin	E, CH	6	D	13-Oct-70
Mapleleaf, winged (mussel)	E	3	D	20-Jun-91
bankclimber, purple (mussel)	T	4	D	16-Mar-98
bean, Cumberland (pearlymussel)	E	4	D	14-Jun-76
bean, purple	E	4	D	10-Jan-97
blossom, green (pearlymussel)	E	4	D	14-Jun-76
catspaw (=purple cat's paw pearlymussel)	E	3	D	10-Jul-90
catspaw, white (pearlymussel)	E	3	D	14-Jun-76
combshell, Cumberlandian	E	4	D	10-Jan-97
fanshell	E	4	D	21-Jun-90
heelsplitter, Carolina	E	4	D	30-Jun-93
higgins eye (pearlymussel)	E	3	D	14-Jun-76
lampmussel, Alabama	E	4	D	14-Jun-76
moccasinshell, Gulf	E	4	D	16-Mar-98
monkeyface, Appalachian (pearlymussel)	E	4	D	14-Jun-76
monkeyface, Cumberland (pearlymussel)	E	4	D	14-Jun-76
mucket, pink (pearlymussel)	E	4	D	14-Jun-76
mussel, oyster	E	4	D	10-Jan-97
pearlymussel, Curtis	E	3	D	14-Jun-76
pearlymussel, birdwing	E	4	D	14-Jun-76

1.Moran.4

Endangered Species
List of Declining Species

Common Name	Listing Status (2001)	Lead Region	Pop. Status - 2001	Date First Listed
pearlymussel, cracking	E	4	D	28-Sep-89
pearlymussel, dromedary	E	4	D	14-Jun-76
pearlymussel, littlewing	E	4	D	14-Nov-88
pigtoe, finerayed	E	4	D	14-Jun-76
pigtoe, oval	E	4	D	16-Mar-98
pigtoe, rough	E	4	D	14-Jun-76
pigtoe, shiny	E	4	D	14-Jun-76
pimpleback, orangefoot (pearlymussel)	E	4	D	14-Jun-76
pocketbook, Ouachita rock	E	2	D	23-Oct-91
pocketbook, shinyrayed	E	4	D	16-Mar-98
rabbitsfoot, rough	E	4	D	10-Jan-97
riffleshell, northern	E	5	D	22-Jan-93
riffleshell, tan	E	4	D	23-Aug-77
ring pink (mussel)	E	4	D	29-Sep-89
three-ridge, fat (mussel)	E	4	D	16-Mar-98
wartyback, white (pearlymussel)	E	4	D	14-Jun-76
snail, Chittenango ovate amber	T	5	D	3-Jul-78
snail, Snake River physa	E	1	D	14-Dec-92
springsnail, Bruneau Hot	E	1	D	25-Jan-93
beetle, Coffin Cave mold	E	2	D	16-Sep-88
beetle, Comal Springs dryopid	E	2	D	18-Dec-97
beetle, Comal Springs riffle	E	2	D	18-Dec-97
beetle, Kretschmarr Cave mold	E	2	D	16-Sep-88
beetle, Tooth Cave ground	E	2	D	16-Sep-88
butterfly, Fender's blue	E	1	D	25-Jan-00
butterfly, Lange's metalmark	E	1	D	1-Jun-76
butterfly, Oregon silverspot	T, CH	1	D	2-Jul-80
butterfly, Palos Verdes blue	E, CH	1	D	2-Jul-80
butterfly, Quino checkerspot	E	1	D	16-Jan-97
butterfly, Saint Francis' satyr	E	4	D	18-Apr-94
dragonfly, Hine's emerald	E	3	D	26-Jan-95
fly, Delhi Sands flower-loving	E	1	D	23-Sep-93
ground beetle, [unnamed] (Rhadine exilis)	E	2	D	26-Dec-00
ground beetle, [unnamed] (Rhadine infernalis)	E	2	D	26-Dec-00
mold beetle, Helotes	E	2	D	26-Dec-00
moth, Kern primrose sphinx	T	1	D	8-Apr-80
skipper, Laguna Mountains	E	1	D	16-Jan-97
Spider, Robber Baron cave	E	2	D	26-Dec-00
harvestman, Bee Creek Cave	E	2	D	16-Sep-88
harvestman, Bone Cave	E	2	D	16-Sep-88
harvestman, Robber Baron Cave	E	2	D	26-Dec-00
pseudoscorpion, Tooth Cave	E	2	D	16-Sep-88
spider, Government Canyon cave	E	2	D	26-Dec-00
spider, Madla's cave	E	2	D	26-Dec-00
spider, Tooth Cave	E	2	D	16-Sep-88
spider, Vesper cave	E	2	D	26-Dec-00
spider, [unnamed]	E	2	D	26-Dec-00
amphipod, Illinois cave	E	3	D	3-Sep-98
amphipod, Peck's cave	E	2	D	18-Dec-97
crayfish, Shasta	E	1	D	30-Sep-88
fairy shrimp, vernal pool	T	1	D	19-Sep-94
shrimp, Squirrel Chimney Cave	T	4	D	21-Jun-90
tadpole shrimp, vernal pool	E	1	D	19-Sep-94
Baccharis, Encinitas (Baccharis vanessae)	T	1	D	7-Oct-96

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Fritillary, Gentner's (Fritillaria gentneri)	E	1	D	10-Dec-99
Honohono (Haplostachys haplostachya)	E	1	D	30-Oct-79
No common name (Abutilon eremitopetalum)	E	1	D	20-Sep-91
No common name (Alsinidendron trinerve)	E	1	D	29-Oct-91
No common name (Alsinidendron viscosum)	E	1	D	10-Oct-96
No common name (Amaranthus brownii)	E	1	D	21-Aug-96
No common name (Bonamia menziesii)	E	1	D	10-Nov-94
No common name (Hesperomannia arbuscula)	E	1	D	29-Oct-91
No common name (Neraudia angulata)	E	1	D	29-Oct-91
No common name (Neraudia ovata)	E	1	D	10-Oct-96
No common name (Phyllostegia kaalaensis)	E	1	D	10-Oct-96
No common name (Phyllostegia knudsenii)	E	1	D	10-Oct-96
No common name (Phyllostegia mannii)	E	1	D	8-Oct-92
No common name (Phyllostegia mollis)	E	1	D	29-Oct-91
No common name (Phyllostegia velutina)	E	1	D	10-Oct-96
No common name (Phyllostegia warshaueri)	E	1	D	10-Oct-96
No common name (Platanthera holochila)	E	1	D	10-Oct-96
No common name (Poa siphonoglossa)	E	1	D	13-May-92
No common name (Sanicula mariversa)	E	1	D	29-Oct-91
No common name (Sanicula purpurea)	E	1	D	10-Oct-96
No common name (Schiedea hookeri)	E	1	D	10-Oct-96
No common name (Schiedea kaalae)	E	1	D	29-Oct-91
No common name (Schiedea kauaiensis)	E	1	D	10-Oct-96
No common name (Schiedea membranacea)	E	1	D	10-Oct-96
No common name (Schiedea nuttallii)	E	1	D	10-Oct-96
No common name (Silene lanceolata)	E	1	D	8-Oct-92
No common name (Stenogyne bifida)	E	1	D	8-Oct-92
No common name (Stenogyne campanulata)	E	1	D	13-May-92
No common name (Tetramolopium arenarium)	E	1	D	4-Mar-94
No common name (Tetramolopium lepidotum lepidotum)	E	1	D	29-Oct-91
No common name (Tetramolopium remyi)	E	1	D	20-Sep-91
No common name (Trematolobelia singularis)	E	1	D	10-Oct-96
No common name (Viola oahuensis)	E	1	D	10-Oct-96
`akoko (Chamaesyce deppeana)	E	1	D	28-Mar-94
`akoko (Chamaesyce herbstii)	E	1	D	10-Oct-96
`akoko (Euphorbia haeleeleana)	E	1	D	10-Oct-96
`akoko, Ewa Plains (Chamaesyce skottsbergii var. kalaeloana)	E	1	D	24-Aug-82
`anunu (Sicyos alba)	E	1	D	10-Oct-96
`oha wai (Clermontia drepanomorpha)	E	1	D	10-Oct-96
`oha wai (Clermontia oblongifolia ssp. mauiensis)	E	1	D	15-May-92
`oha wai (Clermontia pyrularia)	E	1	D	4-Mar-94
`oha wai (Clermontia samuelii)	E	1	D	3-Sep-99
a`e (Zanthoxylum dipetalum var. tomentosum)	E	1	D	10-Oct-96
alani (Melicope adscendens)	E	1	D	5-Dec-94
alani (Melicope haupuensis)	E	1	D	25-Feb-94
alani (Melicope knudsenii)	E	1	D	25-Feb-94
alani (Melicope mucronulata)	E	1	D	15-May-92
alani (Melicope munroi)	E	1	D	3-Sep-99
amaranth, seabeach (Amaranthus pumilus)	T	4	D	7-Apr-93
arrowhead, bunched (Sagittaria fasciculata)	E	4	D	25-Jul-79
aupaka (Isodendrion laurifolium)	E	1	D	10-Oct-96
aupaka (Isodendrion longifolium)	T	1	D	10-Oct-96
avens, spreading (Geum radiatum)	E	4	D	5-Apr-90
awiwi (Centaurium sebaeoides)	E	1	D	29-Oct-91

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awiwi (Hedyotis cookiana)	E	1	D	25-Feb-94
barberry, island (Berberis pinnata var. insularis)	E	1	D	31-Jul-97
bear-poppy, dwarf (Arctomecon humilis)	E	6	D	6-Nov-79
bittercress, small-anthered (Cardamine micranthera)	E	4	D	21-Sep-89
bladderpod, San Bernardino Mountains (Lesquerella kingii ssp. bernardina)	E	1	D	24-Aug-94
bladderpod, Spring Creek (Lesquerella perforata)	E	4	D	23-Dec-96
bluegrass, Hawaiian (Poa sandvicensis)	E	1	D	13-May-92
bluegrass, Mann's (Poa mannii)	E	1	D	10-Nov-94
bluegrass, San Bernardino (Poa atropurpurea)	E	1	D	14-Sep-98
bluet, Roan Mountain (Hedyotis purpurea var. montana)	E	4	D	5-Apr-90
brodiaea, thread-leaved (Brodiaea filifolia)	T	1	D	13-Oct-98
buckwheat, cushenbury (Eriogonum ovalifolium var. vineum)	E	1	D	24-Aug-94
buckwheat, steamboat (Eriogonum ovalifolium var. williamsiae)	E	1	D	8-Jul-86
bush-mallow, Santa Cruz Island (Malacothamnus fasciculatus var. nesioticus)	E	1	D	31-Jul-97
buttercup, autumn (Ranunculus acriformis var. aestivalis)	E	6	D	21-Jul-89
cactus, Peebles Navajo (Pediocactus peeblesianus peeblesianus)	E	2	D	26-Oct-79
cactus, Tobusch fishhook (Ancistrocactus tobuschii)	E	2	D	7-Nov-79
cactus, Winkler (Pediocactus winkleri)	T	6	D	20-Aug-98
campion, fringed (Silene polypetala)	E	4	D	18-Jan-91
cat's-eye, Terlingua Creek (Cryptantha crassipes)	E	2	D	30-Sep-91
checker-mallow, Nelson's (Sidalcea nelsoniana)	T	1	D	12-Feb-93
checker-mallow, pedate (Sidalcea pedata)	E	1	D	31-Aug-84
clarkia, Pismo (Clarkia speciosa ssp. immaculata)	E	1	D	15-Dec-94
clover, showy Indian (Trifolium amoenum)	E	1	D	22-Oct-97
cory cactus, bunched (Coryphantha ramillosa)	T	2	D	6-Nov-79
cress, toad-flax (Schoenocrambe suffrutescens)	E	6	D	6-Oct-87
crownbeard, big-leaved (Verbesina dissita)	T	1	D	7-Oct-96
crownscale, San Jacinto Valley (Atriplex coronata var. notatior)	E	1	D	13-Oct-98
daisy, Parish's (Erigeron parishii)	T	1	D	24-Aug-94
daisy, Willamette (Erigeron decumbens var. decumbens)	E	1	D	25-Jan-00
dudleya, Conejo (Dudleya abramsii ssp. parva)	T	1	D	29-Jan-97
dudleya, Santa Clara Valley (Dudleya setchellii)	E	1	D	3-Feb-95
dudleya, Santa Cruz Island (Dudleya nesiotica)	T	1	D	31-Jul-97
dudleya, Verity's (Dudleya verityi)	T	1	D	29-Jan-97
dudleyea, Santa Monica Mountains (Dudleya cymosa ssp. ovatifolia)	T	1	D	29-Jan-97
evening-primrose, Antioch Dunes (Oenothera deltoides ssp. howellii)	E, CH	1	D	26-Apr-78
fiddleneck, large-flowered (Amsinckia grandiflora)	E, CH	1	D	8-May-85
gilia, Hoffmann's slender-flowered (Gilia tenuiflora ssp. hoffmannii)	E	1	D	31-Jul-97
goldfields, Burke's (Lasthenia burkei)	E	1	D	2-Dec-91
goldfields, Contra Costa (Lasthenia conjugens)	E	1	D	18-Jun-97
grass, California Orcutt (Orcuttia californica)	E	1	D	
grass, Colusa (Neostapfia colusana)	T	1	D	26-Mar-97
grass, Solano (Tuctoria mucronata)	E	1	D	28-Sep-78
ha`iwale (Cyrtandra giffardii)	E	1	D	4-Mar-94
ha`iwale (Cyrtandra polyantha)	E	1	D	28-Mar-94
ha`iwale (Cyrtandra tintinnabula)	E	1	D	4-Mar-94
ha`iwale (Cyrtandra viridiflora)	E	1	D	10-Oct-96
haha (Cyanea acuminata)	E	1	D	10-Oct-96
haha (Cyanea asarifolia)	E	1	D	25-Feb-94
haha (Cyanea copelandii ssp. haleakalaensis)	E	1	D	3-Sep-99
haha (Cyanea dunbarii)	E	1	D	10-Oct-96
haha (Cyanea glabra)	E	1	D	3-Sep-99
haha (Cyanea grimesiana ssp. grimesiana)	E	1	D	10-Oct-96
haha (Cyanea grimesiana ssp. obatae)	E	1	D	27-Jun-94

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haha (Cyanea humboldtiana)	E	1	D	10-Oct-96
haha (Cyanea koolauensis)	E	1	D	10-Oct-96
haha (Cyanea lobata)	E	1	D	15-May-92
haha (Cyanea pinnatifida)	E	1	D	29-Oct-91
haha (Cyanea platyphylla)	E	1	D	10-Oct-96
haha (Cyanea procera)	E	1	D	8-Oct-92
haha (Cyanea shipmannii)	E	1	D	4-Mar-94
haha (Cyanea st-johnii)	E	1	D	10-Oct-96
haha (Cyanea stictophylla)	E	1	D	4-Mar-94
haha (Cyanea superba)	E	1	D	11-Sep-91
haha (Cyanea truncata)	E	1	D	28-Mar-94
hala pepe (Pleomele hawaiiensis)	E	1	D	10-Oct-96
harebells, Avon Park (Crotalaria avonensis)	E	4	D	27-Apr-93
hau kuahiwi (Hibiscadelphus woodii)	E	1	D	10-Oct-96
hibiscus, Clay's (Hibiscus clayi)	E	1	D	25-Feb-94
irisette, white (Sisyrinchium dichotomum)	E	4	D	26-Sep-91
jewelflower, Metcalf Canyon (Streptanthus albidus ssp. albidus)	E	1	D	3-Feb-95
kamakahala (Labordia cyrtandrae)	E	1	D	10-Oct-96
kamakahala (Labordia lydgatei)	E	1	D	20-Sep-91
kamakahala (Labordia tinifolia var. lanaiensis)	E	1	D	3-Sep-99
kamakahala (Labordia tinifolia var. wahiawaensis)	E	1	D	10-Oct-96
kamakahala (Labordia triflora)	E	1	D	3-Sep-99
kauai hau kuahiwi (Hibiscadelphus distans)	E	1	D	29-Apr-86
kauila (Colubrina oppositifolia)	E	1	D	4-Mar-94
kaulu (Pteralyxia kauaiensis)	E	1	D	25-Feb-94
kio`ele (Hedyotis coriacea)	E	1	D	15-May-92
kiponapona (Phyllostegia racemosa)	E	1	D	10-Oct-96
kohe malama malama o kanaloa (Kanaloa kahoolawensis)	E	1	D	3-Sep-99
koki`o (Kokia drynarioides)	E, CH	1	D	4-Dec-84
koki`o ke`oke`o (Hibiscus arnottianus ssp. immaculatus)	E	1	D	8-Oct-92
koki`o ke`oke`o (Hibiscus waimeae ssp. hannerae)	E	1	D	10-Oct-96
koki`o, (=Kaua`i koki`o) (Kokia kauaiensis)	E	1	D	10-Oct-96
kolea (Myrsine linearifolia)	T	1	D	10-Oct-96
kuahiwi laukahi (Plantago hawaiensis)	E	1	D	4-Mar-94
kuahiwi laukahi (Plantago princeps)	E	1	D	10-Nov-94
kuawawaenohu (Alsinidendron lychnoides)	E	1	D	10-Oct-96
kula wahine noho (Isodendrion pyrifolium)	E	1	D	4-Mar-94
ladies'-tresses, Navasota (Spiranthes parksii)	E	2	D	6-May-82
lau `ehu (Panicum niihauense)	E	1	D	10-Oct-96
laulihilihi, (=Ma`oli`oli) (Schiedea stellarioides)	E	1	D	10-Oct-96
lead-plant, Crenulate (Amorpha crenulata)	E	4	D	18-Jul-85
lily, Pitkin Marsh (Lilium pardalinum ssp. pitkinense)	E	1	D	22-Oct-97
lily, Western (Lilium occidentale)	E	1	D	17-Aug-94
lupine, Nipomo Mesa (Lupinus nipomensis)	E	1	D	20-Mar-00
ma`o hau hele, (=native yellow hibiscus) (Hibiscus brackenridgei)	E	1	D	10-Nov-94
ma`oli`oli (Schiedea kealiae)	E	1	D	10-Oct-96
mahoe (Alectryon macrococcus)	E	1	D	15-May-92
malacothrix, island (Malacothrix squalida)	E	1	D	31-Jul-97
manzanita, Del Mar (Arctostaphylos glandulosa ssp. crassifolia)	E	1	D	7-Oct-96
manzanita, Ione (Arctostaphylos myrtifolia)	T	1	D	26-May-99
manzanita, Santa Rosa Island (Arctostaphylos confertiflora)	E	1	D	31-Jul-97
manzanita, pallid (Arctostaphylos pallida)	T	1	D	22-Apr-98
meadowfoam, Butte County (Limnanthes floccosa ssp. californica)	E	1	D	8-Jun-92
meadowfoam, Sebastopol (Limnanthes vinculans)	E	1	D	2-Dec-91

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mehamehame (Flueggea neowawraea)	E	1	D	10-Nov-94
mesa-mint, Otay (Pogogyne nudiuscula)	E	1	D	3-Aug-93
milk-vetch, Applegate's (Astragalus applegatei)	E	1	D	28-Jul-93
milk-vetch, Ash meadows (Astragalus phoenix)	T, CH	1	D	20-May-85
milk-vetch, Braunton's (Astragalus brauntonii)	E	1	D	29-Jan-97
milk-vetch, Coachella Valley (Astragalus lentiginosus var. coachellae)	E	1	D	8-Oct-98
milk-vetch, Cushenbury (Astragalus albens)	E	1	D	24-Aug-94
milk-vetch, Fish Slough (Astragalus lentiginosus var. piscinensis)	T	1	D	6-Oct-98
milk-vetch, Holmgren (Astragalus holmgreniorum)	E	6	D	28-Sep-01
milk-vetch, Shivwitz (Astragalus ampullarioides)	E	6	D	28-Sep-01
milk-vetch, Ventura Marsh (Astragalus pycnostachyus lanosissimus)	E	1	D	21-May-01
milk-vetch, triple-ribbed (Astragalus tricarinatus)	E	1	D	6-Oct-98
milkpea, Small's (Galactia smallii)	E	4	D	18-Jul-85
milkweed, Mead's (Asclepias meadii)	T	3	D	1-Sep-88
monardella, willowy (Monardella linoides ssp. viminea)	E	1	D	13-Oct-98
mustard, slender-petaled (Thelypodium stenopetalum)	E	1	D	31-Aug-84
na`ena`e (Dubautia plantaginea ssp. humilis)	E	1	D	3-Sep-99
nani wai`ale`ale (Viola kauaiensis var. wahiawaensis)	E	1	D	10-Oct-96
nanu (Gardenia mannii)	E	1	D	10-Oct-96
navarretia, spreading (Navarretia fossalis)	T	1	D	13-Oct-98
nehe (Lipochaeta kamolensis)	E	1	D	15-May-92
nehe (Lipochaeta venosa)	E	1	D	30-Oct-79
nioi (Eugenia koolauensis)	E	1	D	28-Mar-94
oha (Delissea rhytidosperma)	E	1	D	25-Feb-94
oha (Delissea rivularis)	E	1	D	10-Oct-96
oha (Delissea subcordata)	E	1	D	10-Oct-96
olulu (Brighamia insignis)	E	1	D	25-Feb-94
onion, Munz's (Allium munzii)	E	1	D	13-Oct-98
opuhe (Urera kaalae)	E	1	D	29-Oct-91
orcutt grass, Greene's (Tuctoria greenei)	E	1	D	26-Mar-97
orcutt grass, Sacramento (Orcuttia viscida)	E	1	D	26-Mar-97
orcutt grass, hairy (Orcuttia pilosa)	E	1	D	26-Mar-97
owl's-clover, fleshy (Castilleja campestris ssp. succulenta)	T	1	D	26-Mar-97
oxytheca, cushenbury (Oxytheca parishii var. goodmaniana)	E	1	D	24-Aug-94
paintbrush, ash-grey (Castilleja cinerea)	T	1	D	
paintbrush, golden (Castilleja levisecta)	T	1	D	11-Jun-97
panicgrass, Carter's (Panicum fauriei var. carteri)	E, CH	1	D	12-Oct-83
pawpaw, Rugel's (Deeringothamnus rugelii)	E	4	D	26-Sep-86
pawpaw, beautiful (Deeringothamnus pulchellus)	E	4	D	26-Sep-86
pentachaeta, Lyon's (Pentachaeta lyonii)	E	1	D	29-Jan-97
phacelia, clay (Phacelia argillacea)	E	6	D	28-Sep-78
phacelia, island (Phacelia insularis ssp. insularis)	E	1	D	31-Jul-97
pink, swamp (Helonias bullata)	T	5	D	9-Sep-88
pinkroot, gentian (Spigelia gentianoides)	E	4	D	26-Nov-90
pitcher-plant, mountain sweet (Sarracenia rubra ssp. jonesii)	E	4	D	30-Sep-86
pondberry (Lindera melissifolia)	E	4	D	31-Jul-86
popcornflower, rough (Plagiobothrys hirtus)	E	1	D	25-Jan-00
poppy, Sacramento prickly (Argemone pleiacantha ssp. pinnatisecta)	E	2	D	24-Aug-89
poppy-mallow, Texas (Callirhoe scabriuscula)	E	2	D	13-Jan-81
pussypaws, Mariposa (Calyptridium pulchellum)	T	1	D	14-Sep-98
rattleweed, hairy (Baptisia arachnifera)	E	4	D	26-Apr-78
remya, Maui (Remya mauiensis)	E	1	D	14-Jan-91
rock-cress, Braun's (Arabis perstellata)	E	4	D	3-Jan-95
rock-cress, Hoffmann's (Arabis hoffmannii)	E	1	D	31-Jul-97

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sandwort, Bear Valley (Arenaria ursina)	T	1	D	14-Sep-98
schiedea, Diamond Head (Schiedea adamantis)	E	1	D	17-Feb-84
sedge, Navajo (Carex specuicola)	T, CH	2	D	8-May-85
skullcap, Florida (Scutellaria floridana)	T	4	D	8-May-92
spineflower, Ben Lomond (Chorizanthe pungens var. hartwegiana)	E	1	D	4-Feb-94
spineflower, Orcutt's (Chorizanthe orcuttiana)	E	1	D	7-Oct-96
spineflower, Robust (incl. Scotts Valley) (Chorizanthe robusta (incl. vars. robus	E	1	D	4-Feb-94
spineflower, slender-horned (Dodecahema leptoceras)	E	1	D	28-Sep-87
spurge, Garber's (Chamaesyce garberi)	T	4	D	18-Jul-85
spurge, Hoover's (Chamaesyce hooveri)	T	1	D	26-Mar-97
spurge, deltoid (Chamaesyce deltoidea ssp. deltoidea)	E	4	D	18-Jul-85
spurge, telephus (Euphorbia telephioides)	T	4	D	8-May-92
sumac, Michaux's (Rhus michauxii)	E	4	D	28-Sep-89
sunflower, Schweinitz's (Helianthus schweinitzii)	E	4	D	7-May-91
sunshine, Sonoma (Blennosperma bakeri)	E	1	D	2-Dec-91
taraxacum, California (Taraxacum californicum)	E	1	D	14-Sep-98
tarplant, Otay (Hemizonia conjugens)	T	1	D	
tarplant, Santa Cruz (Holocarpha macradenia)	T	1	D	20-Mar-00
thistle, La Graciosa (Cirsium loncholepis)	E	1	D	20-Mar-00
thistle, Loch Lomond coyote (Eryngium constancei)	E	1	D	1-Aug-85
thistle, Suisun (Cirsium hydrophilum var. hydrophilum)	E	1	D	20-Nov-97
thornmint, San Mateo (Acanthomintha obovata ssp. duttonii)	E	1	D	18-Sep-85
uhiuhi (Caesalpinia kavaiense)	E	1	D	8-Jul-86
vetch, Hawaiian (Vicia menziesii)	E	1	D	26-Apr-78
wallflower, Ben Lomond (Erysimum teretifolium)	E	1	D	4-Feb-94
wallflower, Contra Costa (Erysimum capitatum var. angustatum)	E, CH	1	D	26-Apr-78
wallflower, Menzies' (Erysimum menziesii)	E	1	D	22-Jun-92
warea, wide-leaf (Warea amplexifolia)	E	4	D	29-Apr-87
wild-buckwheat, clay-loving (Eriogonum pelinophilum)	E, CH	6	D	13-Jul-84
wild-buckwheat, southern mountain (Eriogonum kennedyi var. austromontanu	T	1	D	
wild-rice, Texas (Zizania texana)	E, CH	2	D	26-Apr-78
woolly-star, Santa Ana River (Eriastrum densifolium ssp. sanctorum)	E	1	D	28-Sep-87
ziziphus, Florida (Ziziphus celata)	E	4	D	27-Jul-89
Torreya, Florida (Torreya taxifolia)	E	4	D	23-Jan-84
fern, pendant kihi (Adenophorus periens)	E	1	D	10-Nov-94
lichen, rock gnome (Gymnoderma lineare)	E	4	D	18-Jan-95

On February 27, 2002, BOR issued its biological assessment of the effects of Klamath Project operations on ESA listed species. BOR proposes to operate the Project in a manner to avoid jeopardizing the listed species and to conserve and protect the species and further BOR's tribal trust obligations. Given the controversy surrounding last year's Project operations, the Department worked diligently to design a program that would meet ESA obligations in coordination and cooperation with water users in the Basin. In the Biological Assessment, BOR proposes specific actions to protect and conserve species in a manner intended to be in full compliance with the requirements of the Endangered Species Act. BOR's proposed water bank and other actions will protect the species while minimizing impacts on other water uses. FWS and NMFS are reviewing the Biological Assessment to determine whether any reasonable and prudent alternatives to avoid jeopardizing the species or reasonable and prudent measures to minimize incidental take are necessary.

While the Department hopes to avoid future litigation, given the complex situation faced in the Klamath, the Department's decisions may be challenged.

STATE WILDLIFE GRANTS PROGRAM

Question: The FY 2002 Interior appropriations bill provided $85 million for the State Wildlife grants program. The Administration's budget proposed to fund the program at $60.0 million. As you know the fiscal 2002 Interior Appropriations bill included an important requirement for the states to develop comprehensive conservation plans to govern the use of State Wildlife grants funds. Can you update us on the Department's progress in finalizing guidance for these plans and getting this important state planning process underway?

Answer: During February, in Denver, Colorado, the Service engaged in collaborative, in-depth discussions with a group of State representatives on general program implementation guidelines. The Service provided the guidelines to the States the last week in March. These guidelines include a broad framework for the plans. The Service also intends to work with interested non-governmental organizations and States over the next few months to refine and clarify expectations for the plans. The Service recognizes the need to collaborate with the States and NGOs to identify what a successful plan will address. Discussions will also help clarify concerns such as project standards and plan format and content. Once final details for plan development are in place, States will be able to write their conservation plans with a clear understanding of the requirements.

No plans have been submitted to the Secretary yet. However, the States have until 2005 to prepare them in accordance with requirements contained in the 2002 Interior and Related Agencies Appropriations Act. To be eligible for the 2002 State Wildlife Grants Program, a State must commit to develop a comprehensive wildlife conservation plan no later than October 1, 2005. A process will be in place to ensure each State provides a commitment letter or has an approved plan prior to the award of grant funds under this program.

NATIONAL WILDLIFE REFUGE SYSTEM OPERATIONS AND MAINTENANCE

Question: I commend the Administration for the substantial increase that has been requested for Refuge operations and maintenance. Substantially increased funding is critical if the Refuge System is to meet its wildlife conservation mission in its second century and the upcoming centennial provides a tremendous opportunity to address this pressing need. I have some concerns with how this increase will be achieved. I understand that funding for about half of the increase came from a corresponding reduction in FWS land acquisition. How will the Refuge System be able to meet the mandate of the National Wildlife Refuge System Improvement Act of 1997 "to contribute to the conservation of the ecosystems of the United States. . . " unless it has adequate funding for both land acquisition and management of the System?

Answer: The President's budget strikes a balance between the need to acquire important wildlife habitat and the need for the proper stewardship of existing refuge lands. The budget includes a $71.1 request for National Wildlife Refuge System land acquisition. This is a significant request that will support 52 projects that will provide for the conservation of 50,000 acres of lands within the Refuge System. Although reduced from 2002, this funding level is consistent with historical average funding levels. By focusing land acquisition efforts on the most valuable habitats, the Service will make strategic acquisitions that contribute to the conservation of the ecosystems of the United States, and the native fish, wildlife and plants that depend on them.

The President's budget emphasizes taking care of what we have, by requesting increased resources for refuge operations ($20.0 million) and refuge maintenance ($30.7 million) to ensure that refuges are taking care of their wildlife and habitat conservation mission, adequately protecting and serving visitors, and maintaining facilities.

INDIANS

Question: What is your position regarding efforts in Congress to block the Interior Department's approval of petitions from tribes seeking federal recognition?

Answer: In the past, members of Congress have introduced legislation to provide an alternative Federal acknowledgment process, and as late as September 2000, some members of Congress have requested moratoriums. The Department held then and now that a moratorium would preclude the Assistant Secretary-Indian Affairs from discharging the responsibilities he had sworn to uphold. We also held that a moratorium would neither be in the best interest of the Indians, nor to the surrounding non-Indian communities.

The Department stated also that we eagerly awaited the completion of the General Accounting Office (GAO) report and that we did not share the previous

Administration's view that the acknowledgment process was "broken." We shared with Congress the belief that the GAO investigation would provide information and recommendations necessary to ensure a credible Federal acknowledgement process within the Department of the Interior.

In November 2001, Congress received the GAO report, entitled "Improvements Needed in Tribal Recognition Process." To ensure more predictable and timely acknowledgment decisions, the GAO recommended that the Secretary of the Interior direct the Bureau of Indian Affairs to:

1) Provide a clearer understanding of the basis used in recognition decisions by developing and using transparent guidelines that help interpret key aspects of the criteria and supporting evidence used in federal recognition decisions and

2) Develop a strategy that identifies how to improve the responsiveness of the process for federal recognition. This strategy should include a systematic assessment of the resources available and needed which leads to development of a budget commensurate with workload.

At the February 7, 2002, hearings before the House Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, BIA stated that it expected to provide the GAO our strategic plans to address these recommendations by mid-April.

Federal acknowledgment of an Indian tribe has enormous significance and these determinations are serious decisions for the Department and the Federal Government. It is important that a thorough and deliberate evaluation occur before acknowledging a group's tribal status, which carries with it certain immunities and privileges. These decisions must be fact-based, equitable, and thus defensible. After review of the analysis, the decision is committed to the discretion of the Assistant Secretary - Indian Affairs, a presidential appointee. The Department holds the position that neither the existing criteria nor the thoroughness of the review should be changed in an attempt to quicken the pace of the process.

We are committed to exploring with petitioners, interested parties, and members of Congress ways to improve the process while preserving the rights of all.

Question: Do you have any plans to intervene and resolve disputes between the tribes and recalcitrant states on any gambling compacts?

Answer: The Department promulgated regulations (25 CFR Part 291 - Class III Gaming Procedures) to allow the Secretary to unilaterally determine the procedures that govern Indian casino gaming when a State and Tribe have failed to negotiate a compact and the State raises its 11th Amendment defense in response to a suit by the Tribe. Under the regulations the State and the Tribe have had the opportunity to create a record to assist the Secretary in formulating and issuing gaming procedures. Currently the Department is involved in the

development of gaming procedures in Washington, Nebraska and Florida. A lawsuit that was brought by the State of Florida and the State of Alabama and filed in the U.S. District Court in Florida is challenging the authority of the Secretary to promulgate the procedures regulations.

INDIGENOUS PLANTS

In the Interior appropriation for FY 2001, Congress provided an increase of $8 million for invasive exotic species control for the BLM, FWS, NPS, USGS, and the USFS. These bureaus should report to the Committee by October 1, 2001, on the uses of these funds, related proposals for FY 2002, and the extent to which site managers have been using native plants in their wildland restoration and rehabilitation activities and landscaping.

Question: Are these reports available? How does the budget for FY 2003 address these invasive species issues?

Answer: A preliminary draft of a report describing the uses and accomplishments of FY 2001 funding increases for the four Department of the Interior bureaus, and their plans for FY 2002, has been submitted to the Committee. A final version of this report is currently being reviewed in the Department.

The FY 2003 budget request includes a small net decrease in total invasive species-related funding for four Interior bureaus ($36.8 million in FY 2002 compared to the FY 2003 request of $36.4 million). This reflects the proposed discontinuation of low priority congressional add-ons partially offset by a significant increase for the National Park Service. The BLM budget request discontinues pass-through funding to Montana State University (-$1.0 million) and the Idaho Department of Agriculture (-$500,000), while the USGS budget discontinues funding for a ballast water research project (-$500,000), and the FWS budget includes a proposed decrease of $550,000 for Partners for Fish and Wildlife. The 2003 NPS request includes an increase of $2.15 million to expand the number of Exotic Plant Management Teams available for invasive species-related field work. In addition a portion of the Cooperative Conservation Initiative funds requested by NPS ($22 million), FWS ($18 million), and BLM ($10 million) may ultimately be applied to invasive species activities. Based on this assumption, total Interior funding will likely exceed the FY 2002 level.

With the exception of the few specific decreases noted above, work will continue in the areas covered by the Report to Congress. In fact, the types of activities covered in the Report are likely to be expanded as a result of the addition of the Cooperative Conservation Initiative, a new challenge cost-share program proposed in the President's FY 2003 budget to match Federal and non-federal funds for conservation projects that are likely to include invasive species control and management for restoration.

QUESTIONS SUBMITTED BY CONGRESSMAN MAURICE HINCHEY

DEDICATED CONSERVATION FUND

As you know, at the end of the 106th Congress, the Interior appropriations bill established a historic new dedicated conservation fund, the Land, Conservation, Preservation and Infrastructure Improvement fund (LCPII).

When this program was established in the FY 2001 Interior appropriations bill through amendments to the Balanced Budget and Emergency Deficit Control Act of 1985 to set up a separate budget category, it was this subcommittee's intention this funding was to be dedicated and protected and to increase over time with the incremental dedicated levels established for each year of the fund.

Question: Do you understand that the mechanism under which this fund was established makes it distinct from a simple authorization and therefore constitutes a commitment to provide the full dedicated funding level?

Answer: The structure of LCPII recognizes that it may not be possible to provide full funding in each year. It specifically provides that funds not appropriated will roll over to the subsequent fiscal year and be available only for LCPII programs in that year.

Given this understanding, it would appear that the President's request reneges on this landmark deal by requesting $10 million less than the $1.44 billion dedicated for FY 2003 for programs covered under the Interior appropriation bill.

Question: How do you respond to this?

Answer: Government-wide, the Conservation Spending Category is funded at $1.7 billion in FY 2003, essentially level with last year's FY 2002 appropriated funding. More importantly, the FY 2003 budget presents a very strong conservation commitment, with a net increase in conservation spending of over $50 million.

The budget request of $1.32 billion for programs, funded in the Interior bill, is at a level similar to the FY 2002 budget approved by the Congress. As you are aware, the Conservation Spending Category includes just a subset of programs and activities aimed at fulfilling the Nation's conservation goals.

The Administration's budget request also erodes the original purpose of the LCPII by: cutting existing programs such and Land and Water Conservation

Fund by $88 million, State and Tribal Wildlife grants by $25 million, and the Cooperative Endangered Species Fund by $5 million and zeroing out the Urban Parks and Recreation Recovery program; substantially increasing the level in the fund for federal lands maintenance—originally intended to be complementary to the amounts provided for maintenance under regular appropriations; and adding the $100 million Cooperative Conservation Initiative.

Question: Can you explain why you are cutting important existing programs in the fund while funding a brand new initiative?

Answer: Whenever a budget is formulated, the Department has to make difficult choices among good programs and balance all needs and priorities. Our proposed allocation of funds best meets the Department's priorities and enhances cooperative efforts between private, State, and federal entities.

Question: Can you also explain why you are increasing the amount that will be spent for maintenance under LCPII when that amount is intended to be complementary to the rest of the maintenance funding in the Interior bill?

Answer: Following Congress' lead in FY 2002, the Interior Department is showing any increase in maintenance over the FY 2001 baseline to be included in the LCPII (Conservation Spending Category) program.

BUREAU OF LAND MANAGEMENT

BLM is asking for $10.2 million to speed up the handling of oil, gas, and coal permits on public lands in Wyoming, New Mexico, Montana, Utah, and Colorado, and to remove barriers to energy production.

Question: What do you perceive are the barriers to energy production?

Answer: The Energy Policy and Conservation Act (EPCA) requires an inventory of oil and gas resources on public lands, and an assessment of potential impediments to oil and gas development. BLM expects to complete the EPCA study and identify significant barriers to energy development in FY 2003. One of the most significant barriers to energy development that BLM has thus far identified is the lack of up-to-date land use planning documents, including the environmental reviews required under the National Environmental Policy Act. The Bureau is attempting to correct this situation through a major overhaul and expansion of its land use planning program, including a request for an additional $14 million in 2003. Also, review and streamlining efforts in many regulatory processes may decrease the time required to authorize oil and gas production. Increased staffing in offices with heavy oil and gas workloads will also reduce permitting delays, thereby increasing energy production. With the requested funding for permit processing, the BLM will be able to complete more permits

and associated environmental documentation, while maintaining sound environmental standards.

As part of BLM's responsibilities under the Administration's National Energy Policy, the Bureau established a working group to review and evaluate various reports and data concerning expediting the Applications for Permit to Drill (APD) process. The group has identified several specific recommendations that the BLM is evaluating. Examples of areas under review are cultural clearances, National Environmental Policy Act (NEPA) processes, consistency of lease stipulations, and automation of the APD process.

Question: If this money is appropriated, what will be done to ensure environmental protection in the face of "speeding" production up?

Answer: A critical component of the President's National Energy Policy is to ensure the protection of the environment while expanding domestic energy production. The BLM is committed to achieving this goal. Integral to the processing of oil, gas, and coal permits is the BLM's preparation of the necessary environmental documentation and development of specific mitigation measures to reduce the impacts of exploration and development activities, as well as inspection and enforcement and compliance examinations. With the requested funding, the BLM will be able to process more permits, with additional environmental documentation, inspections and compliance examinations to maintain sound environmental standards. For example, the budget includes an increase of $1.5 million to hire additional staff to increase BLM's capability to perform inspections of oil and gas operations.

Question: Why wasn't a similar amount of money requested for BLM to comply with its other multiple use mandates to protect: wildlife, watersheds, air quality, recreation, and aesthetics?

Answer: Actually, some of the $10.2 million increase requested for energy development supports BLM's ability to comply with these other multiple use mandates. Increased energy and minerals development will require increased support to ensure compliance with the Endangered Species Act, Section 106 of the National Historic Preservation Act, and the National Environmental Policy Act. Part of the requested funding will be used to support field surveys and reports for those lands expected to be explored or developed, for Section 106 consultations with State Historic Preservation Officers, for conferencing or Section 7 consultation requirements with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service, and for preparation of required NEPA documents.

Moreover, the 2003 budget request includes an additional $14.0 million for the programs referenced in the question. The BLM requested an additional $10.0 million under the Challenge Cost Share Activity to be directed to restoration of natural resources and the establishment or expansion of wildlife habitat through the Cooperative Conservation Initiative. The Bureau's 2003 budget request also includes a $1.0 million increase for the initiation of three regional conservation

plans for threatened and endangered species, a $1.0 million increase to advance science in land management, and a $2.0 million increase for management of National Landscape Conservation System units.

It should also be noted that updated land use plans are critical to BLM's ability to effectively and efficiently comply with its multiple use mandates and protect natural resources. The 2003 budget proposes an increase of $14 million to expedite the completion or amendment of land use plans to guide the management of all resources, including minerals, energy, water, air, cultural, wilderness, and others.

Question: BLM has requested another $14 million to "speed up" work on amending outdated land use plans. Can you provide an overview of the status of this planning?

Answer: The basis for every action and approved use on the BLM-administered public lands are the agency's land use plans. These are BLM's primary tools for building consensus and providing opportunities for public participation in BLM's land and resource management programs. Of the 162 existing plans, 122 were completed prior to 1989 and are scheduled to be updated over the next decade to reflect current conditions as well as new statutory, regulatory, and policy requirements.

The BLM embarked on a long-term project to update and revise the land use plans for the public lands in 2001. The Bureau estimates that completion of this comprehensive effort will take at least 10 years at a cost of $50 million per year. The BLM identified the highest priority plans in 2000, started them in 2001, and expects to complete them in the next two to five years. The President's 2003 budget requests an additional $14.0 million for land use planning, which will bring the total planning budget to $47.3 million in 2003 to continue implementation of this initiative.

In 2001, the Bureau completed the El Malpais National Conservation Area Resource Management Plan; amended 33 plans; and initiated the development of 29 other plans. In 2002, the Bureau expects to complete seven land use plans; amend 52 plans; and initiate the development of 18 new plans. Projects for 2002 include 21 expedited planning projects that will address critical issues focusing on energy development and newly-designated conservation areas. These high priority plans are all currently on schedule for planned completion within six months to three years. In the President's 2003 budget, the BLM proposes to complete eight plans and amend 51 existing plans.

Question: How much of the $14 million is allocated to the minerals extraction portion of RMPs? Is there an appropriate balance of this requested money that will go to other BLM programs such as wildlife, threatened and endangered species protection, watershed improvement, recreational use, and protecting historical cultural resource?

Answer: Resource Management Plans are developed to guide the management of all resources, including minerals, energy, soil, water, air, cultural, wilderness, forage production, and others. Certain land use plans and amendments may have a major focus on dominant issues such as energy development or the management of a national monument, but all plans evaluate and make recommendations for the management of all of the resources that are present. One resource never dominates a Resource Management Plan to the exclusion of all of the resources that are present. Therefore, it is not possible to estimate amounts of funding allocated within each of these resource management categories. Even a plan amendment analyzing a primary issue such as "energy development" must consider the development of energy resources in the context of the use and protection of all other important resources within the area. However, the President's 2003 budget outlines the development or amendment of 24 plans where energy development is considered a major issue. Of the $14.0 million requested program increase, approximately $6.2 million would be allocated to plans being developed or amended in the energy development areas.

Question: Please provide a break down of planning funding being allocated within each of the following categories: oil & gas, mining, grazing, conservation, recreation.

Answer: It is not possible to estimate planning costs associated with individual program areas. Resource Management Plans are developed to guide the management of all resources, including minerals, energy, soil, water, air, wildlife, cultural, wilderness, forage production, and others.

Question: What portion of this money will be allocated to planning for the National Landscape Conservation System?

Answer: The President's 2003 budget outlines the development or amendment of 20 National Landscape Conservation System plans. Of the $14 million program increase requested, approximately $2.4 million would be allocated to plans being developed or amended in the NLCS.

Question: Please also provide a detailed spreadsheet of all scheduled planning being undertaken by the BLM. Include in the spreadsheet target start and completion dates, the funding allocation for FY00, FY01, FY02, and FY03 as well as the projected allocations for each subsequent year to effectively complete the planning. The spreadsheet should also include a listing and description of the primary issues to be raised during the planning process of each land unit. The spreadsheet shall be developed to allow clear comparison in funding allocations between the primary categories of oil & gas, mining, grazing, conservation, and recreation.

Answer: The requested information on BLM's schedule for land use planning follows.

Project Summary Table
Major Land Use Planning Projects, 2001-2003

This is a listing of the major planning projects (along with their key issues, target start and completion dates and associated planning funding) undertaken by the BLM from 2001 to 2002 and proposed for 2003. Note that with $6.6 million in FY 2000 Resource Management Planning funds, the Bureau worked on a limited number of planning projects, including amendments. The majority of these efforts were financed primarily by other resource activity funds. BLM has estimated that to complete these ongoing projects as well as the entire set of land use plans would require an annual budget of $50 million over 10 years. The projects are listed by State. Please note that it is not possible to break down the planning funding being allocated within each of the broad resource management categories. The BLM plans and manages for multiple uses across the landscape. Certain land use plans and amendments may have a major focus on dominant issues such as energy development or the management of a National Monument, but all plans evaluate and make recommendations for the management of all of the resources that are present. One resource never dominates a Resource Management Plan to the exclusion of all other resources. The BLM works with other agencies and the public to identify the best combination of resource uses and protections.

($000s)

State	Planning Effort				Target Dates		Public Concerns
		2001 actual	2002 est.	2003 est.	Start	Finish	
AK	Colville River Special Area Multiple Use Activity Plan - Fairbanks	175	125	222	2001	2004	Recreation, Wildlife, Subsistence
	Ring of Fire Resource Management Plan - Anchorage	500	640	1,300	2001	2005	Recreation, Energy Transportation, Wilderness, Subsistence, Oil&Gas Leasing
	East Alaska RMP - Glennallen	0	0	524	2003	2005	Recreation, Wilderness, Native Subsistence
	Ft. Greely Plan Amendment	80	125	0	2001	2002	Congressionally directed plan update, Recreation
	Ft. Wainwright Plan Amendment	80	125	0	2001	2002	Congressionally directed plan update, Recreation
	Total	835	1,015	2,046			
AZ	Grand Canyon-Parashant NM RMP, Vermillion Cliffs NM RMP, & Arizona Strip RMP Revision	670	800	840	2001	2004	Access, Range Health, Visitor Use, Wilderness, Recreation
	Agua Fria NM RMP, Bradshaw Amendment	850	850	1,309	2001	2004	Cultural, Recreation, Urban Interface
	Lake Havasu RMP	350	350	434	2001	2004	Recreation, Energy Transportation, Access
	Lower Gila/Sonoran Desert NM RMP, Phoenix South RMP	150	150	1,000	2001	2005	Access, Utility Corridors, Special Status Species, Range Health, Recreation, Wilderness
	Las Cienegas NCA RMP	0	30	0	2001	2002	Riparian
	Gila Box NCA RMP	50	0	0	2001	2002	Recreation, Livestock Grazing, Special Status Species
	Ironwood NM RMP, Sonoran Desert Conservation Plan Amendment	300	250	900	2001	2004	Access, Utility Corridors, Special Status Species, Range Health, Recreation, Wilderness
	Total	2,370	2,430	4,483			
CA	California Desert Amendment, West Mojave Desert (WEMO)	0	250	500	1992	2003	Lawsuit Requirement, Sensitive Species, Solar and Wind Energy, Energy Transportation, Recreation
	California Desert Amendment, North & East Colorado Desert (NECO)	0	155	0	1994	2002	Lawsuit Requirement, Sensitive Species, Recreation
	California Desert Amendment, North & East Mojave Desert (NEMO)	0	225	0	1994	2002	Lawsuit Requirement, Sensitive Species, Recreation
	California Desert Amendment, Coachella Valley	71	0	0	2000	2002	Lawsuit Requirement, Sensitive Species, Recreation
	Imperial Sand Dunes Rec. Area Plan Amendment	375	150	0	2001	2002	Lawsuit Requirement, Sensitive Species, Recreation
	NE California Assessments & NE California RMPs: Alturas, Eagle Lake	500	500	1,450	2001	2004	Energy Transportation, Geothermal Energy, Range, Riparian, Habitat, Recreation, Special Status Species
	E San Diego County RMP	225	200	208	2001	2004	Grazing, Special Status Species, Recreation, Native American Cultural Resources
	Santa Rosa - San Jacinto NM RMP	0	250	870	2002	2003	Legislative Requirement, Special Status Species, Wilderness
	California Coastal NM RMP	200	150	264	2001	2004	Interagency Management, Wildlife, Cultural Resources

	King Range NCA RMP	50	220	220	2001	2004	Special Status Species, Recreation, Land Tenure, Wilderness
	Otay Wilderness Plan Amendment	100	0	0	2001	2002	Wilderness, Recreation
	Ukiah RMP	0	0	250	2003	2005	Land Tenure, Energy Transport, Fire, Recreation, Geothermal Energy, Wind Energy
	Total	1,521	2,100	3,562			
CO	Gunnison Gorge NCA RMP	100	550	250	2001	2003	Legislative Mandate, Recreation, Wilderness
	Northwest Colorado Coalbed Methane Assessment	0	75	350	2002	2005	Coalbed Methane, Special Status Species, Groundwater
	Northern San Juan RMP Amendment	600	350	0	2001	2002	Coalbed Methane
	Glenwood Springs, Roan Plateau Area Plan Amendment	0	400	135	2002	2003	Transfer of Naval Oil Shale Reserves, Oil&Gas leasing, Wilderness
	Grand Junction & Little Snake (Bangs Canyon-South Shale Ridge-Vermillion) Amendments	300	250	61	2001	2003	Wilderness, Recreation, Oil&Gas, Coalbed Methane
	State-wide T&E Amendments	0	39	0	2002	2002	Sensitive Species
	Colorado Canyon NCA RMP	0	200	174	2002	2003	Legislative Requirement, Wilderness, Recreation
	Canyons of the Ancients NM RMP	0	400	519	2002	2004	Cultural Resources, Recreation
	Total	1,000	2,264	1,489			
ES	Lower Potomac River Coord. Activity Plan, VA	56	40	20	2001	2003	Recreation, Cultural, Open Space
	East Lynn Lake, WV Planning Analysis	0	30	30	2002	2003	Coal Leasing
	Mississippi & Alabama RMPs (new)	20	115	75	2001	2004	Mineral Leasing
	Finger Lakes National Forest Plan Amendment	0	30	0	2001	2002	Oil & Gas Leasing
	Michigan Amendment	4	0	0	2001	2001	Mineral Leasing
	R.D. Bailey COE Planning Analysis, WV	0	23	100	2002	2004	Natural Gas Leasing
	High Tor Plan Planning Analysis, NY	0	100	100	2002	2004	Natural Gas Leasing
	Total	80	338	325			
ID	Birds of Prey NCA RMP	492	330	487	2001	2004	Legislative Requirement, Energy Transportation, Special Status Species, National Guard Activities
	Bruneau RMP	113	300	527	2001	2004	Energy Transportation, Recreation, Urban Interface
	Pocatello/Malad RMP Revision	155	300	800	2001	2005	Land Tenure, Energy Transportation, Recreation, Mineral Leasing
	Craters of the Moon NM Plan	0	280	327	2002	2004	Recreation, Joint with Park Service, Energy Transportation
	Total	760	1,210	2,141			
MT	Dillon RMP	250	800	800	2001	2005	Litigation, Oil&Gas, Vegetation, Watershed, Special Mgt Areas,, Special Status Species
	Upper Missouri River Breaks NM RMP	0	200	1,000	2002	2004	Lewis & Clark Sites, Recreation, Oil&Gas, Wildlife
	Powder River & Billings Amendments	100	100	0	2001	2002	Coalbed Methane
	State-wide T&E Assessments and Amendments	0	150	0	2002	2002	Sensitive Species

	Canada Lynx Amendments to Headwaters and Garnet RMPS and Dillon Plans	0	0	50	2003	2003	Special Status Species
	Headwaters RMP Revision	0	0	800	2003	2006	Oil&Gas Leasing, Wind Energy, Wildlife, Recreation, Watershed
	Total	350	1,250	2,650			
NM	Socorro RMP Revision	50	200	437	2001	2003	Oil&Gas, CO2, Geothermal Energy, Energy Transportation, Recreation, Urban Interface, Special Status Species
	MacGregor Range Plan Amendment	300	540	150	2001	2003	Military Planning Requirement, Recreation, Minerals, Special Status Species
	Farmington RMP Revision	1,155	600	0	2000	2002	Oil & Gas Leasing, Sensitive Species
	White Sands Amendment	0	12	0	2001	2001	Oil & Gas Leasing, Grassland Habitat
	El Malpais Amendment	20	0	0	2001	2001	Access, Transportation, Recreation
	El Camino National Historic Trail Plan	0	200	172	2002	2003	Legislative Requirement, Multi-agency, Recreation
	Kasha-Katuwe Tent Rocks NM RMP	0	0	150	2003	2004	Administratively Required, Watershed Restoration, Land Tenure, Recreation, Urban Interface, Native American
	Total	1,525	1,552	909			
NV	Pine Nut Mountain Plan Amendment	200	400	301	2001	2004	Urban Interface, Recreation, Vegetation Mgmt., Fire
	Black Rock Desert-High Rock Canyon Emigrant Trails NCA RMP	250	500	373	2001	2004	Legislative Requirement, Recreation, Wilderness
	Las Vegas Multi-species Habitat Conservation Plan - Amendment	0	70	370	2002	2005	Special Status Species, Recreation, Land Tenure, Right of Ways
	Elko & Wells Amendments	70	300	0	2001	2002	Oil & Gas Leasing
	Nevada Test & Training Range RMP Revision	350	350	0	2001	2002	Congressionally directed plan update, Fire, Hazard Reduction, Riparian
	Tonopah ACEC Amendment	0	23	0	2002	2002	ACEC Nominations
	Sunrise Landfill Amendment	0	75	0	2002	2002	Land Disposal
	Fallon Amendment	60	0	0	2001	2001	Recreation, Wildlife, Sensitive Species
	Red Rock NCA RMP	20	0	0	2001	2002	Recreation, Transportation, Special Status Species
	Winnemucca RMP	0	0	500	2003	2006	Land Tenure, Energy, Fire, Recreation
	Total	950	1,718	1,544			
OR	Steens Coop Mgmt Area Plan /Andrews RMP	60	560	903	2001	2004	Legislative Requirement, Recreation, Grazing
	Owyhee Wild & Scenic River Plan Amendment	0	150	20	2002	2005	Court Ordered, Wild &Scenic River, Water Quality
	Western Wash. RMP	0	200	550	2002	2004	Geothermal, Oil & Gas, and Coalbed Methane Leasing, Land Tenure
	Lakeview RMP	150	320	30	2001	2003	Recreation, Special Status Species
	Upper Deschutes RMP Revision	370	490	455	2001	2003	Recreation, Minerals
	Total	580	1,720	1,958			
UT	Vernal RMP Revision	725	900	841	2001	2004	Oil&Gas, Recreation, Special Status, Wilderness, Species,
	Price River RMP	700	900	1,097	2001	2004	Oil&Gas, Coal, Energy Transportation, Wilderness, Special Status Species, Recreation,

	Richfield RMP	0	860	1,031	2002	2004	Energy Transportation, Coal, Recreation, Wilderness, Special Status Species
	SE Region Wilderness Study Area Amendments	900	0	0	2001	2001	Wilderness
	San Juan RMP Revision	200	75	840	2002	2005	Oil and Gas, Recreation, Energy Transportation, Special Status Species
	Total	2,525	2,735	3,809			
WY	Powder River Basin Regional Assessments (Buffalo RMP, Casper RMP)	1,000	700	250	2001	2006	Preparation for Land Use Plan Development
	SW Wyoming Regional Assessments (Rawlins, Pinedale, Kemmerer, Rock Springs RMPs)	1,334	850	500	2001	2006	Preparation for Land Use Plan Development
	Powder River Amendment	0	60	0	2002	2002	Oil & Gas Leasing, Coalbed Methane, Special Status Species
	Rawlins RMP Revision	0	200	1,259	2002	2005	Oil&Gas, Energy Transportation, Urban Interface, Special Status Species
	Pinedale RMP Revision	0	500	1,259	2002	2005	Oil&Gas, Energy Transportation, Urban Interface, Special Status Species, Recreation
	Snake River RMP	0	80	165	2002	2003	Land Tenure, Urban Interface, Special Status Species, Recreation
	Jack Morrow Hills Plan Amendment	0	0	300	2001	2003	Oil&Gas, Energy Transportation, Wilderness, Recreation, Open Space
	Kemmerer RMP Revision	0	230	1,300	2002	2006	Oil&Gas, Coal, Energy Transportation, Urban Interface, Special Status Species, Recreation, Wind Energy
	Casper RMP Revision	0	0	1,200	2002	2006	Oil &Gas, Coal, Energy Transportation, Special Status Species, Recreation
	Total	2,334	2,620	6,233			
BW	Vegetation Management EIS	100	426	200	2001	2003	Vegetation Treatments: Prescribed Burning, Biological Control, Cultural Practices, Mechanical, Chemical
	Lynx Assessment	300	0	0	2001	ongoing	Sensitive Species Habitat
	Threatened & Endangered Species Consultation on LUPs	0	350	2,000	2002	ongoing	Plan Amendments to address compliance with the Endangered Species Act
	Sagebrush & Prairie Assessments	600	0	0	2001	2001	Sagebrush & Prairie Resource Assessments
	National OHV Strategy	180	0	0	2001	2001	National Off Highway Vehicle Strategy
	Bureau-wide and State Program Support	9,790	11,307	13,952			
	Total BW	10,970	12,083	16,152			
BLM	BLM Total	25,800	33,035	47,301			

Notes: The cost estimates in this table are subject to change, depending on changing priorities and the refinement of the scope and schedule of the individual planning projects. An additional three plans will be developed in 2003 using other funds: National Petroleum Reserve, AK (using Oil and Gas Management funds); Headwaters Forest Reserve, CA (using Public Domain Forestry Management); and Cascade Siskiyou National Monument, OR (using Western Oregon Resource Management Planning funds). BW - Bureau-wide or multi-State assessments, Environmental Impact Statements, or support costs.

Question: BLM acknowledges that many of these Resource Management Plans (RMPs) are out of date and do not account for heightened scenarios of oil and gas development, not to mention coalbed methane (CBM) development. If this is true, then why is BLM leasing federal lands for oil and gas during the interim? Shouldn't leasing for oil and gas, and particularly CBM, await the final decisions of the amended RMPs? Doesn't your action to lease these lands for oil and gas negate the need for an increase in funding?

Answer: The BLM is in the process of evaluating and updating its land use planning base. Prior to completing new plans, the BLM will use existing plans to lease any oil and gas resources. Lands that have been identified as open for leasing under an existing Resource Management Plan and Environmental Impact Statement may continue to be leased during a plan revision or amendment process unless development impacts exceed the scope of the reasonably foreseeable development scenario outlined in the original EIS. In such cases, the BLM would likely defer a particular RMP leasing decision or complete additional environmental review prior to leasing. While an RMP is being amended or revised, the BLM will continue to process site-specific permits, sundry notices, and related authorizations on existing leases while ensuring compliance with NEPA and other laws, regulations, and policies.

Prior to authorizing an APD on an existing lease, a thorough environmental review is conducted in compliance with NEPA. This review will consider the effects of approving the APD, including the cumulative effects on other resources. The BLM will then place conditions on the approval of the APD, as necessary, to protect other resources.

Question: How are the Four C's going to be applied for the protection of resources in the San Rafael Swell?

Answer: The Bureau of Land Management is committed to working closely with tribal, state and local governments to identify areas of special interest as well as resources that may require protective management. In the case of the San Rafael Swell area, Emory County officials as well as numerous organizations in the state of Utah have expressed interest in protecting some of the resources found in this area. In its land use planning efforts for this area, BLM will consult and coordinate with all of these interests to make land use decisions for these significant landscapes that recognize both local and national conservation needs.

Question: How were the Four C's employed in protecting Arches and Canyonlands National Parks in your agency's search for oil? Can you describe the protection measures that have been implemented to protect Arches and Canyonlands?

Answer: The Moab Field Office has authorized two geophysical explorations in the general area of Canyonlands and Arches National Parks over

the last two years. These activities were authorized only after extensive public review and consultation with the National Park Service. Mitigation measures to protect sensitive resources were required as conditions of permit approval, and extensive monitoring was also performed by BLM field personnel. Typical mitigation measures, that were also prescribed for this location, include the following: prohibition of any road building or construction; travel restricted to foot travel or low pressure, rubber-tire vehicles, including the vibroseis (seismic testing) vehicles; all travel routes inventoried for archaeological resources and all important sites avoided; existing roads and trails used whenever possible; raptor nesting sites inventoried and avoided; and re-seeding and rehabilitation of any disturbed areas. In this case, minimal surface impacts were allowed, and all projects were several miles from the parks' boundaries.

Question: How does BLM intend to balance its multiple use mission to protect the rich diversity of its natural resources such as those found in Jack Morrow Hills?

Answer: As with all major plan amendments and new Resource Management Plans, the BLM is undertaking an extensive planning and environmental impact statement process in the Jack Morrow Hills area that includes the consideration of all interests and resources. The Jack Morrow Hills Plan Amendment to the Green River RMP will assess all issues, including critical big game habitat, wilderness values, recreation, scenic quality, and soil stability along with the possibilities for energy development. Public comments on this plan focused on collaboratively building land use planning decisions. BLM expects that the final Record of Decision for this plan amendment will be issued in November 2002.

Question: In appendix 9 of the budget for DOI, under "Management of Lands and Resources," the energy and minerals budget requested by BLM is $113 million, up from $106 million estimated for FY 2002. What is the increase sought for?

Answer: BLM requests $104.8 million for Energy and Minerals for 2003, which includes a program change of $7.9 million over the 2002 appropriation. The requested increase in the oil and gas budget will allow BLM to significantly improve its responsiveness to America's energy needs while protecting the natural values of the land and the environment. The increased funding will provide for additional leasing and development in the National Petroleum Reserve in Alaska; allow the Bureau to meet its requirements under the Energy Policy and Conservation Act; improve BLM's ability to meet its Indian Trust responsibilities; improve BLM's permitting capability; and improve its oil and gas inspection and enforcement activities. The recent and significant increase in applications for permits to drill for coalbed methane wells is expected to continue into the near future. Additional funding is also necessary to reduce the existing backlog of pending permit applications for coal bed methane wells.

Question: In the same chart, programs such as lands resources, wildlife and fisheries, threatened and endangered species and recreation

management ALL face budget cuts in the millions of dollars. As a multiple use agency, why does the budget ignore other national interests while serving the energy industry whose practices of late have been highly questionable.

Answer: Although it appears that lands resources, wildlife and fisheries, threatened and endangered species, and recreation management are funded below the 2002 appropriation, most of this change, $9 million, can be explained by an accounting change that consolidates funding for BLM's Challenge Cost Share Grants into a single activity rather than across several activities. These funds will continue to be used for the same purposes as in 2002. The balance of the reduction is due to the elimination of one-time costs or lower priority Congressional add-ons. The budget addresses the full range of BLM's multiple use responsibilities and includes an increase of $14.0 million for the following programs: Cooperative Conservation Initiative ($10.0 million), Applications of Science ($1.0 million), Regional Conservation Plans for threatened and endangered species ($1.0 million), and the National Landscape Conservation System ($2.0 million).

In addition to the requested increase of $14 million for these programs, the budget also includes an increase of $14 million for land use planning. Land use planning considers all resource issues within a given planning unit rather than one single issue, such as energy development.

Question: How much money is BLM requesting for inspection, monitoring, and enforcement to protect resources? Is there an appropriate balance in the funding between the increased permitting and development that will occur and the heightened need for inspection, monitoring, and enforcement that will ensure that the development occurs according to plan?

Answer: In order to meet the BLM-required workload and to protect resources, the BLM has requested a $1.5 million increase in funding for inspection and enforcement to support increased inspection and enforcement activities resulting from processing more energy use authorizations.

Question: In a recent New York Times article, one of your field supervisors was quoted in a memo saying, "Utah needs to ensure that existing staff understand that when an oil and gas lease parcel or when an application for permission to drill comes in the door, that this work is their No. 1 priority." Can you share with this committee your plans to clearly direct state and field managers to provide the necessary balance of uses-outlining an appropriate balance between conservation, recreation, and extractive uses?

Answer: The Federal Land Policy and Management Act clearly establishes the direction for BLM – including State office and field managers – to provide a balance under its multiple use mandate. This is inherent in the BLM's land use planning process, which provides for extensive public input to ensure that balance is achieved. The provisions of FLPMA are set forth in the Bureau's regulations, manuals, and handbooks, and will continue to serve as the guidance for State office and field managers to utilize when making land use decisions.

Question: BLM released a draft EIS for 51,000 coal bed methane wells in Wyoming's Powder River Basin. The plan analyzes no new or developing technologies designed to lessen impacts from the billions of gallons of produced water that will be dumped onto the ground. How does this square with this administration's promise to the American public to lessen the footprint of increased production of public resources by using the latest and best technologies?

Answer: Several water handling methods were analyzed in the draft EIS. All of the methods analyzed meet the requirements of the State of Wyoming water quality standards. The methods include surface discharge, passive and active treatment, infiltration, containment, land application and injection. Based on comments from the initial public scoping process and during the development of the alternatives, it was determined that these water handling methods fully complied with the NEPA requirements, as well as being both technically and economically feasible. The surface disposal alternative was identified as preferred because it would result in fewer surface disturbance impacts.

Question: How does the preferred alternative's call for dumping 90 percent of this water onto the ground untreated square with BLM Onshore Order No. 7's mandate that the primary method for oil and gas produced water is through injection back into the aquifers?

Answer: BLM's Onshore Order No. 7 does not solely mandate injection of produced water. The Order promotes injection of produced water; however, it allows for other methods of disposal, including discharging into pits, and surface discharge via a National Pollution Discharge Elimination System permit. In the preferred alternative of the draft Powder River Basin EIS, the method of water handling varies by watershed, with approximately 50 percent being discharged at the surface for beneficial use

Question: Why were the recommendations of a citizen's proposal submitted to BLM not analyzed in the EIS? The citizen's proposal would have added another alternative to the two BLM alternatives analyzed in the DEIS- both of which allowed for the full amount of wells asked for by industry and neither of which seriously considered mitigation measures to reduce impacts. With CBM development exploding all over the West, is this the type of analysis we should expect from BLM in the future? Does this type of public involvement reflect the agency's true approach to the Four C's?

Answer: Regarding the Powder River Basin draft EIS, all reasonable alternatives submitted during the scoping period, which began in June 2000 and reopened in November 2000 and closed in January 2001, were considered. The Citizen's proposal was submitted to the BLM for consideration on October 9, 2001 – outside of the open scoping periods. By October, the analysis of the alternatives for the draft EIS had already been completed, and the preliminary draft was provided to cooperating agencies for review prior to completion of the

draft EIS. At that time, the Citizen's proposal was reviewed and it was noted that it contained mostly mitigation measures which were already incorporated into the draft EIS. However, there is another opportunity for the public to raise additional concerns on the draft EIS during the comment period, which closes on April 18, 2002. All comments received on the draft EIS will be considered in the preparation of the final EIS.

The BLM is committed to meaningful collaboration with the public, local and national interest groups, state governments, and industry. The BLM will continue to make concerted efforts to ensure that the public has an opportunity to participate in all land use decisions.

Question: The BLM has prepared lists of the time sensitive plans suggesting that a higher priority be placed on the funding for these plans. Will you provide for this committee a list of all of your time sensitive plans?

Answer: The plans identified as time-sensitive are:

State	Plan	Estimated Completion Date
Alaska	National Petroleum Reserve/Northwest Integrated Activity Plan	2003
Arizona	Las Cienegas National Conservation Area (NCA) Plan	2002
California	North and East Colorado Desert Amendment	2002
California	North and East Mojave Desert Amendment	2002
California	West Mojave Desert Amendment	2003
California	Imperial Sand Dunes Amendment	2002
California	Santa Rosa/San Jacinto Mountain National Monument Plan	2003
Colorado	Colorado Canyons NCA Plan	2003
Colorado	Roan Plateau Area Amendment	2003
Colorado	Gunnison Gorge NCA Plan	2003
Montana	Powder River & Billings Plan Amendments	2002
New Mexico	Farmington Plan Revision	2002
Nevada	Black Rock/High Rock Canyon Emigrant Trails NCA Plan	2004
Oregon	Steens Cooperative Management Area Plan	2004
Utah	Vernal Plan Revision	2004
Utah	Price River Plan Revision	2004
Wyoming	Jack Morrow Hills Coordinated Activity Plan	2002
Wyoming	Buffalo/Powder River Plan Amendment	2002
Wyoming	Snake River Plan	2003
Wyoming	Pinedale Plan Revision	2005
Wyoming	Rawlins Plan Revision	2005

Question: What are the criteria for selecting BLM's time sensitive plans? Is the criteria based on legal mandates such as legislatively determined time frames and time frames required by presidential proclamation?

Answer: The Bureau has initiated a major effort to update the entire land use planning base over the next 10 years. In 2002, the BLM is working on 73 major land use planning efforts, including 21 time-sensitive planning projects. These are designated as highest priority because they help to implement the National Energy Policy, respond to nationally significant lawsuits, or have legislatively mandated time frames, as is the case with recently designated conservation areas. These plans are scheduled for completion within six months to three years.

Question: Why are none of the national monuments on your list of time sensitive plans?

Answer: The Santa Rosa/San Jacinto Mountain National Monument Plan was identified as a time sensitive plan. In addition, planning efforts for four National Conservation Areas (Las Cienegas, Colorado Canyons, Gunnison Gorge, and Black Rock/High Rock) and for the Steens Cooperative Management Area are identified as time sensitive. The Bureau faces a legal requirement to develop land use plans for these conservation units under the statutes that authorized their creation. Completion of land use plans for National Monuments created by Presidential proclamation is also a high priority for the Bureau even though they do not technically appear on the "time sensitive" list.

Question: Please provide your decision-making criteria in ranking your plans and in determining which are time-sensitive. Also include your basis for funding allocation for each plan and an analysis of how funding for time sensitive plans compares with that of plans that are not listed as time sensitive. In that report, please also describe for the committee some of the cost efficiencies you anticipate to rationalize lower funding allocations.

Answer: All BLM land use plans involve complex and controversial decision-making and address multiple land and resource uses. These plans have not been ranked. However, 21 planning projects have been identified as high priority and "time sensitive" because they are related to implementation of the National Energy Policy, respond to nationally significant lawsuits, or have legislatively mandated time frames. All of the time sensitive plans are scheduled for completion within six months to three years.

The selection of priority and time sensitive plans is made within the context of national, regional and local priorities. Careful consideration is given to national priorities, such as the National Energy Plan; planning needs for new units of the National Landscape Conservation System; threatened and endangered species litigation and protection; and other legislative mandates or court requirements. Funding was allocated to expedite the completion of the "time sensitive" plans while continuing progress on other priority plans.

The President's 2003 budget request includes the development of 20 National Landscape Conservation System plans and 21 plans and major amendments where energy development is considered a major issue. The remaining 27 plans are located outside the NLCS and major energy development areas. Of the total $14 million requested program increase, approximately $3 million would be allocated to plans identified as time sensitive.

The Bureau will achieve some cost efficiencies as experience is gained in effective and efficient planning. Tools are in place to track efficiencies, and reflect efficiencies in funding allocations. For example, as experience is gained in the use of contracts for land use planning efforts, future planning contracts will be designed to be more efficient and effective. BLM is also issuing national guidance outlining other cost-saving methods.

Question: What will you do to ensure that the schedule for your plans will not unduly dismiss important resources as you pursue accelerated energy development?

Answer: All plans related to energy development must meet the same legal, regulatory, and policy requirements as all the BLM land use plans. BLM is committed to completing collaborative land use plans which address the full array of multiple uses in consideration of the tremendous resource values found on BLM lands. BLM is responsible for ensuring that all land use plan decisions are reasonable, well supported by the accompanying NEPA documents, and responsive to public issues and concerns.

Question: To what extent is the DOI or BLM specifically carrying out portions of the Bush Energy Plan, released in May of 2001 by Vice-President Cheney and his task force?

Answer: The BLM performed a detailed review of the over 100 short-term and long-term recommendations in the National Energy Policy. Over a quarter of these recommendations specifically affected one or more of the BLM's energy and planning related responsibilities. Many of the recommendations fell under four major categories: Protecting America's Environment, Increasing Domestic Energy Supplies, Increasing the Use of Renewable and Alternative Energy, and Improving America's Energy Infrastructure. Based on the President's recommendations, the BLM developed and is actively carrying out a plan to execute its responsibilities under the President's National Energy Policy that contains over 40 action items.

Question: What specific actions are now being carried out by BLM to implement the energy plan?

Answer: The BLM has over 40 action items associated with the President's National Energy Policy. The BLM is focusing its efforts on increasing domestic production of both renewable and non-renewable energy resources, promoting conservation and environmental protection of the following areas:

North Slope Alaska, Oil and Gas, Renewable Resources including wind, and solar, Geothermal and Coal Resources, and Rights-of-Way. Several of the energy actions are looking at ways to streamline our administrative processes such as the Bureau's Land-Use Planning process and compliance with the National Environmental Policy Act. The list of 43 action items follows:

Bureau of Land Management
National Energy Plan Implementation

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to examine land status and lease stipulation impediments to federal oil and gas leasing, and review and modify those where opportunities exist (consistent with the law, good environmental practice, and balanced use of other resources).

1. Expedite the ongoing Energy Policy and Conservation Act study of impediments to federal oil and gas exploration and development.

2. Review public lands withdrawals and lease stipulations, with full public consultation, especially with the people in the region, to consider modifications where appropriate.

BLM Action 1: BLM will expedite completion of the ongoing Energy Policy Conservation Act (EPCA) study of impediments to federal oil and gas exploration and development.

Description: Some federal lands are currently unavailable or restricted from oil and gas development because of statutory or administrative withdrawals, competing uses, or environmental considerations. BLM, as lead agency, is working closely with DOE, USFS, and USGS to expedite the EPCA study to assess the extent and nature of restrictions or impediments to oil and natural gas development underlying federal lands. Working together, the interagency group has determined five priority areas noted above. Any new information or concerns raised through the EPCA studies will be considered through ongoing plan revisions. The results of the EPCA evaluations will be incorporated into BLM's planning process as the basis for changes to resource allocations and/or lease stipulations as appropriate.

BLM Action 2: BLM will, based on the results of the EPCA priority areas studies, review lands status and lease stipulations, and develop recommendations:

A. Review results of the EPCA priority areas studies to provide specific instructions to field offices for modification of existing practices or develop recommendation for consideration in the land-use planning process.

B. Based on the results of EPCA, evaluate stipulations to determine if alternative methods (performance based stipulations, etc) are available that provide adequate environmental protections and develop an associated monitoring program.

Description: As the information from the assessment is received, BLM and USFS will review the findings, assess the restrictions' and impediments' effects on the availability of oil and gas resources for future development, and consider modifications, as necessary, to increase access to oil and natural gas resources. In particular, all land use allocations and management decisions will be evaluated in conjunction with the EPCA findings. The data will be used to evaluate proposed restrictive stipulations to determine if alternative methods are available that provide adequate environmental protections. The assessment will be used not only in future land-use plans to ensure environmentally sound, effective, and expedited energy development, but also will be considered in current decisions and approvals to help increase energy development.

Presidential Directive: The NEPD Group recommends that the President direct the Secretaries of Energy and the Interior to promote enhanced oil and gas recovery from existing wells through new technology.

BLM Action 3: BLM will evaluate royalty rate reductions and other incentives for enhanced recovery and extension of field life consistent with the receipt of fair market value. Where such steps require legislation, BLM will draft legislative proposals.

Description: The life cycle of oil and gas fields currently producing on federal and Indian lands will be examined to determine strategies for efficient, cost-effective enhanced recovery of resources that will likely be left in the ground following primary and secondary production. The assessment will evaluate the current state of available data and identify gaps in both geologic and engineering data. The primary incentive to be considered is reduction in royalty rates at appropriate points in the production cycle.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 4: BLM will complete the rule making on bonding liability for onshore oil and gas operations.

Description: A draft revision of the comprehensive oil and gas regulations was completed in January 2001. The proposed rules provide, among other things, an increase in oil and gas lease bonds and state bonds from $10,000 to $25,000 and from $25,000 to $75,000, respectively. This increase will offset the effect of inflation since the last bond amount revision in 1960. Currently, in many instances, the amount of operator bonds is insufficient to cover the cost of well plugging and surface reclamation. These increases in bonding are necessary to ensure adequate bonding is

in place to decrease federal liabilities, should a lessee/operator default through bankruptcy.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 5: BLM will develop common reclamation standards for oil and gas leases and associated Rights-of-Way and institute a reclamation monitoring policy to determine the efficacy of lease provisions and Rights-of-Way stipulations to achieve reclamation.

Description: A reclamation monitoring policy for federal land management agencies will provide data standards for assessing reclamation success. Successful reclamation monitoring and an accurate inventory are essential to the determination of the cumulative impacts of surface disturbance. This can result in the ability to permit additional wells before allowable surface disturbance thresholds are reached. The policy will assure that reclamation activities associated with energy exploration and development are conducted and monitored in a responsible manner.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 6: BLM will explore innovative sources of funding for reclamation and other unfunded liability issues.

Description: Regulatory and policy changes relative to liability and reclamation can streamline the process to implement the program resulting in cost savings, which can be applied on the ground. Better public stewardship and customer service should also result.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental

Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 7: BLM will explore other regulation and policy changes relative to liability and reclamation, including the lease assignment approval policy and process, and the orphan well policy relating to legacy wells. It will also consider a single bond and common stipulations for both lease and related off-lease facilities including oil and gas associated rights-of-way and roads.

Description: Despite all of BLM's best efforts, on occasion there are unfunded liabilities from energy leasing activities. There may be ways to work with the industry and state governments in order to limit the public's financial liability and to assure proper decommissioning of operations.

Presidential Directive: The NEPD Group recommends that the President direct the Secretaries of Energy and the Interior to promote enhanced oil and gas recovery from existing wells through new technology.

BLM Action 8: BLM will identify ways to expedite the process of approving Applications for Permits to Drill.

Description: Permit applications are received by BLM in great numbers. BLM must process these as efficiently as possible to conserve public funding and to provide customer service to the applicants.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to consider additional environmentally responsible oil and gas development, based on sound science and the best available technology, through further lease sales in the National Petroleum Reserve-Alaska. Such consideration should include areas not currently leased within the Northeast corner of the Reserve.

BLM Action 9: BLM will complete unitization, suspension, and extension regulations for National Petroleum Reserve-Alaska (NPR-A).

Description: The proposed rule will add a new subpart to BLM's oil and gas regulations to implement this authority allowing operators in the NPR-A to unitize leases to provide for efficient and environmentally sound resource recovery. The proposed rule will 1) allow for the waiver, suspension, or reduction of rental or royalties for NPR-A leases; 2) allow for suspension of operations and production (and clarify that existing suspension regulations do not apply to the NPR-A); 3) set the primary lease term at 10 years; and 4) would add a new subpart on subsurface storage agreements. This action will provide a comprehensive set of regulations for the management of NPR-A leases, such as are in place for other BLM leasing programs, but which have not been put in place for NPR-A.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to consider additional environmentally responsible oil and

gas development, based on sound science and the best available technology, through further lease sales in the National Petroleum Reserve-Alaska. Such consideration should include areas not currently leased within the Northeast corner of the Reserve.

BLM Action 10: BLM will conduct biennial leasing in the northeast sector of NPR-A starting in 2002.

Description: Industry remains very interested in the entire NPR-A area, in particular a wide area across the northern section, commonly referred to as the Barrow Arch. The area appears to be an extension of the Prudhoe Bay's geology and that of the surrounding smaller fields. Companies have requested that BLM hold additional sales in the area. Industry appears to be pursuing a strategy to find Alpine-like fields in the 300-450 million-barrel range in the eastern NPR-A area. Currently, authority exists for additional lease sales in the northeast portion of the NPR-A covered by the 1998 EIS. The 1998 Record of Decision provides for further oil and gas leasing on 3.9 million acres (excluding about 700,000 acres in the Teshekpuk Lake Surface Protection Area) in the northeast sector of the NPR-A.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to consider additional environmentally responsible oil and gas development, based on sound science and the best available technology, through further lease sales in the National Petroleum Reserve-Alaska. Such consideration should include areas not currently leased within the Northeast corner of the Reserve.

BLM Action 11: BLM will prepare to hold lease sales in other NPR-A sectors, with the first sale scheduled for 2004.

Description: There is industry interest in other sectors of NPR-A outside the existing NPR-A Integrated Activity Plan and EIS area. Lease sale activities beyond the geographic extent of the existing Integrated Activity Plan and EIS area will require additional NEPA compliance. A Record of Decision will need to be prepared for each area. Prior to any lease sale decisions, BLM will evaluate Alaskan Native concerns and environmental considerations, such as subsistence, subsistence use areas and important wildlife habitat including that for waterfowl, caribou, and fish. Specific analysis will be done to address wildlife concerns and to identify any special protections needed. BLM will coordinate with the Fish and Wildlife Service, the National Marine Fisheries Service, the Army Corps of Engineers, the State of Alaska, and Alaska Native communities.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to consider additional environmentally responsible oil and gas development, based on sound science and the best available technology, through further lease sales in the National Petroleum Reserve-Alaska. Such consideration should include areas not currently leased within the Northeast corner of the Reserve.

BLM Action 12: BLM will work with the USGS on updating the undiscovered oil and gas resource estimates for the NPR-A.

Description: The 1995 USGS petroleum assessment for the North Slope (onshore) is being updated using a new methodology to include the potential for stratigraphic traps, which have become the primary target of oil exploration on the Alaskan North Slope during the past decade.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to consider additional environmentally responsible oil and gas development, based on sound science and the best available technology, through further lease sales in the National Petroleum Reserve-Alaska. Such consideration should include areas not currently leased within the Northeast corner of the Reserve.

BLM Action 13: BLM will initiate environmental analyses for full field development within NPR-A by 2003.

Description: Phillips Alaska, Inc., and British Petroleum have actively pursed exploration programs this past winter resulting in the drilling of six exploratory wells. On May 21, 2001, Phillips Alaska Inc. announced discoveries of oil or gas and condensate from five of these wells. Phillips Alaska, Inc. has also indicated that they anticipate filing an application for full field development this year. BLM will prepare full field development environmental analyses based on industry request for up to three separate potential developments in the northeast sector. These full field development environmental analyses will identify measures necessary for the protection of surface resources such as wildlife and subsistence use, while allowing for economic extraction of oil and gas resources. BLM will coordinate with the FWS, National Marine Fisheries, the Army Corps of Engineers, and the State of Alaska.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to consider additional environmentally responsible oil and gas development, based on sound science and the best available technology, through further lease sales in the National Petroleum Reserve-Alaska. Such consideration should include areas not currently leased within the Northeast corner of the Reserve.

BLM Action 14: BLM will continue ongoing operations associated with existing leases (Applications for Permits to Drill, Inspection and Enforcement, and National Environmental Policy Act) within the NPR-A area.

Description: On May 5, 1999, BLM held a lease sale in NPR-A resulting in 133 leases. Industry is conducting exploration and development activities in this area. BLM will continue to process applications for permits to drill and perform the necessary NEPA compliance and coordination. In addition, BLM is performing inspection and enforcement activities on these existing leases.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to work with Congress to authorize exploration and, if resources are discovered, development of the 1002 area of ANWR. Congress should require the use of the best available technology and should require that activities will result in no significant adverse impact to the surrounding environment.

BLM Action 15: Should Congress so authorize, BLM will evaluate and determine the necessary steps for an environmentally sound leasing and development program in Arctic National Wildlife Refuge (ANWR).

Description: Congress would need to enact legislation to authorize an oil and gas leasing program that would lead to the production of oil and gas within the 1002 Area of the ANWR coastal plain. Several bills have been introduced that would authorize BLM and FWS to take such actions necessary to establish and implement a leasing program for the ANWR 1002 Area. The Department is working closely with Congressional staff to ensure that such proposed legislation includes appropriate provisions including environmental safeguards.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to work with Congress to authorize exploration and, if resources are discovered, development of the 1002 area of ANWR. Congress should require the use of the best available technology and should require that activities will result in no significant adverse impact to the surrounding environment.

BLM Action 16: BLM will institute environmental and planning studies, if funding is available, for implementation of a best-practices leasing and development program.

Description: Additional studies will be conducted to analyze new technological and environmental information for the development of oil and gas in ANWR and to update information from earlier studies done for the Legislative Environmental Impact Statement – 1987 Arctic National Wildlife Refuge, Proposed Oil and Gas Management Program for the Coastal Plain. Potential topics for examination include the construction of ice roads, methods to minimize development and production footprints, alternative transportation methods, and the optimum timing of operations. Environmental issues to be addressed include: the amount and distribution of fresh water and impacts to subsistence, wilderness, wetlands, and wildlife resources (e.g., caribou, polar bears, musk ox and migratory birds). The FWS will perform studies to identify areas within the ANWR 1002 Area that are likely to be least affected by oil and gas exploration, development and production. The FWS and BLM will perform studies that monitor the potential environmental effects of oil and gas activities in the NPR-A area relative to environmental concerns associated with development in the ANWR 1002 Area. BLM and USGS will perform studies to identify areas within the ANWR 1002 Area that have the greatest potential for oil and gas resources.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to work with Congress and the State of Alaska to put in place the most expeditious process for renewal of the Trans-Alaska Pipeline System rights-of-way to ensure that Alaskan oil continues to flow uninterrupted to the West Coast of the United States.

BLM Action 17: BLM will complete the re-permitting of the Trans-Alaska Pipeline System by 2003.

Description: The TAPS pipeline is currently the only means to transport oil from the North Slope. The original agreement and grant of right-of-way for the TAPS were approved on January 23, 1974, for the maximum time allowed, 30 years. The right-of-way grant expires in January 2004.

Presidential Directive: The NEPD Group recommends that the President direct the Secretaries of Energy and State, coordinating with the Secretary of the Interior and the Federal Energy Regulatory Commission, to work closely with Canada, the State of Alaska, and all other interested parties to expedite the construction of a pipeline to deliver natural gas to the lower 48 states. This should include proposing Congress any changes or waivers of law pursuant to the Alaska Natural Gas Transportation Act of 1976 that may be required.

BLM Action 18: BLM will expeditiously review the application(s) anticipated for a North Slope natural gas pipeline(s). As a part of this effort, BLM will coordinate activities with the State of Alaska and the Canadian government.

Description: Several different proposals are being considered for North Slope natural gas transport to market. It is expected that a gas pipeline would have the capacity for transporting about 1 to 1.5 Tcf per year. This represents about 5 percent to 8 percent of current U.S. natural gas production. An application to construct a gas delivery system may be received by the end of 2001. BLM will coordinate the review of industry's application with the State Department, FERC, the Transportation Department, and the applicant. BLM's environmental analyses will consider issues such as potential effects on wetlands, wildlife habitat, and subsistence uses. Interior will work with the State of Alaska and Canadian government to facilitate the coordination process and establish protocols. If the pipeline route is primarily onshore in Alaska, BLM will develop a work plan for permitting and engineering review involving U.S. and Canadian agencies for the natural gas pipeline route identified by industry.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to determine ways to reduce the delays in geothermal lease processing as part of the permitting review process.

BLM Action 19: BLM will identify methods to expedite the processing of pending geothermal leases.

Description: Each state with a geothermal program will develop an action plan to address ways to expedite the processing of geothermal leases, eliminate backlogs, and identify needed resources. The action plan will include an analysis of land use plans and whether additional NEPA analysis is required. An integral part of the plan will be a specific outreach program developed by each state office to educate the interested public about BLM's geothermal program.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to determine ways to reduce the delays in geothermal lease processing as part of the permitting review process.

BLM Action 20: BLM will revise the Categorical Exclusion list to include geothermal resources and examine opportunities that could be added to the geothermal list.

Description: In 1992, when the Departmental Categorical Exclusion list was last revised, the geothermal program and the oil and gas program were combined under fluid minerals. The Interior Board of Land Appeals has since ruled that the fluid minerals category does not include geothermal resources. The 1992 list dropped many of the geothermal activities that were formerly categorically excluded under the geothermal program prior to their combination with fluid minerals. Reconsideration and adoption of the original categorically excluded activities will enable BLM to more rapidly approve geothermal actions on public lands.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to determine ways to reduce the delays in geothermal lease processing as part of the permitting review process.

BLM Action 21: BLM will contract for a geothermal literature search and an identification of constraints to access.

Description: BLM will perform an EPCA-like study to evaluate the extent and nature of restrictions or impediments to the development of geothermal resources. As the information from the assessment is received, BLM will review the findings, assess the restrictions' and impediments' effects on the availability of geothermal resources for future development, and consider modifications, as appropriate, to increase access to geothermal resources.

Presidential Directive: The NEPD Group recommends that the President direct the Secretaries of the Interior and Energy to re-evaluate access limitations to federal lands in order to increase renewable energy production, such as biomass, wind, geothermal, and solar.

BLM Action 22: BLM will evaluate the availability of, and limitations on, use and access to public lands in order to increase renewable energy production, such as biomass, water, wind and solar energy.

Description: Wood and other biomass fuels on federal lands can be used for electric power generation. Existing processes for providing access to these fuels are not conducive to electric power operations. Electric plants using biomass need an assured long-term supply. One source of such supply is the biomass that needs to be removed from forest lands under the National Fire Plan. The assessment will identify opportunities to change contracting procedures to facilitate the provision of biomass fuels for electric power generation.

The generation of solar power on public lands can be used to create electricity with no on-site fossil-fuel usage. Due to the recent electricity and gas shortages, interest in Concentrating Solar Power (CSP) plants has increased. Solar power has the ability to deliver power during periods of peak demand and can generate power independent

of integrated transmission systems. CSP plants may supplement more traditional energy sources.

Using wind energy generates mechanical power. This mechanical power can be then used for specific tasks, or a generator can convert this mechanical power into electricity to power homes, businesses, schools, and the like. Advanced wind turbine technologies are capable of also reducing the cost of energy. Wind energy will also aid in addressing our Nation's power generation shortage in California and the west.

Presidential Directive: The NEPD Group recommends that the President direct the Secretaries of the Interior and Energy to re-evaluate access limitations to federal lands in order to increase renewable energy production, such as biomass, wind, geothermal, and solar.

BLM Action 23: BLM will, for each hydropower licensing project, appoint a Project Manager and assemble a team of resource specialists to identify impacts, mitigation opportunities, and annual budget needs; identify hydropower projects within all Resource Management Plans; and work with other agencies to streamline and improve the application process

Description: Hydropower is currently the largest source of renewable power, generating nearly 10 percent of the electricity in the United States. It is important that a mechanism be established to ensure that all projects requiring new licenses are expedited, since these projects are large in scope, complex, and impose significant impacts on surrounding communities.

Presidential Directive: The NEPD Group recommends that the President direct the agencies to continue their interagency efforts to improve pipeline safety and expedite pipeline permitting in an environmentally sound manner and encourage FERC to consider improvements in the regulatory process governing approval of interstate natural gas pipeline projects.

BLM Action 24: BLM will inventory and prioritize energy-related right-of-way applications.

Description: An inventory and prioritization of the current right-of-way applications can be completed very quickly. This review can also identify the impediments to effective processing of right-of-way applications.

Presidential Directive: The NEPD Group recommends that the President direct the agencies to continue their interagency efforts to improve pipeline safety and expedite pipeline permitting in an environmentally sound manner and encourage FERC to consider improvements in the regulatory process governing approval of interstate natural gas pipeline projects.

BLM Action 25: BLM will initiate coordinated, inter-governmental, interagency, Right-of-Way corridor planning efforts (including coordination with BLM land use planning for public lands efforts) in partnership with industry and public interest groups.

Description: Designation of right-of-way corridors during land use planning can significantly reduce the complexity and time frames associated with individual right-of-way application reviews. Priority should be given to designate right-of-way corridors in those areas between energy sources and demand where geographic or administrative constraints impede right-of-way projects. As a foundation for this effort, the 1992 Western Regional Corridor Study, prepared by an ad hoc organization of major western gas, electric, and telecommunications companies, should be utilized. The study should also be considered a model for corridor planning nationwide. Existing industry partnerships with the Western Utility Group, Edison Electric Institute and the Western Systems Coordinating Council should be used as a model and expanded nationwide. Proposals to site rights-of-way within designated corridors will permit the environmental analysis of applications to be limited to the proposed action and the no action alternative. This enhancement has the potential to reduce processing time by as much as 30 percent for individual energy right-of-way applications.

Presidential Directive: The NEPD Group recommends that the President direct the agencies to continue their interagency efforts to improve pipeline safety and expedite pipeline permitting in an environmentally sound manner and encourage FERC to consider improvements in the regulatory process governing approval of interstate natural gas pipeline projects.

BLM Action 26: BLM will expand its existing Right-of-Way Project Manager Pilot Project (assigning ROW specialists to major and complex right-of-way applications on a bureau-wide basis) to include other federal and state agencies.

Description: Energy right-of-way project managers are individuals with the demonstrated ability to successfully coordinate the consideration of major, complex, energy right-of-way applications. The project managers use commercially available environmental contractors, project assistant contractors and compliance contractors. Project managers are expected to process a minimum of two major right-of-way applications simultaneously. Use of project managers significantly reduces the workload on individual field offices, brings a high level of expertise to energy right-of-way projects, and enjoys the support of industry. Expediting the processing of energy right-of-way applications will commence as soon as project managers are deployed.

Presidential Directive: The NEPD Group recommends that the President direct the agencies to continue their interagency efforts to improve pipeline safety and expedite pipeline permitting in an environmentally sound manner and encourage FERC to consider improvements in the regulatory process governing approval of interstate natural gas pipeline projects.

BLM Action 27: BLM will work with all federal agencies who have responsibility for the review and analysis of energy-related right-of-way applications to expedite the process.

Description: BLM will work cooperatively with other federal agencies with responsibilities for the review and analysis of energy-associated right-of-way applications to identify application workloads so that the federal agencies can allocate the resources required for timely and efficient processing. Making such a reallocation of resources will need to take into account the need to balance other right-of-way activities such as the processing of telecommunication applications, community infrastructure needs, and rights-of-way associated with other statutory uses of the federal lands.

Presidential Directive: The NEPD Group recommends that the President direct the agencies to continue their interagency efforts to improve pipeline safety and expedite pipeline permitting in an environmentally sound manner and encourage FERC to consider improvements in the regulatory process governing approval of interstate natural gas pipeline projects.

BLM Action 28: BLM will initiate an internal review with all agencies of administrative processes for reviewing and granting right-of-way applications and remove or reduce impediments to timely decision-making.

Description: A review of current right-of-way application processing procedures can be completed within 3 months. This review will identify the impediments to timely and cost-effective processing of right-of-way applications. The review will include the processes, policies, and procedures of all associated analyses, reviews, inventories and consultations. Time frames for processing right-of-way applications, current requirements redundant or excessive requirements, and overlapping jurisdictions will be identified.

Presidential Directive: The NEPD Group recommends that the President direct the agencies to continue their interagency efforts to improve pipeline safety and expedite pipeline permitting in an environmentally sound manner and encourage FERC to consider improvements in the regulatory process governing approval of interstate natural gas pipeline projects.

BLM Action 29: BLM will increase the availability of existing right-of-way training courses and work towards wider participation in such courses by appropriate federal and industry staff involved in right-of-way applications.

Description: Government and industry right-of-way processing personnel should be strongly encouraged to utilize existing inter-agency/industry right-of-way training courses, and course capacity should be increased to meet demand. These courses provide government and industry students with information on the siting, construction, operation, and management of oil and gas pipeline and electric systems and allow them to discuss agency roles and responsibilities in the application and compliance process. The target groups for the courses are realty specialists, environmental specialists (both agency and industry right-of-way specialists), and others working on the authorization of oil and gas pipeline and electric generation and transmission projects.

Presidential Directive: The NEPD Group recommends that the President direct the agencies to continue their interagency efforts to improve pipeline safety and expedite pipeline permitting in an environmentally sound manner and encourage FERC to consider improvements in the regulatory process governing approval of interstate natural gas pipeline projects.

BLM Action 30: BLM will finalize and publish BLM and USFS 1999 proposed right-of-way cost recovery regulations to increase cost recovery revenue.

Description: In 1999, BLM and the USFS published proposed cost recovery regulations to update the existing regulations governing right-of-way cost recovery policies and procedures. The USFS cost recovery regulations will establish formal cost recovery policies and procedures for management of special uses (including right-of-way). The regulations are consistent between the agencies, include innovative, modern, customer-friendly business practices, and are supported by the industry. BLM estimates that BLM and the USFS will increase cost recovery revenue by 30 percent or more, allowing for a corresponding increase of resources to be allocated to right-of-way application processing.

Presidential Directive: The NEPD Group recommends that the President direct the agencies to continue their interagency efforts to improve pipeline safety and expedite pipeline permitting in an environmentally sound manner and encourage FERC to consider improvements in the regulatory process governing approval of interstate natural gas pipeline projects.

BLM Action 31: BLM will develop a legislative proposal for Administration consideration to allow federal agencies to retain a portion of rental receipts (rather than returning receipts to the U.S. Treasury) paid by holders of right-of-way for use on federal lands.

Description: Retained receipts would be allocated to right-of-way processing activities of the respective federal land managing agencies including preparation of plans for multi-state corridors and modifying key land use plans. If the required legislation is enacted, and the appropriate regulations are promulgated in a timely manner, the agencies can begin to allocate the retained funds at the first billing period for the right-of-way located on the federal lands they administer. These funds can be allocated to right-of-way processing activities almost immediately after collection.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 32: BLM will review its policies, practices, regulations and statutes to identify opportunities to expand the scope of existing coal and coal bed methane conflict policy to new and readjusted coal, oil and gas leases with the intent of adopting a uniform policy for revising or rewriting existing regulations, and/or developing legislation, as needed.

Description: BLM has struggled for many years to address conflicts created by multiple mineral development on the same parcels of land. On existing leases, BLM has primarily relied on the legal premise that the lessee who was first in time had the dominant right, and to a lesser degree on goals for conservation of the resource. This has been established as a policy by BLM through an Instruction Memorandum. This has not always served the public interest nor resulted in increased energy production. On new leases, BLM will require development to optimize utilization of resources and BLM will develop and submit for Administrative review legislation that allows consolidation of coal and coal bed methane for new leases where warranted. For existing leases, BLM will require timely development and provide assistance and consultation to all lessees in evaluation of resources in order to optimize development of all resources.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 33: BLM will improve its ability to meet the demand for Federal coal sales through the Lease by Application Process. This will include a review of current Lease by Application processes to streamline procedures and reduce processing time.

Description: The current method to lease coal is the lease by application process. BLM will determine if there are methods to reduce the lead time to complete geologic, engineering, economic, and appraisal analyses for proposed leasing.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 34: BLM will develop policy, regulatory revisions, or proposed technical amendments to the Mineral Leasing Act, as amended, to streamline coal

lease operations and eliminate obsolete leasing and Rights-of-Way provisions, while maintaining environmental and fair-market value standards. This action with respect to coal lease operations will focus on actions that can be taken after a lease is issued.

Description: BLM will develop draft legislation that eliminates outdated practices for new leases such as: the 40-year period for a logical mining unit, the 160-acre limitation on lease expansion by application for an existing mining operation, limitations on advance royalty payments, and some leasing limitations on common carrier railroads. (with respect to obsolete Rights-of Way provisions, the task will focus the allowable widths and terms of Rights-of-Way grants and methods of rent payment.)

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 35: BLM will provide timely royalty relief incentives for recovery of uneconomic or marginally economic coal resources through improved lease management.

Description: This task will examine the current guidelines for royalty rate reductions for solid minerals to determine if the processes can be streamlined. Currently, royalty rate reductions for solid minerals are paperwork- and labor-intensive. BLM's royalty rate reduction process is slow and time consuming and has resulted in some energy resources being bypassed.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 36: BLM will look for opportunities to improve and streamline the management of the NEPA process for all energy resource proposals with all surface management bureaus offices and affected agencies.

Description: BLM examines the interactions that it has with other agencies (both within and outside of DOI) in processing new leases to determine where there are

opportunities to streamline and thereby expedite the leasing process. For example, surface owner consent to lease coal, oil and gas or geothermal resources in areas where BLM is not the federal surface management agency can be problematic and slow.

A parallel effort will focus on internal BLM bottlenecks. One potential improvement, for example, would be to develop standardized contracting documents and standards for contracted environmental work to provide consistent service across administrative boundaries and to avoid the need for BLM to rewrite contractor reports and findings.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council of Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 37: BLM will develop policy to encourage recovery of abandoned coal refuse with uncertain federal title.

Description: BLM will use existing authority to encourage abandoned coal refuse recovery and re-mining by reducing or waiving Abandoned Mine Land fees under the Surface Mining Control and Reclamation Act and royalty obligations under BLM's royalty rate reduction guidelines.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council on Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 38: BLM will establish an internal mechanism with staff capability to coordinate bureau efforts and obligations associated with the implementation of energy-related programs and projects.

Description: As energy development and associated activities become a major federal priority, it is critical that these activities or initiatives are accomplished in a timely and environmentally responsible manner. BLM plans to create a group which will ensure that the bureau's responsibilities and obligations under the National Energy Policy are performed in accordance with the standards required by law and in accordance with the policies of the United States. It will provide close intra-

bureau coordination and coordination with other agencies (state and federal), the Congress, tribal governments, private industry and the public on issues relating to the National Energy Policy.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to examine land status and lease stipulation impediments to federal oil and gas leasing, and review and modify those where opportunities exist (consistent with the law, good environmental practice, and balanced use of other resources).

A. Expedite the ongoing Energy Policy and Conservation Act study of impediments to federal oil and gas exploration and development.

B. Review public lands withdrawals and lease stipulations, with full public consultation, especially with the people in the region, to consider modifications where appropriate.

BLM Action 39: BLM will form a Land Use Management Team to coordinate and facilitate efforts of BLM and USFS.

Description: The Land Use Management Team will be composed of a Team Leader with appropriate staff support and team members representing BLM and USFS. The team will re-engineer processes and implement actions to facilitate planning for all forms of energy development, such as aligning planning and NEPA processes, updating guidance, enhancing collaboration, provide training, identifying resource needs, identify contracting opportunities and university resources to assist in planning, and developing mechanisms to acquire and share data.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council of Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 40: BLM will issue guidance to ensure meaningful consultation with federally recognized tribal governments when assisting in the development of tribal energy resources; when implementing energy tasks which might affect trust resources and treaty rights; when energy tasks might affect areas on public land of concern to tribal communities; or when developing energy related regulatory policies on matters that significantly or uniquely affect tribal communities.

Description: BLM will consult, to the greatest extent practicable and to the extent permitted by law, with tribal governments: 1) prior to taking actions that may affect federally recognized tribes, trust assets, treaty rights, services or programs and 2) in

formulating regulatory policies significantly or uniquely affecting Indian tribal governments.

Presidential Directive: The NEPD Group recommends the President issue an Executive Order to conduct permitting for energy production in an environmentally sound manner by directing federal agencies to expedite permits and other federal actions necessary for energy-related project approvals on a national basis. This order would establish an interagency task force chaired by the Council of Environmental Quality to ensure that federal agencies responsible for permitting energy-related facilities are coordinating their efforts. The task force will ensure that federal agencies set up appropriate mechanisms to coordinate federal, state, tribal, and local permitting activity in particular regions where increased activity is expected.

BLM Action 41: BLM will enhance inspection and enforcement capabilities to ensure that inspections are completed and lessee/operators are notified of corrective action requirements in a timely manner to ensure that the public resources are protected.

Description: It is critical that BLM have a viable inspection and enforcement program. Currently, additional funds are needed to ensure that all leases are inspected regularly and corrective actions are performed in a timely manner.

Presidential Directive: The NEPD Group recommends that the President direct the Secretary of the Interior to examine land status and lease stipulation impediments to federal oil and gas leasing, and review and modify those where opportunities exist (consistent with the law, good environmental practice, and balanced use of other resources).

1. Expedite the ongoing Energy Policy and Conservation Act study of impediments to federal oil and gas exploration and development.

2. Review public lands withdrawals and lease stipulations, with full public consultation, especially with the people in the region, to consider modifications where appropriate.

BLM Action 42: BLM will identify as energy-related "time sensitive" the land use plans to facilitate energy development, consistent with the law, good environmental practices, and balanced use of other resources, and will ensure that those plans are completed within 2-3 years.

Description: Implement a National Planning Support Team to facilitate the accomplishment of the plans on schedule. The team is tasked with the following: identify and remove roadblocks, coordinate with national level agencies and stakeholders, provide program guidance and policy as needed, communicate with the Department and Congress, establish standards for consistency and review criteria, track and report progress/accomplishments.

BLM Action 43: BLM will establish Regional Energy Teams to focus on, and resolve, specific regional energy issues by expanding the Federal Leadership Forum concept.

Description: Concerns regarding energy development can vary widely between geographic and geologic areas. The BLM has always been more successful in resolving disputes between conflicting resources when all affected parties are involved early in the identification of potential conflicts and areas of special concern. Regional Energy Teams will work pro-actively to avoid resource conflicts, where possible, and will serve as a forum for conflict resolution as needed.

Question: What line-item budget request items are specifically related to DOI/BLM implementing any portion of the energy plan?

Answer: Within four bureaus, the President's Budget includes an increase of $28.6 million for programs that support the Administration's energy plan. The energy programs within BLM, the Minerals Management Service (MMS), U.S. Geological Survey (USGS), and the Bureau of Indian Affairs (BIA) are focused on increasing domestic production of traditional energy resources, such as oil and gas and coal, as well as expanding our emphasis on the development of renewable energy sources, such as geothermal, hydropower, wind, solar, and biomass. Taken together, these actions will help provide both short-term and long-term solutions to increasing energy supplies while protecting our environment.

The BLM is requesting $10.2 million in additional funds for the energy and mineral programs it manages. This includes $8.2 million in the Energy and Minerals activity and $2 million in the Realty and Ownership Management activity, Lands and Realty Management subactivity. The BLM's 2003 energy and minerals budget request provides increased funding for environmentally-responsible resource production, including oil and gas on the North Slope of Alaska; coalbed methane development; implementation of the Energy Policy and Conservation Act (EPCA) study; right-of-way processing; development of renewable energy resources; and the Department's Indian Trust-related responsibilities. It also supports continued mining law administration, as well as coal development and other mineral resource production. In addition to the $10.2 million previously noted, the BLM 2003 budget request also includes an additional $6.2 million to update high priority land use plans critical to meeting the nation's energy and mineral needs. This is part of the $14 million increase proposed in the Resource Protection activity, Resource Management Planning subactivity.

The Bureau is focusing its efforts on increasing domestic production of traditional energy resources, such as oil and gas and coal, as well as expanding our emphasis on development of renewable energy sources, such as geothermal, hydropower, wind, solar, and biomass. These efforts will help provide both short-term and long-term solutions to increasing energy supplies while protecting our natural environment.

The President's Budget includes increases totaling $13.7 million for MMS programs that promote the domestic production of oil and natural gas. Of that amount, $5 million is requested to deal with the steep

increase in the level and complexity of work associated with offshore oil and gas activity. The 2003 funding supports an increase of 21 FTE to facilitate the processing of drilling permits, perform inspections of offshore operations, and review development plans. The remaining $8.7 million is requested to begin implementation of an E-Government initiative, a multi-year effort that will focus on providing secure online access for the public to the regulatory processes and information of the MMS' offshore program. This will include online rulemaking, submittal of applications and reports, and access to the results of environmental, engineering, and other studies and data.

USGS programs provide geological and geophysical data that will allow managers to make timely and environmentally sound resource management decisions in support of the Administration's energy policy. The 2003 request for these programs includes an increase of $2.7 million to conduct estimates of undiscovered oil and natural gas resources on Federal lands; produce digital base maps in Alaska focused on potential lease areas of the NPR-A; and update the national geothermal resource assessment last published in 1979.

BIA programs focus on working in partnerships with Indian organizations and Tribes on the future development and production of energy resources on Indian lands. The 2003 request includes an increase of $2.0 million to assess energy development opportunities and initiatives available on tribal lands and assist with mineral assessment investigations.

Question: Who have you been meeting with to implement the President's energy policy?

Answer: One of the more important aspects of the President's National Energy Policy is to ensure meaningful coordination and consultation with all affected parties. The BLM has attended multiple meetings with the public and special interest groups over the past year to outline the goals and actions associated with the Bureau's responsibilities under the President's National Energy Policy. Recently, the BLM held a very productive outreach meeting on renewable energy. In addition, the BLM's National Energy Office is coordinating two additional outreach meetings, the first of which were held on March 18 and 19, 2002 where a variety of Federal, State and local government agencies, special interest groups and the public were invited to discuss one-on-one with our presenters their concerns and issues to be more responsive to the needs of our stakeholders.

Question: Last November, Acting Director Nina Rose Hatfield created a National Energy Office to implement the President's National Energy Policy. According to documents prepared by the BLM, the sole purpose of this office is to expedite drilling and mining on public lands. Can your tell me how your agency plans to accomplish this mission - expediting drilling and mining - without negatively impacting significant natural resources and while complying with the National Environmental Policy Act?

Answer: The Bureau of Land Management will continue to meet NEPA requirements and provide appropriate consideration and protection to other resources with the projected increase in drilling and mining activities on Federal Lands. We will continue to mitigate and address all issues which may impact all resources on the lands involved.

By law and regulation the BLM is required to address any drilling or mining activity by first evaluating all the possible impacts to all resources by preparing an Environmental Assessment or an Environmental Impact Statement and a land use plan to guarantee long-term protection. Our present NEPA process addresses environmental concerns and provides the appropriate mitigation requirements.

Question: What is your intention for the mission of this office? Why do you feel this office is necessary ?

Answer: It was determined that a central coordination point is necessary for the BLM's action plan to be successful. In particular, a forum or National Energy Office is needed to ensure consistency and uniform application of the policy and goal. Most importantly, an office is needed to ensure communication and coordination of the BLM's efforts across the various bureau programs. In addition, a central office is needed to make sure that the BLM's action plan is completed in a timely manner, but also that short- and long-term monitoring of the result is done.

Question: What is being accomplished now that was not being accomplished before the office was established?

Answer: The establishment of the National Energy Office will bring continuity and consistency to the program on a national basis by providing guidance for policy implementation, internal and external coordination, and collaboration and cooperation with interested citizens and groups while focusing on high priority efforts.

The National Energy Office is collecting, assembling, tracking and analyzing information. It is working on outreach and information sharing meetings to receive comments from all interested parties to assist the Bureau in its implementation of the policy. It is working closely with other federal agencies to address cross cutting energy-related issues. The Office is overseeing across-the-board coordination of all the BLM program areas either affecting or being affected by those policies and goals.

Question: How is this office being funded?

Answer: The National Energy Office is funded from existing bureau funding in the Energy and Minerals budget activity. It is staffed by existing Bureau staff.

Question: As energy development increases, what leadership will you provide to ensure that the BLM takes proactive measures to reduce litigation ?

Answer: It is always BLM's intention to avoid litigation. One of the roles of the National Energy Office is to fulfill the BLM's commitment to ensuring a collaborative, inclusive and effective process for implementing the President's National Energy Policy goals and ensuring that energy resource development and transmission is performed in a proactive and environmentally sound manner. The Office held a very productive outreach meeting on renewable energy. The Office has also coordinated additional outreach meetings, the first of which was held on March 18 and 19, 2002 where a variety of Federal, State and local government agencies, special interest groups and the public were invited to discuss one-on-one with our presenters their concerns and issues to be more responsive to the needs of our stakeholders.

In addition, the Office is taking the lead on using the existing multi-agency Federal Leadership Forum concept for the establishment of a Regional Energy Team pilot. A major function of the Team will be to monitor and address not only interagency concerns on both renewable and nonrenewable energy projects, but to identify potential sources of litigation and address those early in the process.

Question: Is it feasible to work collaboratively with all interest groups with an outcome being a significant drop in the agency's litigation ?

Answer: Integral to BLM's mission is working collaboratively with all interest groups to ensure that their concerns are taken into consideration, in particular, in the land use planning process and specific activity-level decisions. The BLM takes every opportunity to work collaboratively with all interest groups. Although there are many cases where this process has worked successfully, there are cases where activities or plans were still litigated. It is difficult sometimes to achieve consensus or agreement by all parties such that issues are addressed to their satisfaction, especially when the concerns are diametrically opposed. However, BLM will continue to build upon its successes and make a concerted effort to work and resolve all issues to reduce potential for litigation.

BLM has 162 plans covering most of its 264 million acres of public lands including approximately 1/4 of the lands of the western U.S. Only 13 percent of the 162 Resource Management Plans can be considered current and BLM is undergoing a massive planning effort that will affect public lands for years to come. With the current emphasis on planning in your agency, you could easily suggest that the BLM is re-planning the west.

Question: Can you tell me how the agency is approaching this massive planning endeavor from a holistic, nation-wide perspective? How are you taking into consideration the long-term cumulative impacts of all BLM actions being presented in each of the individual plans?

Answer: The BLM land use plans are being developed to address national, regional, and local issues within the context of legal and policy requirements. Examples of legal and policy requirements that will be incorporated into these plans are compliance with the National Energy Policy, Endangered Species Act, Clean Air Act, and Clean Water Act. They are developed following FLPMA regulations with full public participation. Each RMP has an attendant NEPA document that considers cumulative impacts of the land management decisions being considered.

Question: How is the BLM analyzing and presenting the global impacts of its planning decisions and agency actions?

Answer: The planning projects are developed to follow the FLPMA and NEPA requirements, which include the requirement to analyze the cumulative impacts of the land management decisions being considered.

EVERGLADES

Question: Much of the integrity of the entire Comprehensive Everglades Restoration Plan (CERP) rests on land acquisition. Given that 175,000 acres of land needed for Everglades restoration remain to be acquired, and of this 10,000 acres need to be acquired by 2006, an accelerated land acquisition strategy is the only way to ensure successful implementation of the Comprehensive Everglades Restoration Plan (CERP). What is the Interior Department doing to help the State of Florida purchase Everglades lands before they become too expensive or are lost to development?

Answer: Over 100,000 acres of land have been acquired since 1996. This includes three areas proposed to store additional water under CERP; Talisman in the Everglades Agricultural Area, Berry Groves in the Caloosahatchee River Basin, and the Grassy Island Ranch north of Lake Okeechobee.

The 2003 budget request includes $20.0 million for the State of Florida for grants and grant administration to acquire land or interests in land. This is a 33 percent increase over the amount provided in 2002. An increase of this magnitude is indicative of the Department's strong commitment to this issue. By requiring a match from the State, the Department is able to leverage additional funds to speed up the conservation of sensitive areas. Under a cost-share agreement with the State of Florida, this grant will be leveraged into $39 million. The Department is cognizant that it is much more cost effective to purchase land or an interest in land now rather than to delay and do so at a later date.

Using Federal and State funds, the State will acquire the highest priority and available lands to implement CERP, with a focus on acquiring lands for the initial suite of authorized projects. Additionally, lands in the East Coast Buffer and Water Preserve Areas remain a high priority as they will provide a transition

area and important protection to the Everglades National Park and other remaining natural areas.

In addition, the U.S. Fish and Wildlife Service budget request includes $6.25 million for land acquisition at refuges in the Everglades ecosystem.

LAND AND WATER CONSERVATION FUND

Question: Can you please explain how the Administration can say it is fully funding the Land and Water Conservation Fund when $423 million ($303 million for Department of the Interior programs specifically) of what is being portrayed as a $909 million request for LWCF is for separate programs with their own specific purposes that are already funded under the dedicated conservation fund?

Answer: All of the programs in this year's LWCF proposal either acquire interests in land for conservation purposes or promote conservation on lands. In FY 2001 and FY 2002, Congress appropriated funds from the LWCF for a numbers of programs not traditionally funded from LWCF. In FY 2001, programs funded from the LWCF included the Fish and Wildlife Service grant programs proposed to be again added to LWCF funding in FY 2003.

Question: Under the Administration's request, the federal side of LWCF would decline $94 million or 22 percent below the FY 2002 level. Just from 1992-1997 the national rate of development doubled to 3 million acres per year. Is this decrease appropriate given that it remains one of the greatest tools we have to address the increasingly severe problem of loss of open space, forests and wildlife habitat?

Answer: For the Federal LWCF funds, acquisition of interests in land is just one method of protecting more acres for open space, forest and wildlife habitat. This Administration and many Americans advocate the kinds of private, State, and federal cooperative programs proposed in this budget to protect species and the lands on which they reside. In addition, our federal acquisition program also focuses on acquiring "less than fee title interests" in land—wherever possible--like conservation easements in the Centennial Valley in Montana that cost $205 per acre compared to the $400 per acre fee title cost. As a result, we can protect more acres with less funds. Land exchanges are also advocated when the willing seller is amenable to acquiring land in trade for land.

On the LWCF State grants portion of the program, statistics from FY 1995 show that 88 percent of the funds were spent for outdoor recreational development.

Question: How will this decrease in land acquisition funding impact the numerous willing seller landowners waiting in line to sell their federal land holdings?

Answer: There will be many opportunities for willing seller landowners to work with the Department of the Interior through the numerous programs that conserve including easements.

COOPERATIVE CONSERVATION INITIATIVE

Creating a matching program on our federal lands is great for outside groups who have money to meet the match requirement. Taking these funds out of the operating budget of agencies will mean that the basic but critical stewardship needs go unmet while the priorities of outside groups take priority.

Question: How will the federal interest be served by giving management decisions to outside groups from non-permanent projects at the expense of basic needs?

Answer: We believe that the federal interests are strongly served by incorporating the ideas from the public, such as non-governmental organizations and citizens, that partner with a bureau unit for the Cooperative Conservation Initiative. Management decisions will not be made by the partner(s) since CCI funding will complement agency priorities and goals. Joint federal/partners decision-making mechanisms will be reflected in approved applications for funds.

The CCI program proposes that the resources to address federal critical stewardship needs will be augmented, not reduced by CCI, since federal dollars will be matched at least one-for-one.

While an interesting idea, basic operations funding has been reduced to support his new approach of allowing private interest to manage federal lands. This cost-sharing program shouldn't be created at the expense of the core stewardship missions of the National Park Service, Fish and Wildlife Service, or the Bureau of Land Management.

Question: Why do we need to set up an entirely new program and its attendant bureaucracy?

Answer: The new CCI program focuses on restoration, protection and enhancement of natural areas which are core stewardship missions of BLM, FWS, and NPS by filling a void among existing programs. Indeed, because of the one-for-one match required from partners, the public will receive double return on the dollar.

The addition of staff will be minimal with only two percent of the funds proposed for administration of the CCI program in the operating accounts and $1.4 million in the CCI LWCF State Grants portion.

Last year this Subcommittee agreed to fund (and authorize) two new administration initiatives, the Landowner Incentive Program ($50 million) and the Private Stewardship Program ($10 million).

Question: Can you tell me how the money for these programs is being spent?

Answer: In the Private Stewardship Grants Program, project proposals will compete at a regional level for funding. Within each region, a diverse panel of representatives from state and federal government, conservation organizations, agriculture and development interests, and the science community will assess the applications and make funding recommendations to the Service. By early May 2002, the Service anticipates publishing a notice in the *Federal Register* requesting comments on the eligibility criteria and selection factors that will be used to evaluate project proposals. During the open comment period the Service intends to solicit from partners, including States and NGOs, comments on the eligibility criteria and evaluation/selection process.

In July, after all comments have been reviewed and analyzed, the Service will issue a request for proposals in the *Federal Register* describing the final eligibility criteria and selection factors.

The Service is in the final stage of drafting eligibility and competitive ranking criteria for the States and Territories to implement the Landowner Incentive Program. A *Federal Register* Notice will be published in May requesting public comment on the criteria and implementation guidelines. Of the 2002 appropriated funds, $4.0 million will be provided to Tribes through a separate competitive process and announced through a separate Federal Register Notice.

ENDANGERED SPECIES

Question: Last year the US Fish and Wildlife Service stated that it would need approximately $120 million to address the current backlog of more than 250 imperiled species awaiting listing determinations under the ESA, and the several hundred listed species awaiting critical habitat. In light of this backlog, how can you justify requesting only approximately $9 million for ESA listing and critical habitat activities? Please provide the committee with an explanation of how and when you plan to address this backlog.

Answer: In 2002, the listing program was funded at $9.0 million, a significant, 43 percent increase over 2001. This increase is maintained in the 2003 budget. The Service is processing backlogged listing actions as expeditiously as possible consistent with the availability of trained staff and managers, as well as sound science. However, the Service's ability to process listing actions can be impacted by new litigation, requiring adjustments to work plans and reallocation of resources.

The 2003 budget balances competing needs at a time of fiscal constraint, and includes a balanced proposal for all aspects of the endangered species program,

including candidate conservation, consultation/ HCP planning, and recovery. The budget includes an increase of $1.4 million for the candidate conservation program that helps prevent species from being listed. Candidate species are included in the listing program backlog, and conservation actions taken on candidate species can reduce or eliminate the need to list these species, hence, reducing the backlog. The budget also focuses resources on the ESA consultation/HCP planning and recovery programs through general program increases of $2.0 million and $2.5 million, respectively; and prioritizes grants to States, Tribes, local communities, and landowners for conservation actions benefiting at-risk species, through the landowner incentive program and the Cooperative Endangered Species Conservation Fund.

Question: Due to inadequate funding for the ESA recovery program, a number of species on the list continue to decline, even though they are currently protected under the ESA. At least 40 currently listed species could become extinct in the near future even though protected because there is not enough funding for needed recovery actions. How much recovery funding is needed to arrest this decline?

Answer: Final recovery plans are in place for nearly 80 percent of U.S. listed species. Each recovery plan includes the estimated costs of the proposed recovery actions for the first five years of the plan. These costs include FWS activities, as well as activities of affected Federal agencies, States, and others. FWS does not currently have a system in place that aggregates these costs on a national basis; nor formal budgetary review procedures of the cost estimates. The 2003 FWS budget includes funding that will assist in recovery of critically endangered species, including $60.2 million for the ESA recovery program, which includes a general increase of $2.5 million that will support, in part, immediate actions to stabilize critically endangered species that are on the brink of extinction. Grant programs such as the Cooperative Endangered Species Conservation Fund and landowner incentive grants will provide assistance to States for implementing conservation actions benefiting at-risk species. Other agency budgets also include funding to support endangered species recovery. For example, BLM's 2003 budget includes a $1.0 million increase to speed recovery of listed species on BLM lands.

Question: The Bureau of Reclamation has issued a draft Biological Assessment for its operation of the Klamath project that contains a remarkable statement reinterpreting Reclamation's authority to protect endangered and threatened species under the ESA. In short, the statement says that Reclamation will no longer take any action to protect listed species if doing so would in any way interfere with water rights, even if failing to take action would jeopardize the continued existence of listed species. As you may know, this interpretation directly conflicts with long-standing federal policies and numerous court decisions, as well as the ESA. Do you support Reclamation's reinterpretation? Do you plan to implement this reinterpretation as policy nationwide?

Answer: The Department is not aware of any statement in BOR's Biological Assessment that says or suggests that BOR will no longer take any action to protect listed species if doing so would in any way interfere with water rights, even if failing to take action would jeopardize the continued existence of listed species.

On February 27, 2002, BOR issued its biological assessment of the effects of Klamath Project operations on ESA listed species. BOR proposes to operate the Project in a manner to avoid jeopardizing the listed species and to conserve and protect the species and further BOR's tribal trust obligations. Given the controversy surrounding last year's Project operations, the Department worked diligently to design a program that would meet ESA obligations in coordination and cooperation with water users in the Basin. In the Biological Assessment, BOR proposes specific actions to protect and conserve species in a manner intended to be in full compliance with the requirements of the Endangered Species Act. BOR's proposed water bank and other actions will protect the species while minimizing impacts on other water uses. FWS and NMFS are reviewing the Biological Assessment to determine whether any reasonable and prudent alternatives to avoid jeopardizing the species or reasonable and prudent measures to minimize incidental take are necessary.

Question: Relatedly, do you plan to make any additional programmatic changes to ESA policies or regulations? If so, please provide details.

Answer: At present, the Service is working on two policy changes in the section 4 program: a Listing Action Prioritization System and a Framework for Economic Analysis for Critical Habitat designations.

The House Report language from 2002 states that the Service is expected to use a system to prioritize listing actions. The Service's current system only covers the addition of species to the list, and does not deal with the full range of listing actions. The Service is developing a system by which all the petition findings, listing determinations, and critical habitat designations will be prioritized in a manner that is scientifically credible, managerially feasible, and legally defensible. This system will provide the order in which funding will be provided to undertake backlogged listing actions. It will apply where we have additional funding beyond that needed to respond to court orders. The Service is establishing an effective listing action prioritization system based on reliable, unbiased science. This will help enhance public confidence in the Service's listing decisions.

The Service will develop and seek public comment on a new guidance document for conducting economic analyses that are done under section 4(b)(2) of the Endangered Species Act for critical habitat designation. The purpose of this guidance document is to provide the Service with a standard analytic framework for assessing the costs, benefits, and other economic impacts of critical habitat designation. In *New Mexico Cattle Growers* (New Mexico Cattle Growers Ass'n v. U.S.F.W.S., 248 F.3d 1277 (10th Cir. 2001)) the 10th Circuit held that the Service's

approach to economic analysis was "not in accord with the language or intent of the ESA." In particular, the court was concerned that the Service had failed to analyze any economic impact that would result from the designation, because the Service had taken the position that any economic impact from the designation of critical habitat was co-extensive with the economic impact of listing the species. The court rejected the Service's argument that it was required only to evaluate the additional incremental economic impact beyond those imposed by the listing.

The Service is addressing the 10th Circuit's concern in its current analyses and in the framework document. Analyses done under the framework will address the impacts of critical habitat designation that may be "attributable co-extensively" to the listing of the species.

Question: Are you planning in any way to restrict or modify the Service's scope of analysis under section 7 consultation process, including modifying its ability or authority to consider indirect effects?

Answer: The current regulations implementing section 7 of the ESA (50 CFR part 402) require consideration of indirect effects and defines indirect effects as effects that are caused by the action under consultation, later in time, and reasonably certain to occur. The Service has been considering for the past few years issuing policy direction that would elaborate on what constitutes "causation" and "reasonably certain to occur" to ensure consistent application of section 7 throughout the Service.

Question: Are you planning in any way to modify the current "may effect" threshold for initiating section 7 consultation under the ESA?

Answer: The Department has received requests from members of Congress and others to consider modifying the threshold for initiating Section 7 consultations. While the Department has no specific plans developed to modify the threshold at present, it is possible that the Department may evaluate changes to the threshold in the future. Any future proposal to modify the threshold would be consistent with the requirements of Section 7 of the Endangered Species Act.

Question: Is your Department actively engaged on present negotiations to reach a new US-Canada Softwood Lumber Agreement? Has your Department, specifically, sought to analyze information regarding impacts on U.S. endangered, threatened, or sensitive species from Canadian logging practices north of the border?

Answer: The Department, the Office of the U.S. Trade Representative, and other executive Departments have been actively involved in negotiations surrounding the Softwood Lumber Agreement. This involvement has included consideration of effects on species listed under the U.S. Endangered Species Act. In several instances, the management of forests in Canada may significantly

influence the status of species that occur in both Canada and the United States, even if the species are only listed on the U.S. side of the border.

Question: Now that your department has at least temporarily shelved plans to reintroduce grizzly bears in the Selway-Bitterroot Wilderness of Idaho and western Montana, what efforts have you taken to recover this species in the three areas - Cascades, Cabinet-Yaak, and Selkirks where populations are perilously low?

Answer: In the North Cascades Ecosystem, the Service:

- Participates in development of a recovery plan for grizzly bear populations in the North Cascades area of British Columbia that includes population augmentation directly north of the United States;
- Participates in habitat mapping with the U.S. Forest Service;
- Develops and implements public education programs through the "Living with Carnivores" program; and
- Funds the acquisition of bear-resistant garbage dumpsters.

In the Cabinet-Yaak Ecosystem, the Service:

- Continues a modest program to monitor the population through capture and radio-collaring;
- Continues to develop and implement public education programs;
- Cooperates with the U.S. Forest Service in programs that protect habitat and reduce bear mortality;
- Assists county governments in acquiring bear-resistant garbage containers;
- Cooperates in genetic studies of bears in British Columbia; and
- Cooperates in screening bears for disease through a veterinary student intern program.

In the Selkirk Mountains Ecosystem, the Service:

- Funds population research and monitoring by providing Cooperative Endangered Species Conservation grants to the Idaho Department of Fish and Game;
- Supports a law enforcement position in the Idaho Department of Fish and Game that works to reduce mortality and inform the public about grizzly bears and their habitat;
- Assists in U.S. Forest Service programs that protect habitat and reduce bear mortality;
- Cooperates in genetic studies of bears in British Columbia; and
- Cooperates in screening bears for disease through a veterinary student intern program

STATE OF UTAH RS 2477 CLAIMS

Question: Where in the process is the DOI and the State of Utah regarding settling the RS 2477 claims?

Answer: The Department of the Interior is committed to working in a cooperative manner with State governments to resolve issues of shared concern. The Department works with the State of Utah on a number of different matters. For instance, the State of Utah has asked for the Department to assist the State in reaching some resolution of the State's claims for rights-of-way pursuant to Revised Statute 2477. The Department and the State of Utah are only in the preliminary stage of discussions regarding the State's claims.

Question: What criteria will the BLM use in determining whether an RS 2477 claim in Utah has merit?

Answer: At this time, no agreement between the State and the Department has been reached pertaining to specific criteria. Regardless of the specific criteria that may be developed, such criteria will be bounded by applicable law.

Question: Will BLM be preparing an EIS prior to making any decisions on the State's RS 2477 claims?

Answer: The legal basis as to whether a particular claim has merit is dependent on the presence or absence of a prior existing right granted by Congress pursuant to Revised Statute 2477. A prior existing right pursuant to Revised Statute 2477 either exists or it does not exist. In resolving the validity, or lack thereof, of such a claim, the Department would have no administrative discretion of the nature that could invoke the requirements of the National Environmental Policy Act.

Question: What is the time frame for this process and settlement?

Answer: The time frame for the resolution of this issue depends upon the results of negotiations between the Department and the State.

Question: How many RS 2477 claims are under discussion between DOI and the State of Utah?

Answer: The number of potential claims pursuant to Revised Statute 2477 will be determined, in part, by the specific criteria that may be used to review those potential claims. Since the Department has not reached agreement with the State concerning the criteria that may be used, the number of potential claims cannot be determined.

Question: What sort of public process will occur before the deal is signed?

Answer: The Department and the State are engaged in negotiations over the State's claim of title pursuant to Revised Statute 2477. The Department has not made any determination concerning the nature and scope of public process that would be appropriate in the context of a claim for title pursuant to Revised Statute 2477.

Question: Will there be NEPA compliance (i.e. the National Environmental Policy Act requires public notice and participation in major federal actions - deciding who controls these road claims through public lands in Utah (including proposed wilderness areas) is a major federal action)?

Answer: This question is similar to question No. 58, above. The legal basis as to whether a claim has merit is dependent on the presence or absence of a prior existing right granted by Congress pursuant to Revised Statute 2477. A prior existing right pursuant to Revised Statute 2477 either exists or it does not exist. In resolving the validity, or lack thereof, of such a claim, the Department would have no administrative discretion of the nature that could invoke the requirements of the National Environmental Policy Act.

Question: Are any of the State's RS 2477 claims within the areas of H.R. 1613, America's Red Rock Wilderness Bill? If so, which claims and which areas?

Answer: The Department and the State are in the preliminary stages of discussions regarding the State's claims. As a result, there is no way to determine the specific location of any particular claims that the State might assert in the future.

QUESTIONS FROM CONGRESSMAN MARTIN OLAV SABO

TWIN CITIES OFFICES

Question: It is my understanding that the former Bureau of Mines property near Fort Snelling in Minnesota has been transferred from the National Park Service to the Fish and Wildlife Service, and that Twin Cities offices of Fish and Wildlife Service, the Bureau of Indian Affairs, and the Federal executive board plan to relocate to this site. What are the Department's plans?

Answer: The title to the Bureau of Mines property remains with the Secretary of the Interior. In January of this year, the administrative responsibility for the property was transferred from the Department of the Interior's Bureau of Mines Closure Team to the U. S Fish and Wildlife Service. The Service and the Department are looking at a full range of options for the property.

Question: I understand that $10 - $12 million will be needed to clean and rehabilitate the buildings for these new occupants. Is this figure accurate? Please provide detailed cost information.

Answer: A detailed engineering assessment has not yet been conducted on the former Bureau of Mines property to determine the full cost of cleaning and rehabilitating this facility. Some funds are remaining from the appropriation enacted for closure of this Bureau of Mines facility. The Service hopes to use these funds to remove the remaining asbestos. In considering options for this facility, the Department will evaluate the funding implications.

Question: Given the lengthy Section 106 process that was underway to determine the environmental, historical, and cultural significance of the property before it was to be sold to another party, there is significant community interest in maintaining public access to Coldwater Spring. Does the Department intend to maintain public access now that it will retain property?

Answer: The Service expects to continue working with the four Federally recognized tribes to maintain access to Camp Coldwater Spring.

Question: What is the timeline for completion of this plan?

Answer: As noted above, the Department is examining options for the property and as such does not have a timeline for relocating FWS and other Federal agencies' employees to the site. The Department and the Service expect to complete its evaluation of options for the site this summer.

WEDNESDAY, APRIL 10, 2002.

NATIONAL PARK SERVICE

WITNESSES

FRAN P. MAINELLA, DIRECTOR
DONALD W. (DON) MURPHY, DEPUTY DIRECTOR
A. DURAND JONES, DEPUTY DIRECTOR
SUE E. MASICA, ASSOCIATE DIRECTOR
C. BRUCE SHEAFFER, COMPTROLLER
TERESA C. CHAMBERS, CHIEF, U.S. PARK POLICE
DANIEL N. WENK, MANAGER, DENVER SERVICE CENTER
JOHN D. TREZISE, DIRECTOR, OFFICE OF BUDGET, OFFICE OF THE SECRETARY

OPENING REMARKS OF CHAIRMAN SKEEN

Mr. SKEEN. Welcome, Director Mainella. We are looking forward to hearing your testimony on the fiscal year 2003 budget for the National Park Service. We are pleased that you have your two new deputies with you, Mr. Randy Jones and Mr. Don Murphy. Welcome, gentlemen.

I would ask that you please summarize your opening statement for us, and your complete statement will be made a part of the official record.

Before you begin, I would like to defer to Mr. Dicks, our Ranking Minority Member, for any opening remarks he may wish to make.

OPENING REMARKS OF MR. DICKS

Mr. DICKS. Thank you, Mr. Chairman.

Good morning and it is a pleasure to have Fran Mainella here in her first appearance before the Interior Subcommittee. She and I had an opportunity to meet in my office recently and I look forward to working with her. I also am anxious to hear about her first visit to the Olympic National Park and to the Elwha River, a very important project.

OLYMPIC NATIONAL PARK AND ELWHA RESTORATION PROJECT

It was with great pleasure that I hosted the members of this subcommittee to the Olympic, where we were given a full tour and update on the Elwha Restoration Project, and the subcommittee has been very supportive. I appreciate the fact that the Chairman was there and we had a great time up there on Hurricane Ridge.

EVERGLADES RESTORATION

I also had the opportunity over the Congressional recess to visit the Everglades and view firsthand the work being done to restore one of our most precious areas in this country. This subcommittee,

under the leadership of former Chairman, Ralph Regula, made this project one of its highest priorities. I am pleased to see that the work is continuing uninterrupted with this new Administration. It is imperative that the Department of Interior maintain its leadership role and ensure the first priority of the Everglades Project is environmental restoration. I hope we can work on that together because I do believe that is the first and the most important priority, which I think the Administration has stressed.

BUDGET REQUEST

While I was pleased to see no major cuts to the overall Park Service budget, I do have some concerns about specific reductions in this year's budget proposal which I hope we will discuss in greater detail today.

Like several other Interior agencies, I am concerned that the Park Service appears to have a budget that proposes new or expanded initiatives but does not provide new money, instead taking the money from existing programs. This is a difficult proposition for the subcommittee because these existing programs struggle each year with limited funds.

URBAN PARKS AND RECREATION FUND

Mr. Chairman, there is one specific cut in the budget this year that I was extremely disappointed to find, the Urban Parks and Recreation Program, which was completely eliminated in the 2003 request, though through this subcommittee's conservation spending category, this program was revived in 2001 and was just getting going again with two years of level funding. Now the Administration has chosen to single it out and totally eliminate it despite the fact that hundreds of communities across the Nation are making applications for desperately needed projects.

FEDERAL LAND ACQUISITION

Also, I am sure the Director is keenly aware of the importance of Federal land acquisition under the Land and Water Conservation Fund but sees that the budget reduces land acquisition by 41 percent. I would hope the subcommittee would give great consideration to this cut while evaluating any new programs proposed in the budget.

MAINTENANCE BACKLOG

Lastly, I am pleased to see the increase for park operations that will continue our commitment to address park backlog and maintenance. I am glad to see that the efforts of our former chairman and the former Administration will be continued so that we can more fully address the needs of our aging facilities.

Thank you, Mr. Chairman. I look forward to hearing from the Director and working with her on this year's budget.

OPENING STATEMENT OF FRAN P. MAINELLA, DIRECTOR

Ms. MAINELLA. I am very pleased to be here today and I am appreciative of any of you who were able to visit with me ahead of this meeting.

INTRODUCTIONS OF NPS STAFF

I would like to introduce some of the folks that are here with me, some of the key people you may want to speak to.

You met Don Murphy, our Deputy Director, and also Randy Jones, our Deputy Director. I think many of you know Sue Masica, our Associate Director for Administration and Bruce Sheaffer, our Comptroller. Also our new Chief for the U.S. Park Police, Teresa Chambers and I hope you will get a chance to know her a bit more. We have Dan Wenk, our new Manager of the Denver Service Center and, Dan, we are pleased to have you here today. John Trezise has joined us as Director of the Office of Budget for the Secretary. Also we have with us some superintendents, Marilyn Parris from Lassen Volcanic National Park and also Dennis Vasquez from Bandelier and also from New Mexico, Glenn Fulfer from Salinas Pueblo Missions. I also want to introduce Michael Soukup, our Associate Director for National Resource Stewardship and Science.

VALUE OF PARKS IN AMERICAN LIFE

As you know, particularly since September 11, all our lives have changed and there is even a greater appreciation for the value parks play in the lives of every American and every visitor to this Nation. The Secretary designated Veterans Day weekend as our weekend for unity, hope and healing. Our parks had free admission and many of our State parks and others joined with us to demonstrate the importance the parks play in the lives of all Americans.

I want to thank you and this committee because you have been so supportive of all we have done in the past and I know you will continue that support in the future. You are going to continue to see enthusiasm from our visitors for our parks.

MAINTENANCE BACKLOG REDUCTION

I appreciate President Bush and the Administration coming forward with a budget that will continue to help us move forward, as Congressman Dicks said, in the operations area, but also in addressing our maintenance backlog, which is not very glamorous but is something so critical.

For fiscal year 2003, we are requesting $660 million for our maintenance backlog. Part of that includes working on our condition assessments and working on what we call our cyclic maintenance so we don't get behind again. The budget also contains a $10 million request to better support our efforts in addressing the maintenance backlog by helping our regions have more capability to have project people either through contract or through staffing.

NATURAL RESOURCE CHALLENGE

Our Natural Resource Challenge—we are so proud of that program—has another $18 million requested that helps us work on the science of our national parks. Also through the Natural Resource Challenge we are developing a baseline or benchmark to be able to measure and understand how we are doing in taking care of our resources. The $18 million increase will bring us to almost

$68 million so far for monitoring and inventory and for partnership efforts working with our colleges and universities.

PARTNERSHIPS

This budget also brings forth some more partnerships. As Congressman Dicks mentioned, the Land and Water Conservation Fund Program, particularly on the Stateside, has an increase. It is important to work with our Stateside partners to make sure that efforts are maximized.

COOPERATIVE CONSERVATION INITIATIVE

We have a new program called the Cooperative Conservation Initiative where we are going to be able to partner on a grassroots level with individuals and be able to work in partnership to do conservation efforts that have never been done before. It will hopefully increase our base of operations as $50 million would go for Stateside Grants and $22 million would help us in our parks.

ACCOUNTABILITY FOR BACKLOG MANAGEMENT

We are pleased with all we have been able to work on regarding the efforts in making sure we are more accountable. In this budget there is money to improve accountability, making sure technology is available and giving us the capability to deal with our maintenance backlog in an automated manner.

VOLUNTEERS

Another area we continue to emphasize through the budget is how we continue to work with volunteers. The national parks are already great leaders in volunteerism. We are going to work even more aggressively in that area. We are going to be working on a Senior Ranger Program.

I am very proud of the changes we have already made. You met some of our new staff and I think we have seen a lot of changes taking place, while still respecting the tradition of the National Park Service.

BUSINESS PLAN INITIATIVE

One of the changes involves one of our partners, the National Park Conservation Association, and our business plans. We have here some of our superintendents who are able to address the business plan efforts underway in the Park Service. It gives us a chance to be more businesslike and address some of our priorities in a better manner.

CONCESSIONS EFFORTS

Don Murphy is overseeing our concession efforts. We are working in a much more businesslike manner on that as well. Our 50 largest concessions now will have an outside contractor, Pricewaterhouse Coopers working with us to be more businesslike in how we deal with things. You have provided some funding to help us in that effort as well. We would appreciate that continued ability.

MAINTENANCE BACKLOG

You have seen some changes in the way we are addressing our maintenance backlog. Not only do we have a new Denver Service Center Director, a real dynamic person moving us forward, but we have also been able to work more aggressively in how we address our condition assessments, and how we are going to move forward on those efforts. Earlier, I mentioned the budget having some of those efforts out there. We are now contracting out 90 percent of all design. I think that is a real step forward.

NAPA RECOMMENDATIONS

This committee was very instrumental in making sure we had the opportunity through NAPA and others to address some changes in the construction program. I think you will see a follow-up NAPA report, from initial comments we have had from them in our briefing, that recognizes a substantial amount of success in that area. We still have a way to go but we are working aggressively in that effort.

U.S. PARK POLICE AND LAW ENFORCEMENT

We have with us also our new head of Park Police, Chief Teresa Chambers. You helped us look at the Park Police through a NAPA report. We are moving forward aggressively in that effort. I know Don Murphy has been working along with the Law Enforcement Task Force to look at Park Police and law enforcement as a whole and making sure we are making the appropriate changes. Already a change has been made where Teresa reports directly to me, no longer reports on a regional level.

TEAM EFFORT

As far as addressing our maintenance backlog, our concessions, our park police and our law enforcement efforts as a whole, I think you are seeing a team that is bringing together a dynamic that means a focus on partnerships, a focus of going beyond the boundaries of our parks. There is a realization that we have to make sure we take care of our natural and cultural resources but we also have to allow for environmentally friendly access to our parks. This is an effort in which I see our team pulling together. That is why we have so many folks with us here today. We wanted to present this new team, one that I think will help us move further forward in our efforts.

I would like to close by saying thank you to all of you. I appreciate your support for the Park Service and all that they do. We are here to answer any questions and to visit with you on any issues that we can.

[The written statement of Ms. Mainella follows:]

STATEMENT BY FRAN P. MAINELLA
DIRECTOR OF THE NATIONAL PARK SERVICE
BEFORE THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS
FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES
CONSIDERING THE NATIONAL PARK SERVICE BUDGET FOR FISCAL YEAR 2003

APRIL 10, 2002

Mr. Chairman, and members of the Subcommittee, I welcome the opportunity to present the fiscal year 2003 budget request of the National Park Service.

All of America and people throughout the world treasure our nation's parks and look up to the National Park Service as a model for preserving the natural and cultural heritage of a country. Your continuing support of the mission of the National Park Service has been and continues to be invaluable to our leadership role in conservation. This budget reflects the President's commitment to providing the means to carry on the NPS mission. We recognize that visitors are important to the parks, and this budget continues investments in infrastructure and operations that will allow access in environmentally sensitive ways that are appropriate to the resource.

The fiscal year 2003 budget request for the National Park Service proposes a total of $2.422 billion in appropriated funds, including $66 million for a government-wide legislative proposal to shift to agencies the full cost of CSRS and Health benefits for current employees. Full funding of these programs in agency accounts will more accurately show the true costs of Federal programs, in keeping with the President's emphasis on management reform. Without the legislative proposal, the request is $2.356 billion, an increase of $31.5 million above the level enacted for fiscal year 2002.

The Secretary's Four C's principle of conservation through cooperation, consultation and communication provides the framework around which the budget proposal is built. It has been formulated using the following guiding principles: conserving the nation's parks, monuments, and historic sites; strengthening local stewardship of natural and cultural resources; and upholding the President's commitment to accountability and efficient management.

Accelerating Partnerships

One of the major highlights of the budget, and one which clearly embodies these principles, is the acceleration of partnership alternatives. At the core of this effort this year is the Cooperative Conservation Initiative which would provide $100 million for the National Park Service, Bureau of Land Management and the U.S. Fish and Wildlife Service to partner with citizens, land-user groups, environmental organizations, communities, local and State governments, and industries for conservation projects that advance natural resource conservation and restoration. Of the $72 million requested from this amount for the National Park Service, $50 million would be available in Land and Water Conservation Fund State Grants for competitively-awarded grants to States for restoring, protecting and enhancing natural areas on State or local government lands. These projects would be nominated by the Governors' designated LWCF liaison officers. The remaining $22 million will be funded in the Operations account to complement the existing Challenge Cost Share Program to fund clearly identified resource restoration needs on Federal lands. Both of these programs would require a minimum 50/50 match with non-Federal funds.

The existing Land and Water Conservation Fund State Grants program remains a successful ongoing partnership for encouraging development and enhancement of recreational opportunities at the State and local level. An increase of $6 million for additional grants is included in the budget along with the $50

million increase for the Cooperative Conservation Initiative (of which $1.4 million is for grant administration), bringing the total in the State Grants program to $200 million.

The restoration of the Everglades ecosystem is a collaborative effort among multiple agencies, Interior bureaus and the State of Florida. Funding for the Critical Ecosystem Studies Initiative, which supports science and research programs focused on the Everglades is included this year in the United States Geological Survey budget request. NPS funding for the Everglades restoration for fiscal year 2003 is proposed at $67 million, including $20 million in Federal Land Acquisition for a matching grant to the State of Florida. In addition to the grant to Florida, the Federal Land program will fund an additional $46 million for 24 high priority land acquisitions in parks throughout the nation.

The proposed budget will include the continuation of the highly successful Save America's Treasures program, within the Historic Preservation Fund appropriation, at the same level as fiscal year 2002. This $30 million program will again provide matching grants to Federal, State, and local agencies, and non-governmental organizations for the preservation of nationally significant historic sites, structures and artifacts.

In addition to partnerships, three other key initiatives are represented in the NPS Budget: managing the facility backlog, continuing the Natural Resources Challenge and maintaining park operations.

Managing the Facility Backlog

In order to meet President Bush's commitment to reduce the deferred maintenance backlog, over $660 million will be directed toward maintenance needs, including more than $320 million in various construction programs and $340 million for facility maintenance. In order to provide timely obligation of funds in the construction program and to maximize our efficiency in conducting this ambitious construction program, an increase of $10 million is included for contracting and project management capacity at regional offices.

Other increases that will complement the line-item construction work and minimize additions to the backlog are $8.4 million for additional repair and rehabilitation projects and $25 million to significantly enhance efforts toward preventive maintenance within the Cyclic Maintenance program. These increases are vital to the successful long-term maintenance of park resources and facilities.

Two key projects essential to managing the backlog will be accelerated in fiscal year 2003 to ensure improved accountability. Condition assessments to collect detailed information on constructed facilities will be accomplished with a requested $7.6 million increase. This will enable virtually all park areas to complete an initial inventory of assets and determine their overall condition by the end of fiscal year 2003. By the end of fiscal year 2002, 124 park units will complete their initial condition assessments and we will use this information to support our fiscal year 2004 request. A longer-term project of in-depth analyses to expand and refine the original assessments will be undertaken in the years that follow. As a vital link between the assessment data and the need to account for the nature and extent of the actual backlog, $1.6 million is requested to assist in deploying the Facility Management Software System (FMSS) to all areas and fully implementing it as a work planning, costing, tracking, prioritizing and budgeting tool for every park. The final step in managing the backlog will be taken when the Servicewide Project Management Information System (PMIS) can be used to amass information from the park FMSS databases and provide a vehicle for setting Servicewide priorities and formulating budget requests that specifically target the most pressing maintenance needs. An amount of $500,000 is requested for additional PMIS support. The NPS will continue to devote a considerable share of recreational fee receipts to projects that address the deferred maintenance backlog.

Continuing the Natural Resource Challenge

In fiscal year 1999, the National Park Service introduced what is now one of its most critical ongoing programs, the Natural Resource Challenge, a multi-year program to strengthen natural resources management. The goal of this initiative is to ensure better air and water quality, protect plant and animal resources, and bring researchers closer to the parks. The Department and NPS are maintaining a strong commitment to the Natural Resource Challenge by requesting an additional $18 million in fiscal year 2003, which would bring the total funding for this initiative to $68 million. The Challenge has thus far provided valuable resource inventories, mitigated critical natural resource problems, and addressed high priority needs in the parks. The focus this year would be on collection and use of baseline information for sound, science-based decision making. Vital signs monitoring and management of exotic and invasive species would be expanded, and the complex process of vegetative mapping would be accelerated. The data from Natural Resource Challenge monitoring activities will become the baseline for performance measures in the management of natural resources. Much of this work is done in partnership with the U.S. Geological Survey. The fiscal year 2003 proposal includes $9 million for research directly related to the goals of the Challenge to be conducted by the U.S.G.S.

Park Operations

Finally, as the name "National Park Service" implies, support of park operations remains at the core of our responsibilities. Our request includes park base funding of $976 million including $15.4 million for specific programmatic increases at 42 park units. The set of proposed increases emphasizes those parks with new responsibilities and those requiring security enhancements related to the September 11 attacks. A total of $17.7 million shown in this budget would cover a part of the increase in fixed costs Servicewide. The NPS proposes to absorb an additional $13.3 million through management efficiencies and reforms. The Park Service would undertake management actions to reduce travel expenses by $6.6 million in fiscal year 2003.

Security for parks, visitors, and staff has taken on greater significance than ever and the Park Police play a pivotal role in protecting some of our most treasured places. In addition to base increases at vulnerable parks and $23.8 million in construction funding for security at Washington, D.C. monuments, the budget proposes an increase of $12.6 million for the United States Park Police for additional officers and security measures at Washington, D.C. and New York sites.

Management Reforms

Management reform actions associated with the fiscal year 2003 budget request seek to begin the process of change in the organization through performance, partnership, participation and innovation. In 2003, the National Park Service will carry out the Secretary's management strategy, implementing the President's five Government-wide initiatives for: strategic management of human capital, competitive sourcing, improved financial performance, expanded electronic government and budget and performance integration.

In this vein, the Park Service will continue to stress management reforms such as improving management of the deferred maintenance backlog. The Service plans to initiate or continue specific efforts in fiscal year 2003, focusing greater emphasis on performance-based service contracting and on development of new performance measures to demonstrate the effectiveness of selected programs such as the Natural Resource Challenge vital signs monitoring. Implementation of the business plan model currently being piloted in selected parks in conjunction with a strong partnership with the National Parks Conservation Association will continue. We will consider co-location of facilities and functions for greater efficiency

and effectiveness where appropriate, as well as seeking ways to improve delivery of State and local grants monies. Finally, we will conduct a systematic assessment of information technology requirements and establish a more effective organizational structure headed by a Chief Information Officer who can facilitate and coordinate the most efficient use of the technology available to us.

Mr. Chairman and members of the Subcommittee, I know that you fully appreciate the importance of caring for the special places that have been saved by and for the American people so that all may experience our heritage. As Director of the organization tasked with preserving this precious legacy, I want to thank you again for the opportunity to meet with you to discuss our budget proposal. I feel confident that with this budget, the National Park Service will be able to meet our core responsibilities.

Biography
Fran Mainella
Director
National Park Service

Fran Mainella is the 16th Director and first woman to lead the National Park Service in the organization's history. The Connecticut native obtained her Bachelor's Degree from the University of Connecticut and her Master's from Central Connecticut State College.

Appointed by President George W. Bush and confirmed by the Senate, she is a career professional in park and recreation management, with more than 30 years' experience.

Most recently, she served 12 years as Director of Florida's Division of Recreation and Parks. Florida State Parks were voted the best in the nation, achieving the 1999-2001 Gold Medal Award given jointly by the National Sporting Goods Association and the National Recreation and Park Association.

During her tenure, the Florida Park Service became a national model for its volunteer and partnership programs which formalized and strengthened the effective use of interested, talented, and committed individuals and companies to enhance a broad spectrum of programs and services for public benefit. She oversaw management of 155 state park units for the Florida Keys to Pensacola Bay. She also served as Florida's Outdoor Recreation State Liaison Officer, administering Land and Water Conservation Fund grants to support acquisition and development of outdoor recreation sites.

Among her many awards and recognitions, she has received several for her support of equal employment opportunities and ethnic diversity. She was also the 2001 recipient of The Senator Bob Williams Award in Florida, in recognition of her work for historic preservation.

Biography
Donald Murphy
Deputy Director
National Park Service

Donald W. Murphy was appointed deputy director of the National Park Service in September 2001. The California native obtained his Bachelor's Degree in Molecular and Cellular Biology from the University of California at San Diego, and later received a Master's Degree from the University of California at Irvine.

Murphy has extensive experience in Parks and Recreation. He was most recently the director of the Department of Parks and Recreation for the City of Sacramento in California where he was responsible for managing the city's park and recreation program. Within his first seven months at the position, he completed a three-year strategic plan and established a parks' acquisition office. He successfully managed a $36 million budget, worked with the city council to prioritize park development programs, and managed the city's $54 million capital improvement program for parks, including acquisition and development. From 1991 through 1997, Murphy served as the director of the California Department of Parks and Recreation. In that position he managed a $200 million budget, 2,700 full time employees, 2,000 seasonal employees and approximately 14,000 volunteers.

Murphy is no stranger to protecting places important to the American people. He has served as president of the Hearst Castle Preservation Foundation with responsibilities for fund raising, strategic planning and administration. He began his career in parks and recreation as a state park ranger and has served as the district superintendent in a number of districts including the Big Sur District, Chino Hills District and park superintendent of the Plumas Eureka District in Plumas County.

Biography
A. Durand "Randy" Jones
Deputy Director
National Park Service

A. Durand "Randy" Jones, a native of Illinois and a graduate of the University of South Florida, with a Bachelor of History, brings nearly 30 years of experience from a variety of leadership positions based in national parks, regional offices and Washington, D.C. to his new position as the National Park Service deputy director for Internal Management.

Jones comes to Washington, D.C. from Colorado where he served as superintendent of Rocky Mountain National Park since April 1995. During that time, he implemented a major shift in emphasis at the park expanding resource management and research. Under his leadership, Rocky Mountain National Park established one of the first Learning Centers under the Natural Resources Challenge. He also obtained a $700,000 increase to the park's base budget to expand resource programs, restructured the park research program to promote university involvement in filling research needs and negotiated agreements with three major universities to expand park research.

Other career highlights include serving as superintendent of Lyndon B. Johnson National Historical Park (TX), and key leadership assignments in Washington, D.C., as associate director, Operations, and acting deputy assistant director, Legislation. He also served as assistant superintendent, Olympic National Park (WA), program liaison officer in the Alaska Regional Office, and as assistant superintendent at Everglades National Park (FL).

Biography
Teresa Chambers
Chief
United States Park Police

Teresa Chambers, a native of Maryland and a graduate of the University of Maryland, where she earned a Bachelor of Law Enforcement and a Masters of Applied Behavioral Science from the John Hopkins University. Her appointment marks the first time a woman has held the position as chief of the U.S. Park Police force with an authorized staff of 800.

Chambers comes to the U.S. Park Police from the position of Chief of Police of the nearly 600-person Durham, North Carolina Police Department, a position Chambers held since January 1998. Prior to the North Carolina job, Chambers worked for 21 years for the Prince George's County, Maryland, Police Department. She began in 1976 as a cadet and rising to the rank of major in 1993. She retired in 1997 from Prince George's County at the rank of major, serving as the Commander of District 1, to accept the job as Chief of Police in Durham.

Some of Chambers' accomplishments as Chief of Police in Durham, NC include implementing biweekly Crime Abatement Briefings, modeled after a similar program adopted by the New York City Police Department and development of a Special Investigations Division, designed for rapid deployment to areas needing increased police presence.

An advocate of thorough police training, Chambers has completed additional training courses, including the F.B.I.'s National Executive Institute and the F.B.I's National academy, as well as completion of the Chiefs Program of the Maryland Police Training Commission. Chambers is a graduate of the Prince George's County Police Academy, completing the training course in December 1978.

Biography
Dan Wenk
Director, Denver Service Center
National Park Service

Dan Wenk, a graduate of Michigan State University, with a Bachelor of Landscape Architecture, joined the National Park Service in 1975 as a landscape architect at the Denver Service Center. Dan worked on planning and design projects throughout the National Park system including the landscape plans for the Arch in St. Louis, visitor facilities at Pictured Rocks and Indiana Dunes National Lakeshores. He was selected to assist the government of Trinidad and Tobago on the design for their first national park, Caroni Swamp.

Subsequent assignments included park landscape architect for Yellowstone National Park in 1979 with responsibilities for the planning and development aspects including the removal of facilities from the Fishing Bridge and old Faithful areas. His work also includes the rehabilitation of National Park Service and concessionaire facilities throughout the park and construction of facilities at the Grant Village to improve the services for visitors to Yellowstone.

He was named Superintendent of Mount Rushmore National Memorial in 1985. As superintendent, he developed a public/private with the Mount Rushmore National Memorial Society to raise over $60 million in non-federal funds for the preservation of the sculpture and the redevelopment and improvement of visitor facilities at the Memorial. This project was completed in July of 1998.

In addition, as Superintendent of Mount Rushmore he served as the Program Manager for the National Parks Pass authorized by Congress in October of 1998. He worked with the National Park Foundation to conduct the market research, develop business plans, design of the National Parks Pass and the distribution systems for the sale of the pass. The National Parks Pass was made available to the public in April 2000.

In 1995, he returned to the Denver Service Center for nine months as Acting team manager for the Rocky Mountain, Midwest and Southwest regions of the National Park System, with responsibility for their planning, design and construction programs.

In January of 1999, he was named Co-Chair of the National Park Service General Conference to be held in September of 2000 with the primary responsibility for the development of the leadership component of the conference.

In April 2001, Wenk completed the Department of Interior Senior Executive Service, Candidate development program. While in the program, he completed assignments outside the Department with Discovery Communication in the public partnership office and as a Congressional Fellow with Senator Bob Graham of Florida.

U.S. PARK POLICE IMPLEMENTATION OF NAPA RECOMMENDATIONS

Mr. SKEEN. The committee understands the U.S. Park Police are prepared to implement most of the recommendations in the NAPA report. Critical to implementing major change is strong leadership. I think you have certainly demonstrated that. I understand Teresa Chambers, the new Chief of the U.S. Park Police, is here today. Ms. Chambers, would you please come forward to answer a few questions?

After a month on the job, how long do you believe it will take to see significant management and fiscal improvements consistent with the recommendations of the NAPA report?

Ms. CHAMBERS. Mr. Chairman, we are already seeing significant changes. We already have systems in place where we are monitoring our own budget. For the first time, the United States Park Police has its own account as part of the National Park Service. We are no longer a subactivity under an operations budget, so we have more hands-on involvement and ultimately more responsibility for accountability and recordkeeping.

The Major in charge of our financial oversight was handpicked because of his talents in that area. He works closely with both me and his Deputy Chief in making certain we have regular updates.

Last week we spent an entire week off-site with our command staff learning from some of the best in Interior about the Federal budget process and how it comes about, what we need to do to not only have a good budget process on the front end but how to have accountability throughout so we do not have the problems we have had in the past.

NEED FOR RECRUIT CLASSES

Mr. SKEEN. What do you see as the greatest need at this time?

Ms. CHAMBERS. The greatest need is one that is already under my control because we have gotten some staffing issues in the plans. If the budget goes through as recommended, we have funding there for an additional four recruit classes next fiscal year 2003. In our current fiscal year, we are about to hire a third recruit class and funds have been identified for a fourth recruit class. That is our most critical need right now.

We have a tremendous force that comes together and works long overtime hours. This drives up the overtime budget, but if we can build that base of young men and women on the front end we can make progress. We do have a tremendously high attrition rate right now as do many of our Federal agencies because of the air marshal situation which has recruited many Federal officers away from their original agency. We would like to have an agency people can be proud to be a part of, and I think our attrition will slow and folks will be beating down our door to come and be a member of the United States Park Police.

Mr. SKEEN. We appreciate that.

Mr. Dicks.

EVERGLADES NATIONAL PARK; FUNDING LEVEL

Mr. DICKS. I did have a chance to meet with Maureen Finnerty and her excellent staff. I was very impressed.

One of the impressions you get is that we are spending all this money on the Everglades so that means the Everglades National Park is also getting a lot of money. I found to my disappointment that is not the case, the money is going to the restoration efforts, a very high national priority but the park still has things it needs to deal with. I wanted to say how much I appreciated the cooperation and the effort to take me around. I know, you being from Florida, you realize how important the project is.

I have some questions, most of which I am going to put in the record, and ask that maybe the people in the field be allowed to help in answering them.

CRITICAL ECOSYSTEM STUDIES INITIATIVE

The parks Critical Ecosystem Study Initiative (CESI) has spent five years and about $42 million on understanding the science of the Florida Everglades. What are the results of the work that has been done?

Ms. MAINELLA. I will start and then Mike, you will go from there.

I want to thank you for taking the time to go down and visit our parks. I would always encourage the committee, whenever possible, to go visit parks even outside your areas if you can because I think you get the chance to see behind the scenes.

I think the science of all that we have to do in the Everglades and throughout our parks is absolutely critical. Mike is our expert and I am going to have him lead it from here. We really think it is an important part of all we do to make sure that the science is really done well.

Mr. SOUKUP. If you are going to spend the kind of money we are talking about, you really want to have the appropriate direction indicated by strong science. If you look at what has happened with the funding under the CESI Program, a number of things have been done that have directed and shaped the direction we are going into now.

I was there for six years and I know the modeling efforts are first class down there. The linkage of biological models to the hydrological models, in my opinion, has never been done anywhere else ever before and it is so complicated. The water is easier to get straight or to understand where it should go than what is going to happen after that is in place. What happens and how the animals and plants respond is really quite complicated. You will see a set of models there that are really state of the art.

The fact that the topography is so flat there, a lot of what has been poured into USGS efforts is to really have an incredibly precise understanding of the topography. All of that has improved the accuracy of these models and to make them something I think we can be fairly sure is going in the right direction.

Mr. DICKS. The Administration had proposed moving CESI funds from the National Park Service to the U.S. Geological Service. Why is this being done after five years and what effect would this have on the park's ability to conduct science activities related to the Corps' projects?

Mr. SOUKUP. The real impact is how you spend the money, not who gets it. We have just crafted an MOU that is going to have a joint approach to spending the dollars in those funds. Some of

that money will go back to the Park Service, some will stay within USGS.

Throughout the CESI history, it has gone to a number of different places for the appropriate answers at the appropriate time. That won't be changed. I think it is just a matter of the money landing someplace and then people deciding where it should go next.

Mr. DICKS. We may have something to say about this.

Is there any indication the Park Service was not properly managing the program?

Mr. SOUKUP. I don't think so. I think there was a fairly good track record of the agencies working together. That is not always without some sense of inappropriate timing about getting the money out. As the Park Service, we put a lot of strings on that money. We wanted to know exactly where it was going and follow up on how it was spent. In general, I think we understand how it was spent and I think you will see a fairly elaborate study done by GAO and also the National Academy of Science in looking at how that money was spent.

Mr. DICKS. Yes, because there are several science panels reviewing the work, correct?

Mr. SOUKUP. That is correct.

Mr. DICKS. Which I think is good?

Mr. SOUKUP. Yes.

Mr. DICKS. The focus of getting the water right for the restoration has always been on quantity, quality, timing and distribution of water. In the last year or so, the discussion among scientists has been on the flow of water, as you mentioned. What does this mean for the Everglades National Park and other natural areas of the system? Are we making restoration the first priority, which is what the President, the Governor and all of us have said we want?

Mr. SOUKUP. I think that is the thing we have to continually focus on—to make sure we put those processes back in place that are missing or shifted somewhat over time and location. We need to put all those processes back in place. The flow and the fact that you need to have a continuous deep slough effect that will provide a year's worth of support for the plants and animals is really getting back to what we had originally. That is the important part, that at the end of the dry season, we still have a deep slough that supports a lot of the wildlife. I think we are headed in that direction pretty well.

Mr. DICKS. Mr. Chairman, I have a series of other detailed questions some of which I may ask in a later round but I would like to ask them for the record and I would appreciate if you have the people in the field work with you on the answers so we will get a good record.

Ms. MAINELLA. Definitely, sir.

Mr. SKEEN. Mr. Taylor?

MAINTENANCE BACKLOG

Mr. TAYLOR. Madam Director, we appreciate having you today and congratulate you on your good start.

On the question of maintenance, we have had years and years of backlog in maintenance, so it will take some time. You may want

to do this in writing, but could you give us a projected idea of how much we are going to be able to do in general percentage? Can we get rid of 20 percent of the backlog this year, 10 percent or 50 percent? If you can do it today, fine. If you want to send a letter, fine.

Ms. MAINELLA. I think we are making great steps forward in that effort. To give you the complete answer, it would be good if we do that for the record, but I think we are making major inroads through a major increase in our obligation level and everything else as far as completing those maintenance backlogs.

With some of the changes we are making, some of the emphasis, working with private sector and more contracting, I think you are going to see a greater success story there.

[The information follows:]

NATIONAL PARK SERVICE DEFERRED MAINTENANCE BACKLOG

The exact parameters of the NPS facility backlog will not be known precisely until full assessments of each facility's conditions are completed at the end of FY 2003, the first time an objective assessment of NPS deferred maintenance needs and priorities will have been achieved. By the end of FY 2002, 123 park units will complete an initial inventory of assets and we will use this information to support our FY 2004 request. The President is committed to the continuing reduction of the NPS backlog and funds to complete facility condition assessments are fully supported by the President in his $663 million request for maintenance backlog reduction in the FY 2003 budget.

The Park Service is taking a two-track approach to the backlog by completing the condition assessments and devoting significant amounts to maintenance backlog projects. Within the President's request for FY 2003 are $205 million for line-item construction projects, $74 million for repair and rehabilitation projects and $47 million for cyclical maintenance projects. While the amounts devoted to deferred maintenance remain the largest in NPS history, we will not be able to measure precisely the progress made, in terms of percentages or otherwise, until the changing condition of NPS facilities is factored into the evaluation after FY 2003.

LAND HELD TO SELL TO THE GOVERNMENT

Mr. TAYLOR. I would like to mention that there is a plethora of groups over the years, many times well meaning, who buy land, then come to the Park Service and the Forest Service to take it over. There are two or three problems with that.

First of all, it is land that is available and it may be premature for the park to own it at that time because it may not fit in with the budget and ability to take care of it.

I have noticed some nonprofit groups put a substantial increase on the price so the Government is actually taxpayer funded in that group because there is hundreds of thousands of dollars sometimes in profits in the nonprofit group.

We may want to send some direction, although we appreciate groups that often act in what they perceive to be the country's best interest. If they purchase this land, they should be prepared to hold it, protect it and manage and maintain it themselves because we are then put under pressure to try to take that in as quickly as possible.

ENVIRONMENT FRIENDLY ACCESS

You mentioned environment friendly access. Could you tell me what you meant by that?

Ms. MAINELLA. I think our parks are to be available for the public to be able to come in and enjoy but it needs to be done in re-

spect to the environment and the resource. I think we can do that in a way that is very friendly to the visitor but also friendly to the environment. I think the key is some of the things we are doing with our Natural Resource Challenge in understanding the science better, as well as working with partners and with various groups to understand their particular needs.

For example, when we work on management plans, our superintendents understand we need to make sure we have all the players at the table. We want to make sure the recreation users, the environmental leadership and other groups, and the community are there at the table so we can understand what their possible interests may be. We need to address resource issues and try to work together to make sure we have an environmentally friendly ability to have access while still making sure we protect these parks for today as well as for future generations.

Mr. TAYLOR. I agree with you. I didn't want that misunderstood. Some of the environmental groups now have taken the attitude that not only the parks fee simple land but the area outside the parks, sometimes they have said as much as 120 miles, should be impacted by Federal Government in managing private property in cities, counties and so forth. I did not want that to be misunderstood. I certainly agree with you in the parks and the environmental friendly access to the parks and the park management.

U.S. PARK POLICE SPECIAL WEAPONS AND TACTICS TEAM

Ms. Chambers, you mentioned, or I have seen something about, a SWAT team in the Park Police. I am a great admirer of the Park Police and worked with your predecessors in a variety of ways in other subcommittees that I have chaired. Could you tell us about a SWAT team? The parks are all over the country.

Ms. CHAMBERS. Right now, at each of our three major locations—Washington, D.C., New York and San Francisco—we have officers either as individuals or as a member of a team who are prepared to take care of a high risk situation, a hostage barricade situation.

Mr. TAYLOR. These are rangers that operate in regular duties but have been trained to focus on emergency action of SWAT leadership?

Ms. CHAMBERS. In the case of Washington, D.C., it is an actual unit. That is the primary responsibility of that unit. Their concurrent duties would be to patrol the parks, their beats or to serve at parade routes or anything else.

In the two other locations, being a SWAT member is a concurrent duty. They are a beat officer or a sergeant on the street and if there is a hostage situation, then they would take care of that.

Mr. TAYLOR. I appreciate that. From an economy standpoint and training standpoint, it may be wise to coordinate with the multitude of other agencies, Forest Service, or any number of environmental SWAT teams that already exist. I was asking whether or not we have a separate group that just stands ready to be active in that type of area. It is cross training?

Ms. CHAMBERS. That is correct, sir.

EVERGLADES CRITICAL ECOSYSTEMS STUDIES INITIATIVE

Mr. TAYLOR. One question about the Florida environmental situation. I have heard a number of scientists in Florida are questioning—not the majority—the Government's work and what they are doing there. Have you made some effort to get opposing views to see if there is any reasonable or scientific fact in what we are doing, knowing the Government will mess up a one-car funeral?

Mr. SOUKUP. I think it is also safe to say that scientists will probably not always agree about the direction we are going. I think you will find the overall CERP Plan is more of a concept and a direction that is going to require a tremendous amount of tracking, modification, peer review over a period of about 40 years.

My impression is that most scientists feel we are headed in the right direction. The National Academy, I think, is in the second year of a study of the science that underpins where we are going. I think with that kind of scrutiny, we will see we're probably not totally accurate right now but we will hone in on it as we go.

Mr. TAYLOR. The Government set up the situation you are trying to correct now, so it is not infallible. I am glad that we will go slowly and take assessment as we go if what we are doing is having the desired impact. I appreciate that.

Mr. SKEEN. Mr. Wamp.

Mr. WAMP. You know my affection for the person who happens to be President of the United States and since he is not here, I will say what he would say, and that is, good morning, Frannie, and happy early birthday.

Ms. MAINELLA. Thank you.

BUSINESS PLAN INITIATIVE

Mr. WAMP. I have three fronts, one nationwide and then two parochial. This business plan initiative, I am sure we will come back to the Denver Service Center later. I am grateful for the changes we know are underway there because that has been a five-year process of trying to improve the efficiency.

On the business plan initiative, my understanding is we are now working with graduate students from the greatest business schools in America, Wharton, Harvard and Yale, and they are becoming involved. As I studied this, I thought it would be great if young people in America could be attracted to the National Park Service because they love nature and numbers, and the bottom line.

Can you update us on how that is going? I understand there may be some superintendents here today who have already worked with those professionals and have the business plans underway. Maybe they could give the subcommittee and our professional staff an update on the progress which definitely will improve the bottom line of management of the Park Service.

Ms. MAINELLA. We are pleased with our business plans efforts. It is a partnership and we have some wonderful individuals working with us. We have been able to hire I think five or six of them to be permanent park employees. They bring that business sense to us that I think is so needed.

The business plan effort has been a great asset to the Service and it also deals with partnership. Dennis, would you go first and talk a bit about the process?

BANDELIER NATIONAL MONUMENT BUSINESS PLAN

Mr. VASQUEZ. At Bandelier National Monument, we put together a business plan last summer and I had the opportunity to put together a business plan in the White Sands National Monument as a superintendent there a few years back. Last summer we had two business students, one from Harvard and one from MIT, who spent ten weeks in the park, and drew together the park management team and program managers in not a totally painless process. They forced us to look at the business of national parks, to look at the way we function, why we do the things we do, how we do those things, and allowed us to think in a more businesslike way about the business of national parks.

From that process, we put together a very fine plan. We are very pleased with the identified key opportunities and key challenges that will allow us to prioritize those challenges and opportunities. It has allowed us in many ways to streamline and align all our financial planning documents and financial planning efforts under the priorities of this business plan. So it was a good management tool for us.

It has allowed us to think and act in a more business savvy way. I realize we have not been the best practitioners of it in the past, but certainly at Bandelier and other parks who have done business plans, we are talking in a more businesslike way and acting in a more businesslike way. I think it has been a fine management tool for us.

I see benefits on the management side. It also is a communications tool, and has provided great opportunities to communicate with the many diverse publics in ways they understand and in a way regular people can understand.

I will let Marilyn Parris speak a bit more to the communications part of the business plan.

LASSEN VOLCANIC NATIONAL PARK BUSINESS PLAN

Ms. PARRIS. I found the business plan process to be one of the most valuable experiences I have ever participated in in the National Park Service. At the time we started our business plan, we were right in the middle of doing our general management plan for the park. Both validated each other. A general management plan outlines for the next 10 or 15 years what the management action will be. Our business plan marched right along with that.

I have spent a lot of time in the communities, we live in a very rural area of northern California. Community support is very important to us, kind of a depressed economy in that area and they are very dependent on the national park for tourism and such.

I talked a lot with these communities about the importance of tourism and what it is we are trying to do and it never clicked until we went forward with our business plan. It is done in layman's terms, lays out our strategies, lays out where our money comes from, how we spend it, what we are trying to achieve. For the first time in my career as a superintendent, they were like, I

get it, it clicked for those communities in seeing what our strategies were, where they could be a part of helping us manage and meet those strategies.

Also it proved to these communities the importance of not only the tourism that comes to visit our parks but having that park infrastructure there. I have about 70 permanent employees, hire up to 120 seasonals, and have about a $3.7 million annual budget, plus other monies.

I wasn't born in Plumas County, California but I live there. Having the park infrastructure really made a difference with those communities in seeing the importance of having a park there not only for tourism.

I have scattered those all over northern California with all our partners in our communities and it has been very effective for us.

ROCKY MOUNTAIN NATIONAL PARK BUSINESS PLAN

Ms. MAINELLA. Randy Jones was superintendent at Rocky Mountain. Would you share your experience?

Mr. JONES. I completely agree with the other superintendents. We found it an extremely valuable management tool that goes far beyond just identifying budgetary needs in the future.

Another side benefit in the case of Rocky Mountain, a year ago we hired Anne Dubinsky, one of the MBA students who helped on the Bryce Canyon business plan. We brought her into the park staff as a permanent employee where she is now managing the park's concessions program which is building a huge increase in credibility and professionalism in how we deal with concessions and how we run the program.

BUSINESS PLAN INITIATIVE

Mr. WAMP. A decentralized, site specific approach because the expenses at one site are different than another and you can't do it from a central location. We found as we traveled these parks that the problems they have in large parks are completely different than small national monuments. You have to write that plan at that location. It sounds like you are getting a new culture at the Park Service with this business plan initiative.

What about obstacles that you may still face in possibly recruiting these students? You said you hired several but can you go into the schools and recruit students to the Park Service so you have business savvy professionals coming in?

Ms. MAINELLA. We are making every effort to do that. The business plans help in orientation so the colleges know we are interested in this aspect. I think that will help us. It is something we will have to be more aggressive on and we are moving forward.

Mr. DICKS. Would the gentleman yield? It is my understanding you have done how many of these, about 50?

Ms. MAINELLA. Thirty-seven and we have 12 more to come.

Mr. DICKS. So we will get up to about 50. I am told in order to implement the business plan, we need additional funds. Can you tell us about that?

Ms. MAINELLA. I think as we go forth in our business plan efforts we will look at where dollars can come from. We don't just look at appropriations as being our only source.

We do look at what our needs are and set it out for a number of years, so as we do our planning, we try to put money in for that effort. We are trying to figure out other ways to find those dollars other than appropriated dollars. I think Marilyn your foundation has been successful in that?

LASSEN VOLCANIC NATIONAL PARK BUSINESS PLAN

Ms. PARRIS. Yes. We have about four pages of financial strategies beyond our base budget of meeting our needs. One is working closer with our foundation. Through the business plan, we were able to show them we had a strategic plan and they are marching along with us.

It helped us go to the Forest Service. My park is completely surrounded by Lassen National Forest. We went to the Forest Service and looked for areas especially in resource management and fire management where we can work closer together.

Yes, it does show shortfalls but it makes you think of other ways to deal with that.

Mr. DICKS. Thank you for yielding.

WASHINGTON, D.C. AREA PARTNERSHIPS

Mr. WAMP. Also from a parochial standpoint, you and I have talked before and I want the record to reflect some of the progress that is being made in the Washington, D.C. area, Park Service assets like Kenilworth and Fort Dupont. We have organizations like First Tee that would like to bring golf to inner city children. Those kinds of partnerships I think would really bode well for our Nation's capital. Can you give us an update on the progress being made with Kenilworth and Ft. Dupont, the possibility of soccer, the possibility of stronger Park Service kind of urban settings with these two assets?

Ms. MAINELLA. We do feel our partnerships are critical. We are looking at all those options right now as we go back and revisit our planning effort. As you know, there had been some environmental issues that had to be addressed first before we could reopen our planning. We are in that planning process now and working with all the different groups and hopefully will be able to try to accommodate all the different interests. We do think those are very important.

Don, do you know any follow up to that, Don Murphy, my deputy?

Mr. MURPHY. I was just at both of those parks and out at Langston. We met with all the partners that are going to be involved with First Tee. The USGA has provided a grant of $50,000 and has almost completed their practice facility for youth. The First Tee Program is hot on the trail of getting a nine-hole practice course in there as well.

I have taken a personal interest, and the Secretary and I talked about this last Friday. She and I both are going to take a personal interest in doing the private and corporate fundraising we need to do to provide additional recreational services for that underserved community. I am real enthusiastic about it. I just got off the phone before this meeting with the regional director talking about our other corporate partners and putting together a strategic plan that

is going to facilitate our expediting our partnerships there. It is extremely important to me and something for which I think the National Park Service ought to provide the leadership.

Mr. WAMP. When we christen that First Tee facility in Washington, DC, Director Mainella and I are going to have a three-hole match that day.

Ms. MAINELLA. We definitely will.

BILL TO ESTABLISH MOCCASIN BEND NATIONAL HISTORIC SITE

Mr. WAMP. As you well know, there is a House-passed bill to add a national park unit to the system in Chattanooga, Tennessee, the Moccasin Bend National Historic Site. However, there continues to be a moratorium on new additions. That moratorium was lifted temporarily when the President signed Ronald Reagan's boyhood home into law, which was the latest addition, and that is the only addition since you took over since he became President.

The House-passed bill is now pending in the Senate and I just wanted to check with you since this is so important and the House-passed bill I wrote, to see if the remaining two issues on the Senate consideration to receive Park Service support for the bill in the Senate are the moratorium itself, which continues to be an issue, if the President says it is okay, then that would be resolved.

The second issue is the Moccasin Bend Mental Health Center and the termination date at some point. It is my understanding that a date into the future as early as 2035, not later than 2050, that kind of range where by that time, that facility would be taken down and the original condition of the land would be turned over from the State to the Park Service but it would be grandfathered in under its current use.

Are those the only two issues from your perspective left for the Park Service to support the bill?

Ms. MAINELLA. It is my understanding those are the two main issues we have in front of us. The only other thing, there may be some access issues dealing with the golf course but I think that can be worked out on the side.

Mr. WAMP. Thank you for your continued support.

I yield, Mr. Chairman.

Mr. SKEEN. Mr. Hinchey?

GOVERNOR'S ISLAND NATIONAL MONUMENT

Mr. HINCHEY. I would like to ask a few questions. The first has to do with Governor's Island. Before President Clinton left office, he declared about 20 acres of Governor's Island, including its two forts, to be a national monument. I understand President Bush has now proposed selling the island to the State and the City of New York jointly for a nominal fee. This is probably a very good idea.

I am concerned about the future of the national monument. How do you propose to deal with that?

Ms. MAINELLA. We have been working with the White House to give them information about our vision for the monument and making sure we understand the dollars and cents that might go along with it. I am not sure of the process from there but we are providing that information to the White House.

Mr. HINCHEY. Is the information you are providing how the national monument would be consistent with the sale?

Ms. MAINELLA. No, how we would manage it in the Park System and the benefits it provides, things of that nature such as cost analysis.

Mr. HINCHEY. Of the national monument?

Ms. MAINELLA. The monument part, yes, the two forts.

Mr. HINCHEY. Are you talking about how you would continue to maintain the monument?

Ms. MAINELLA. Right, we are giving that information to the White House but at this point, I am not sure of the progress from there.

Mr. HINCHEY. So the decision has not been made with regard to the future of the national monument. Will that decision be made by the White House?

Ms. MAINELLA. I assume. That is the guidance I am looking for from the Administration. We are being asked to participate by giving information.

Mr. HINCHEY. I want to emphasize that we are very interested in the maintenance of this idea for the creation of the national monument at Governor's Island. It has been created and there is a national monument there. The Park Service has responsibility to help develop and maintain it appropriately within the context of the use of the rest of the island. I am told that the purposes could include a campus for the city university, which seems like a good idea.

We do not want to lose the national monument and I appreciate what I take to be your support for continuing that.

Ms. MAINELLA. We had expressed interest in that. We are right now giving our information and we will see what goes from there.

NATIONAL HERITAGE AREAS

Mr. HINCHEY. The system of National Heritage Areas is proposed to be reduced in funding under the budget. I would like to make you aware of the importance of National Heritage Areas to many places around the country. This is an opportunity for the Federal Government to coordinate the natural resource husbandry, that you are a part of, with the maintenance and promotion of our national history and the important reminders of our national history contained in these historic areas. The development of these heritage areas is a lovely idea and works very well on at least two counts.

The Administration has proposed cutting this program almost in half. I want to express to you that I think that this proposed cut is a bad idea. These heritage areas have broad support across the country in many areas, including many areas where the people do not have ready access to national parks. I am speaking mostly of the south, the midwest and the eastern sections of the country.

I would hope that you would take the opportunity to review the question of the National Heritage Areas and perhaps make some recommendations with regard to keeping that program's funding at the level it deserves.

Ms. MAINELLA. The heritage areas have been an excellent asset. The National Park Service doesn't need to own and manage every-

thing. We can work in partnership. It is a good example. I think the proposed reduction was just a dollars and cents balancing situation.

Mr. HINCHEY. I see you have been looking at this program.

There is also a proposal in the budget also for the creation of something called cooperative conservation initiative. This is described as a $100 million initiative which would depend upon 50 percent non-Federal match from private groups, private consortium groups, and State or local governments. I think that this is another very good idea.

URBAN PARK AND RECREATION FUND

At the same time that is being done, the National Heritage Areas is proposed to be cut in half and the program for urban parks and recreation is being eliminated. The later is a very modestly funded program, funded last year at $30 million. I want to express to you that this seems to be a misallocation of priorities because the urban program provides recreational opportunities for young people who may not have those opportunities otherwise. I would hope the Federal Government would recognize the value of these urban parks and recreation programs such that you would continue to stay involved with them and continue to fund them. Thirty million dollars is a very tiny amount of money to try to deal with this issue across the country in our urban areas.

I would hope the value of this program could be impressed upon the Park Service and the Administration so we could seek continued funding.

Ms. MAINELLA. It has been. It has been an excellent program.

Again, I think the Cooperative Conservation Initiative (CCI) Program involves a new partnership that is going to allow us to do some conservation efforts that maybe we haven't been able to achieve in the past.

BAT CONSERVATION

I know Mike Soukup and his folks have been working with exciting issues like bats and being able to make sure that protection is accomplished. If the CCI Program goes through, it will give us an opportunity to be able to do some additional bat habitat restoration on park lands and partner with a bat conservation association to work with us. Those are possible options that will offer some new opportunities we may not have at this moment.

Mr. HINCHEY. I wanted to ask some questions about Big Cypress and the Everglades restoration, but I think I will do that in the second round.

SNOWMOBILES IN YELLOWSTONE NATIONAL PARK

The last question I want to ask now has to do with the issue of snowmobiles in Yellowstone National Park. There was a 10-year study that ultimately came to the conclusion that snowmobiles should be phased out of Yellowstone and other national parks over a three-year period because it is the crown jewel of the park system.

Recently we have been made aware that some of the park employees in the kiosks have had to wear respirators in the morning as hundreds of snowmobiles warm up to penetrate the park. This seems to me to visually create a circumstance contrary to the image we want to project about our national parks.

I am wondering where the policy of the present Administration and your policy is going to take us with regard to snowmobiles? They were proposed to be phased out over three years; they create a situation detrimental to the use of the park by the vast majority who would like to use it and do use it. My bias is to get the damned things out of the park but I want to know what you think.

Ms. MAINELLA. I will ask Randy Jones who has been working on this to follow up for me. We have our superintendent from Yellowstone here. We are looking at different alternatives. Most of the alternatives involve change from what you see today, be it snow coach, or some version of snowmobiles. I was there in January to take a look at it firsthand. We want to make sure we take care of our employees when there is an air problem, which there often is, when there is an inversion going on combined with some of the two cycle operations underway today.

I think as we look at the different options that are out for public review, we need to examine how we can better look at winter use access in different ways. Randy, could you follow up?

Mr. JONES. We are in the middle of the public review process. That will continue for a little over another month and end in late May.

Mr. HINCHEY. The public review process of what?

Mr. JONES. Pursuant to an out of court settlement, we agreed to do a supplemental environmental impact statement which was prepared and has been released to the public in computer form about a month ago and in paper form a couple of weeks ago. So we are out for 60 days of formal public review and then, pursuant to the terms of the out of court settlement, we will be making recommendations and a decision by mid-October of this year.

Mr. HINCHEY. Would you summarize briefly what is contained in that settlement and what is out for public review?

Mr. JONES. The supplemental environmental impact statement is out for public review.

Mr. HINCHEY. What are the recommendations?

Mr. JONES. There are four alternatives identified that were developed in cooperation with dealing with the local communities, the States and local interest groups. Alternative 1A is the status quo under the regulations that were developed which would be the phaseout period you described. Alternative 1B would be to delay that phaseout period for an additional year. Alternative 2 is an alternative developed by one of our cooperators, the State of Wyoming, that would allow snowmobile use. Alternative 3 is a proposal developed by the professionals on the park staff that has a heavy emphasis on new technology, including four stroke snowmobiles, and guided trips. The emphasis is to reduce harassment of wildlife and to control air pollution.

A footnote to that—last week I was in Tetons where there was the third year of the clean snowmobile challenge which is a university and Society of Automotive Engineers event held in Jackson,

Wyoming each year. I have been very impressed with what engineering students all over the country have been able to do to address some of the problems of noise and air pollution. Technology does, I think, offer some hope. We also have to look at how we can do a better job with snow coaches and public access.

Yellowstone is a special, unique place and we think it is important that we provide visitor access and opportunities to get to places like Old Faithful in the middle of winter. So what is the best way to protect the park and do it with the best interest of the public is the balance we are trying to find.

Mr. HINCHEY. So you are backing away from the ten-year study and the recommendations, and you are backing away from the phaseout and now proposing some other alternatives. Will we see a decision made with regard to what you are going to do sometime within the next what?

Mr. JONES. Mid-October.

Mr. HINCHEY. Thank you.

Mr. SKEEN. Mr. Kingston?

OPENING REMARKS OF MR. KINGSTON

Mr. KINGSTON. I do want to ask a few oddball questions. Before I do, I appreciate your sensitivity on the snowmobile issue to visitor access and multiple use of the facilities there. I hope the technology in reduction of air pollution, noise and any other environmental impairment can be handled without this blanket outlawing them because the side against them is more vocal than the actual noise of the snowmobile itself. I have been out there in the winter and I know it is pretty much shutdown at times.

WASHINGTON D.C. PARK UNITS

Is the Botanical Gardens under your jurisdiction?

Ms. MAINELLA. No, sir.

Mr. KINGSTON. Good. I just want to say, don't ever hire that contractor working on that since time began.

The Washington Monument has reopened and looking good. Everyone is happy. What are you doing down there near the Reflecting Pool, the street in between where there is a fountain.

Ms. MAINELLA. Pennsylvania Aenue?

Mr. KINGSTON. No. If you are facing the Lincoln Monument, there is the Reflecting Pool and a fountain behind there. You have it all fenced off. What is going on there?

Ms. MAINELLA. That is the World War II Memorial, I believe.

Mr. KINGSTON. I am sure everyone in town but me knew that.

LANDS AND WATER CONSERVATION FUND

Land and Water Conservation Fund, the goal of that is what? I don't mean to buy land, what is the mega goal, the big picture?

Ms. MAINELLA. It is a partnership program.

FEDERAL LAND ACQUISITION

Mr. KINGSTON. It would appear to me there should be a megagoal which should be to own all the land in the United States of America eventually or to own all the land not already developed

in the United States of America, to get up to 50 percent of the land or something. Is there any thought to the end game as to how much land should be purchased eventually?

Ms. MAINELLA. With the Land and Water Conservation, there are two parts, the Federal side of land acquisition which helps us acquire new parks, things of that nature. We have a list of acquisitions in priority order to work with as we go forward.

STATE GRANTS

Also, the Stateside of Land and Water Conservation, Don and I have both been administrators of that program. He was State Park Director in California and I was State Park Director in Florida. This program is a way for the park service to work as partners with the States and not just acquire land. The majority of the Stateside Land and Water Program goes to provide more recreational opportunities. That is a different side of the picture.

FEDERAL LAND ACQUISITION

When we look at our lands, we look to make sure we are doing things for protection. We have a plan for each park which talks about what may be needed for protection or to work with partners in follow up.

Mr. KINGSTON. Shouldn't there be some mega picture that says there is a saturation point or a proper inventory level for land ownership by the National Park Service?

Ms. MAINELLA. Some of our land acquisition involves inholdings and emergency acquisitions. On an emergency basis when something is going to happen with a piece of land everyone knows should not be taking place, we are able to work with sellers to make that acquisition.

As far as a total game plan, we base our acquisitions on what Congress has authorized. We have a priority list we work from. We look at the resources necessary to keep a balance in the system, both recreationally and natural and cultural resources.

Mr. KINGSTON. I think it would be good at some point for us to have a mega picture, this is where we are going. I often hear you have a willing buyer, a willing seller. No kidding, somebody wants to sell the land at a good profit and bale out of a problem that they can't get a permit to build on or something like that. I think that is kind of an old world philosophy that we need to move past.

Ms. MAINELLA. Randy does have a follow up if you wish.

Mr. JONES. Every park does have a land protection plan which is a document that goes through a public involvement process before it is finalized. Those plans identify what lands need to be acquired in the long term interest of the park, and the nature of that interest, easement or acquisition.

When we do recognize a willing seller opportunity, before we proceed, that track of land should be identified as a high priority in the land protection plan. Otherwise we should be saying thank you but no thank you.

When we advise the committee of the backlog in land acquisition needs, it is essentially the roll up of all the national plans that identify the dollar amounts needed to accomplish all of them.

Mr. KINGSTON. So if each park has an idea of what kind of land would fit into their need, then there ought to be an inventory of all those park studies that would come up with a total that says at this point it looks like we need to buy as the United States Government 100 million new acres and the total summary of all these, but we don't have that, do we?

Mr. JONES. No. The starting point is the boundaries identified by the Congress. What we look at are the private lands within those authorized boundaries as to what should be acquired as opposed to looking outside.

Mr. KINGSTON. If you picked up the telephone now and dialed any park superintendent, he or she could say we need to buy 20 acres just outside here, right?

Ms. MAINELLA. Most of them do have that knowledge.

Mr. KINGSTON. If you took all those reports, you would come up with the total acreage?

Ms. MAINELLA. I don't know if we do it on an acreage basis but we do that on a list basis of things that need to be acquired.

Mr. KINGSTON. Do we have that?

Mr. JONES. We can provide a list of all the inholdings in their priority order.

Mr. KINGSTON. I think it would be interesting for this committee to know what that would be.

Ms. MAINELLA. We will provide that.

[The information follows:]

Prioritized List of Land Acquisitions

Within the authorized boundaries of the National Park System, there are approximately 4.3 million acres of privately owned land. Whenever possible, the NPS tries to utilize easements and other conservation tools to avoid acquiring additional land. However, in many instances, this is the best manner of protecting important park resources. The Land Resources Division of the National Park Service maintains a list of all privately owned lands within the National Park System that have been identified for acquisition. The tracts and acres on this list are derived from each area's Land Protection Plan that identifies all privately owned land within the authorized boundaries of the area and that recommends the minimum interest necessary to protect the area. The list includes only those tracts and acres for which the plans recommend purchase. Lands expected to be acquired either by donation or exchange are omitted from the list, as are privately owned lands that are, at present, adequately protected. Currently, 1,855,608 privately owned acres are identified for potential acquisition after FY 2002, which would involve many thousand individual acquisitions at an estimated cost of $1.47 billion.

Because the urgency of a particular acquisition is subject to many changing variables, the list does not prioritize acquisitions. However, for purposes of formulating the annual request for appropriations from the Land and Water Conservation Fund for federal land acquisition, the Service selects approximately 180 priority acquisitions from the list based on the following criteria:

Threat to the resource,
Preservation of the resource,
Visitor use facility accommodation,
Commitment has been made to acquire,
Involvement of partners, non-profit groups or availability of matching funds,
Continuation of an ongoing effort,
Recreational opportunities,
Hardship of the owner
Existence of legislative authority to acquire,
Ability to obligate appropriated dollars,
Regional priority of the project,
Economic escalation or inflation factors, and
The type of the unit.

For fiscal year 2003, the list **(see table below)** contains a total of 180 acquisition priorities with a total estimated value of $373,565,000.

The Service formulates the annual budget request for land acquisition to include the maximum number of items from the annual listing as possible, retaining their original priority order, within available funding. The budget request for fiscal year 2003 includes 28 items totaling $86,057,000.

NPS ANNUAL LAND ACQUISITION PRIORITIES FOR F.Y. 2003
(Updated 4/2/2002)

Priority	AREA	TRACTS	ACRES	ESTIMATED VALUE ($)	CUMULATIVE VALUE ($)
1	Acquisition Administration	N/A	N/A	12,588,000	12,588,000
2	Emergency/hardship	N/A	N/A	4,000,000	16,588,000
3	Inholdings/exchanges	N/A	N/A	4,000,000	20,588,000
4	Grant to the State of Florida	N/A	N/A	19,500,000	40,088,000
5	Great Sand Dunes NM	1	20,242.00	5,000,000	45,088,000
6	Hawaii Volcanoes NP	1	22,764.00	4,000,000	49,088,000
7	Ebey's Landing NHR	4	124.55	1,100,000	50,188,000
8	Saguaro NP	1	160.00	2,320,000	52,508,000
9	Valley Forge NHP	1	71.73	2,000,000	54,508,000
10	Delaware Water Gap NRA	1	461.00	5,000,000	59,508,000
11	Mojave National Preserve	77	3,197.00	1,000,000	60,508,000
12	Wrangell-St. Elias NPP	20	200.00	700,000	61,208,000
13	Santa Monica Mtns. NRA	4	68.07	1,500,000	62,708,000
14	Grand Teton NP	1	45.00	4,000,000	66,708,000
15	Piscataway Park	1	21.20	500,000	67,208,000
16	Virgin Islands NP	1	376.47	1,500,000	68,708,000
17	Pinnacles NM	1	230.00	1,000,000	69,708,000
18	Point Reyes NS	2	77.00	1,500,000	71,208,000
19	Fred-Spots NMP	1	135.15	1,100,000	72,308,000
20	Richmond NBP	4	369.40	2,000,000	74,308,000
21	Prince William Forest Park	7	11.00	700,000	75,008,000
22	Gulf Islands NS	1	320.00	4,000,000	79,008,000
23	Little Rock HS NHS	2	1.99	130,000	79,138,000
24	Blue Ridge Parkway	1	133.00	399,000	79,537,000
25	Western Arctic N. Parklands	1	1.00	1,200,000	80,737,000
26	Big Thicket National Pres.	1	3,000.00	3,000,000	83,737,000
27	Timucuan Ecol and Hist Pre	15	3,886.00	1,320,000	85,057,000
28	Sleeping Bear Dunes NL	6	276.00	1,000,000	86,057,000
29	Gauley River NRA	10	716.94	700,000	86,757,000
30	Guilford Courthouse NMP	4	7.00	900,000	87,657,000
31	Lake Mead NRA	14	3,996.08	1,000,000	88,657,000
32	Katmai NPP	2	6,500.00	3,000,000	91,657,000
33	Sand Creek Massacre NHS	14	6,611.00	1,000,000	92,657,000
34	Saint-Gaudens NHS	3	215.00	1,700,000	94,357,000
35	Obed Wild and Scenic River	4	33.00	110,000	94,467,000
36	Glacier Bay NPP	3	470.00	1,200,000	95,667,000
37	C & O Canal NHP	7	466.66	1,500,000	97,167,000
38	Catoctin Mountain Park	2	75.00	200,000	97,367,000
39	Acadia NP	20	250.00	500,000	97,867,000
40	Petersburg NB	1	85.00	170,000	98,037,000
41	Minute Man NHP	1	1.01	600,000	98,637,000
42	Salt River Bay NHP	1	11.90	1,500,000	100,137,000
43	Saguaro NP	8	116.83	2,000,000	102,137,000

Priority	AREA	TRACTS	ACRES	ESTIMATED VALUE ($)	CUMULATIVE VALUE ($)
44	Fire Island NS	46	7.90	1,150,000	103,287,000
45	Home of FDR NHS	1	1.50	600,000	103,887,000
46	Amistad NRA	3	345.00	520,000	104,407,000
47	Booker T. Washington NM	1	15.00	410,000	104,817,000
48	Fort Clatsop NM	1	960.00	6,000,000	110,817,000
49	Wrangell-St. Elias NPP	5	1,200.00	1,500,000	112,317,000
50	North Cascades NP	2	126.76	1,000,000	113,317,000
51	Nez Perce NHP	3	1,000.00	1,026,000	114,343,000
52	Dinosaur NM	2	520.00	2,000,000	116,343,000
53	War in the Pacific NHP	1	0.26	1,000,000	117,343,000
54	Shenandoah Valley NHD	TBD	TBD	500,000	117,843,000
55	Virgin Islands NP	1	3.00	2,300,000	120,143,000
56	Upper Delaware S/R River	1	20.00	400,000	120,543,000
57	Rocky Mountain NP	7	184.70	1,000,000	121,543,000
58	Lake Chelan NRA	1	0.77	225,000	121,768,000
59	Big South Fork NRA	2	625.00	2,100,000	123,868,000
60	Aztec Ruins NM	1	23.96	300,000	124,168,000
61	Black Canyon NP	1	160.00	500,000	124,668,000
62	Curecanti NRA	1	33.16	1,400,000	126,068,000
63	Olympic NP	2	1.00	1,000,000	127,068,000
64	Joshua Tree NP	13	800.00	200,000	127,268,000
65	Theodore Roosevelt NP	5	299.00	200,000	127,468,000
66	Assateague Island NS	1	11.00	400,000	127,868,000
67	Ozark NS Riverways	4	436.20	260,000	128,128,000
68	Alibates Flint NM	1	291.74	150,000	128,278,000
69	Fort Raleigh NHS	1	22.00	600,000	128,878,000
70	Voyageurs NP	6	179.60	1,300,000	130,178,000
71	Sitka NHP	1	1.00	100,000	130,278,000
72	Fort Smith NHS	4	3.26	1,000,000	131,278,000
73	Great Sand Dunes NM	1	80,864.00	20,000,000	151,278,000
74	Hawaii Volcanoes NP	1	93,023.99	16,000,000	167,278,000
75	Cape Cod NS	N/A	N/A	4,000,000	171,278,000
76	Ebey's Landing NHR	16	360.00	5,100,000	176,378,000
77	Santa Monica Mtns. NRA	4	274.49	5,351,200	181,729,200
78	Grand Teton NP	3	163.00	16,000,000	197,729,200
79	Piscataway Park	1	56.23	1,000,000	198,729,200
80	Virgin Islands NP	5	N/A	7,730,000	206,459,200
81	Gulf Islands NS	1	1,680.00	21,000,000	227,459,200
82	Sand Creek Massacre NHS	13	5,332.00	1,000,000	228,459,200
83	Acadia NP	24	267.00	534,000	228,993,200
84	Crater Lake NP	2	200.00	500,000	229,493,200
85	Richmond NBP	1	124.40	1,200,000	230,693,200
86	Delaware Water Gap NRA	2	0.83	400,000	231,093,200
87	Piscataway Park	1	57.89	200,000	231,293,200
88	Adams National NHP	1	2.00	7,000,000	238,293,200

Priority	AREA	TRACTS	ACRES	ESTIMATED VALUE ($)	CUMULATIVE VALUE ($)
89	Richmond NBP	2	73.00	325,000	238,618,200
90	Grand Teton NP	1	1.00	3,000,000	241,618,200
91	Delaware Water Gap NRA	2	130.00	500,000	242,118,200
92	Delaware Water Gap NRA	1	0.37	35,000	242,153,200
93	Gettysburg NMP	1	34.00	600,000	242,753,200
94	Lake Clark NPP	2	20,942.00	6,000,000	248,753,200
95	Wrangell-St. Elias NPP	6	100.00	600,000	249,353,200
96	Suitland Parkway	1	28.50	750,000	250,103,200
97	Gettysburg NMP	11	112.90	250,000	250,353,200
98	Kobuk Valley NP	4	400.00	450,000	250,803,200
99	Delaware Water Gap NRA	1	6.42	250,000	251,053,200
100	Prince William Forest Park	5	56.18	650,000	251,703,200
101	Cape Cod NS	9	60.85	3,042,500	254,745,700
102	Haleakala NP	6	880.70	12,000,000	266,745,700
103	Delaware Water Gap NRA	1	0.60	50,000	266,795,700
104	Cape Cod NS	5	8.60	4,300,000	271,095,700
105	Virgin Islands NP	1	9.50	2,300,000	273,395,700
106	Virgin Islands NP	1	11.80	2,000,000	275,395,700
107	New River Gorge NR	1	101.69	500,000	275,895,700
108	Virgin Islands NP	5	24.00	4,000,000	279,895,700
109	Amistad NRA	TBD	450.00	675,000	280,570,700
110	Great Sand Dunes NM	2	48.71	150,000	280,720,700
111	Apostle Islands NL	1	40.00	75,000	280,795,700
112	Glacier NP	1	130.00	250,000	281,045,700
113	Grand Teton NP	1	2.00	1,100,000	282,145,700
114	Delaware Water Gap NRA	1	62.41	700,000	282,845,700
115	Big South Fork NRA	6	726.00	2,395,800	285,241,500
116	Wrangell-St. Elias NPP	8	10,000.00	1,300,000	286,541,500
117	Glacier NP	14	6.43	700,000	287,241,500
118	Prince William Forest Park	3	22.60	300,000	287,541,500
119	Salt River Bay NHP	8	8.94	800,000	288,341,500
120	Death Valley NP	3	71.83	85,000	288,426,500
121	Apostle Islands NL	1	1.79	125,000	288,551,500
122	Fort Union TP NHS	2	5.40	25,000	288,576,500
123	Grand Teton NP	2	6.44	5,500,000	294,076,500
124	Big Cypress N Preserve	30	90.00	2,040,000	296,116,500
125	Prince William Forest Park	8	68.00	350,000	296,466,500
126	Cuyahoga Valley NP	1	91.00	1,000,000	297,466,500
127	Upper Delaware S/R River	TBD	5.00	400,000	297,866,500
128	Amistad NRA	1	200.00	300,000	298,166,500
129	Delaware Water Gap NRA	5	13.23	1,100,000	299,266,500
130	Fort Union TP NHS	3	0.86	50,000	299,316,500
131	Upper Delaware S/R River	TBD	4.00	445,000	299,761,500
132	Upper Delaware S/R River	1	3.00	150,000	299,911,500
133	Sleeping Bear Dunes NL	11	499.00	3,400,000	303,311,500

Priority	AREA	TRACTS	ACRES	ESTIMATED VALUE ($)	CUMULATIVE VALUE ($)
134	Saguaro NP	22	626.71	7,492,000	310,803,500
135	Indiana Dunes NL	11	219.55	870,000	311,673,500
136	Fort Union TP NHS	1	10.50	50,000	311,723,500
137	Indiana Dunes NL	11	26.31	770,000	312,493,500
138	Fire Island NS	1	2.18	1,900,000	314,393,500
139	Theodore Roosevelt NP	6	391.00	210,000	314,603,500
140	Delaware Water Gap NRA	1	94.81	450,000	315,053,500
141	Glacier NP	1	120.00	300,000	315,353,500
142	Lake Clark NPP	10	25,000.00	7,000,000	322,353,500
143	Great Sand Dunes NM	3	61.00	75,000	322,428,500
144	Wrangell-St. Elias NPP	1	12,500.00	6,500,000	328,928,500
145	El Malpais NM	2	20.00	35,000	328,963,500
146	Rocky Mountain NP	1	38.18	500,000	329,463,500
147	Cape Lookout NS	3	6.00	2,000,000	331,463,500
148	Clara Barton Parkway	1	10.00	350,000	331,813,500
149	Rocky Mountain NP	1	80.09	400,000	332,213,500
150	Fort Raleigh NHS	1	92.00	20,000,000	352,213,500
151	Cuyahoga Valley NRA	1	8.00	100,000	352,313,500
152	Voyageurs NP	1	3.50	75,000	352,388,500
153	Voyageurs NP	1	17.25	250,000	352,638,500
154	Voyageurs NP	3	56.00	300,000	352,938,500
155	Voyageurs NP	3	20.00	200,000	353,138,500
156	Voyageurs NP	1	7.00	100,000	353,238,500
157	Voyageurs NP	2	133.00	750,000	353,988,500
158	Theodore Roosevelt NP	20	10,116.00	80,000	354,068,500
159	El Malpais NM	2	15.14	35,000	354,103,500
160	Voyageurs NP	1	43.00	300,000	354,403,500
161	William Howard Taft NHS	1	0.10	10,000	354,413,500
162	Valley Forge NHP	1	85.34	2,000,000	356,413,500
163	Jean Lafitte NHP	3	3,720.11	1,860,000	358,273,500
164	Ozark NS Riverways	1	154.00	150,000	358,423,500
165	Jean Lafitte NHP	10	839.68	420,000	358,843,500
166	Fort Raleigh NHS	1	1.10	8,000	358,851,500
167	Fort Raleigh NHS	1	46.55	4,000,000	362,851,500
168	Fort Raleigh NHS	1	2.15	15,000	362,866,500
169	Allegheny Portage RR NHS	2	68.00	60,000	362,926,500
170	Theodore Roosevelt NP	1	860.00	246,000	363,172,500
171	Fort Raleigh NHS	1	2.64	25,000	363,197,500
172	Buffalo National River	2	120.00	2,500	363,200,000
173	Amistad NRA	10	280.00	420,000	363,620,000
174	Cuyahoga Valley NRA	10	43.00	2,100,000	365,720,000
175	Gulf Islands NS	1	600.00	2,000,000	367,720,000
176	Theodore Roosevelt NP	1	140.00	70,000	367,790,000
177	Rocky Mountain NP	1	108.50	300,000	368,090,000
178	Amistad NRA	4	1,650.00	2,475,000	370,565,000

Priority	AREA	TRACTS	ACRES	ESTIMATED VALUE ($)	CUMULATIVE VALUE ($)
179	Great Smoky Mtns. NP	1	51.00	1,000,000	371,565,000
180	Gettysburg NMP	1	110.00	2,000,000	373,565,000
TOTALS (Includes only known acreages)			359,532.76	$373,565,000	

DUPLICATION OF A HISTORIC BUILDING

Mr. KINGSTON. If I wanted to build a historic Federal building that is not historic, but I wanted to match a historic building, I understand the National Park Service, my historic society says the National Park Service won't let us duplicate that building. A federal courthouse, for example, if you are building an annex to it and you want to build one of like kind and quality similar to a 200-year old existing building, there is some National Park prohibition from doing that. You have to have looks similar in quantity or volume but it can't be exact?

Ms. MAINELLA. I know we have standards as far as being able to give tax credits when people are using——

Mr. KINGSTON. This would be a Federal building.

Ms. MAINELLA. Is it a physical attachment to a historic building?

Mr. KINGSTON. No, it would be next door to it.

Ms. MAINELLA. I am not sure. Let us look into that. If you can give me that particular example, let us follow up on it. I am not sure of that. I don't know anything in that area but I would be glad to check on it for you.

[The information follows:]

National Park Service Policy and Guidance on Additions to Historic Buildings and New Construction within Historic Districts

Through the years, the National Park Service (NPS) has developed a broad array of guidelines, best practice recommendations, and technical assistance for park managers, preservation professionals, historic property owners, and elected officials in meeting the dual responsibilities of managing our own historic places and collections and assisting others in preserving America's buildings, sites and objects. Some of these guidelines are administrative or regulatory within the context of park management or statutorily mandated national programs.

At the centerpiece of both is the *Secretary of the Interior's Standards for Archeology and Historic Preservation.* These standards address many historic preservation issues including the question of how best to design new construction within the context of an historic district or as an addition to an existing historic building. There is nothing absolute within the *Standards* or NPS policy or guidance that prohibits new construction within an historic district or as an addition to an historic building. The *Standards* ask that new construction be harmonious and respectful of the historic building or district and not to lead citizens to assume that what is new is an historic building in and of itself but rather a product of its own time. The most appropriate choice is , however, case specific.

The policy and guidance developed by the NPS recognize the uniqueness of every historic building and every historic district in our nation. The civic and intellectual dialogue necessary to arrive upon the best new addition to an historic building or an addition in an historic district is not easy. But when it is successful and has involved the participation of many interested parties, the building or addition enriches the neighborhood and the historic character of our towns and produces an important gift to the next generation.

CUMBERLAND ISLAND NATIONAL SEASHORE

Mr. KINGSTON. Cumberland Island National Seashore—A group of stakeholders that included historic preservationists, environmentalists, island residents, academics, community representatives, government officials, preservationists of African-American heritage, reached a formal and unanimous written agreement about how to handle the historic resources, the wilderness values, ensure public access to the important sites and preserve the resident rights and so forth.

Part of that called for this committee to purchase more land for the park which we have done, but in turn, the other end of the bargain, to let the public have more access to some of these valuable resources, some people are balking at right now.

I don't expect you to be up to speed on Cumberland Island but in a general, philosophical discussion about the value of concurrently preserving different types of resources such as national historic structures and wilderness land.

Ms. MAINELLA. We put a great emphasis on protecting our historic structures and actually give grants to local governments and others to help in doing some of that preservation when it is not on our land. At Cumberland I know we are dealing with wilderness issues as far as what access can take place. I think we have been working with your staff to figure out different alternatives that might allow us to achieve a win-win in regard to the cultural resources and also dealing with the aspect of our wilderness and making sure we are respectful of that.

Mr. KINGSTON. It is not true that Mr. Hinchey and I are offering an amendment to say we will take the snowmobilers down there to get public access. We are not considering that.

Mr. HINCHEY. Speak for yourself.

Mr. SKEEN. Mr. Moran?

CUSTIS-LEE MANSION

Mr. MORAN. It is nice to see you and I appreciate your touring with me the Custis-Lee Mansion of Arlington Cemetery. I do hope the Park Service is going to ensure that land the Park Service owns is not encroached upon further.

Ms. MAINELLA. We are continuing to work on that.

Mr. MORAN. Working on it is one thing but ensuring that it stays with the Custis-Lee Mansion is what we want. I trust that is a commitment to do that.

Ms. MAINELLA. We are working on it. We are getting that done. I know we are getting our land protection plan updated as far as making sure everything was being protected. I don't know of any action not consistent with that.

Mr. MORAN. Your intent is that wooded area the Park Service owns adjacent to the Custis-Lee Mansion is going to stay with the Park Service?

Ms. MAINELLA. Yes, that is what we are working on. The answer is yes.

Mr. MORAN. You keep saying you are working on it. To say we are working on it is about the vaguest commitment. I don't want

to be argumentative with you, I just want to make sure that commitment exists.

Ms. MAINELLA. Yes.

PRIVATIZATION OF THE WORKFORCE

Mr. MORAN. I understand the Park Service has an objective to privatize about 15 percent of its work force. I don't have any objection to privatization as such but I am troubled by setting up a predetermined quota for the number of civil service positions that will be privatized. It seems to me it is a judgment call. When you set up these kinds of quotas, you wind up being forced to make decisions not necessarily the most reasonable or responsible in terms of the functions assigned to the Park Service.

There are also areas such as grant awards, budget and contract oversight, things like that I think really need to remain within the Civil Service and not be privatized, not be contracted out.

I bring this up because we have a very serious Federal work force crisis. We estimate that over the next several years at least half of the work force is going to be eligible for retirement. Within two or three years, we will have about one-third and if you look at the projections, these people were hired largely in the 1960s and 1970s and will be gone.

To impose a 15 percent privatization requirement on top of that, to be forcing out people you need, I question if that isn't politically driven more than responsible policy. I know you are doing a study. I don't know how much that cost. How much is the study on the privatization deal?

Ms. MAINELLA. At this point, we have 1,800 individuals in the Park Service whose positions will be looked at for competitive sourcing. This means we look at whether their job is it better able to be done by public employees or not.

As far as the cost, we do not have that cost at this time. John Trezise is here and he may be able to follow up more on it but we are working with the Department to understand how we best get this analysis completed. Is it through contract, is it through in-house? So we do not have a dollar figure yet on that.

Mr. MORAN. At least this member thinks we need to be very careful that we not let go people we very much need. We have seen that happen in other areas of the Federal and State government. We have a Department of Transportation where that was done for political reasons and we are suffering terribly because we lost our best people as a result.

CONCESSIONAIRES

On vendors, you have a vendor policy that holds them all accountable but you have a wide range of vendors, some multimillion dollar contractors and others one or two people, basic mom and pop operations. We have an operation at Belle Haven Marina that a number of employees and members are interested in and that is one guy. As you know, he is having lots of trouble complying.

I tend to agree with the Park Service on virtually all these issues, but how much flexibility do you have between applying these standards that are very appropriate for the large corpora-

tions but maybe somewhat less appropriate when you are dealing with a minimal operation?

Ms. MAINELLA. I know that in our larger concessions, anything over half a million dollars, under the new rules they have to go out for open competition, I can't remember if Belle Haven is at that level or not. If it is a smaller one, they do get preferential treatment and that will continue.

We look at our concessionaires as part of our partnership. We want to work with them. Don, I know you haven't worked directly with Belle Haven but you are working with our concession efforts. Is there anything on flexibility you are familiar with? I know after September 11, we have gone back to our concessionaires that had to close during that time and are reducing, for a period of time, the franchise fees.

Mr. MORAN. I have to get to the floor but I wanted to raise these issues.

In this case there are a lot of infrastructure improvements, capital investments that need to be made. The problem is you can't get a bank loan if you can't get a lease for anywhere near the period of the loan. No rational bank is going to give you money if they don't know whether you are going to be the concessionaire and the concessionaire can't comply with Park Service requirements if they can't borrow the money, if they are just a small operation.

Mr. MURPHY. I should probably comment on that. I couldn't agree more. One concrete thing we did recently was from the Concessions Reform Act that gave us the ability to extend concession contracts for up to 10 years. We had previously interpreted that on the lower end and were doing concession contracts for 5 years. But, recognizing exactly what you said, the need many times to amortize an investment means you need a longer contract.

I just issued a memo last month directing all our superintendents on these smaller contracts to issue them for ten years, rather than five years, and to make that the standard.

BLUE RIDGE PARKWAY AND SKYLINE DRIVE AIR POLLUTION

Mr. MORAN. Nice going. That is music to my ears. That is reasonable policy and I appreciate that.

I was going to get into the Blue Ridge and Skyline Parkways because we have a serious problem there. If you drive up there, some days you can't see anything because of all the pollution. You are doing studies on air quality but the study is going to tell us what we already know, they are coming from the coal-fired powerplants in West Virginia. It will be just one more study telling us the obvious, but I don't think you have any control over those powerplants. I don't know what you will do about the Blue Ridge and Skyline Parkways. It is a darned shame. Sometimes you can suffocate there with the air pollution. Here is this gorgeous vista and people are choking from the air pollution.

Ms. MAINELLA. I think we have a success story in Kentucky so it is indirectly affecting Blue Ridge and others but we have been working with some of the companies on the front side as they start to put in new plants. This one is called Thoroughbred and they can help us with a new plant to have things at a lesser level. So we are trying that angle as much as we can.

Mr. MORAN. That is nice but these guys are grandfathered. They are not going to voluntarily do anything they are not required to do.

EMPLOYING LOCAL TROUBLED YOUTH

You use a Conservation Corps to help maintain the national parks. Have you ever looked into working with local law enforcement to see if you can employ some of the troubled youth in these local areas, because it is a potential resource and I think it would be an opportunity for them to do something constructive.

Ms. MAINELLA. I think we have done that in many of our parks. I know Big Cypress in Florida has done that and some others have done that. Maybe we need to emphasize that at a greater level.

Mr. MORAN. It would be a nice idea.

Mr. SKEEN. Mr. Nethercutt?

Mr. NETHERCUTT. I want to compliment you for responding to my office so quickly and in a timely fashion on some questions we had. I appreciate the attitude of the office and your leadership.

CONCESSIONS PROGRAM IMPROVEMENTS

I want to follow up a bit on the concessions issue. Maybe for the record you could tell us today and later if you need to supplement, what management and operation improvements you have made and intend to make in the concession program itself?

Ms. MAINELLA. We are trying to make it more businesslike than it has ever been. I am going to ask Don Murphy to finish. We have looked at the top 50 concessions, the big ones. We are working with Pricewaterhouse Coopers to help us be more businesslike in the way we address those.

We are responsible for the final determination but it gives us a chance to work along with them. Don, I think you mentioned some of the flexibilities, increasing contract length and some of the others.

Mr. MURPHY. Let me start with our Category 3 contracts which are smaller contractors. I mentioned the fact that for those contracts the standard will be 10 years rather than 5. We took great pains to streamline the contract language. We used to have contracts that were 300 pages and now we are down to well below 100.

The preferential right of renewal was jeopardized by smaller outfitters and guides when they attempted to sell certain items like a T-shirt or a cap that reminded the visitor of the trip. We just took steps to provide clarifying language to our superintendents who manage those smaller contracts so that those contractors can now sell those kinds of items without jeopardizing their preferential right of renewal.

On the larger contracts, the 50 largest, we mentioned Pricewaterhouse Coopers but more important is the fact that our people are now getting the proper business training. We have instituted a program at Northern Arizona University where we are putting our concessions managers through training in concessions and hospitality management. They are also paired with the professionals from Pricewaterhouse Coopers to learn more professional business techniques, management techniques and managing our concessions operations.

I can't emphasize enough that there is a change in attitude, as well as in our relationship with our concessionaires; we are thinking of them as partners. While that may seem almost rhetorical, in some ways it is really fundamental to changing the way the National Park Service does business and professionalizes our ranks since it eliminates an adversarial business point of view. Although I must say now we are taking a more businesslike approach, we certainly look out for the taxpayers' interest. So the concessionaire and the Park Service aren't always going to agree, but at least it is based on sound business principles.

That partnership attitude makes a lot of difference and engenders the kind of respect that is necessary in this relationship. Those are some of the more significant things that we have done.

As you know we were in litigation with our concession partners and that litigation is now over although some things have been left hanging. We are now going to enter into a negotiation to resolve some longstanding issues on leasehold surrender interests as well as possessory interests which are very contentious. But I think we will be able to work out those things in partnership as well. Just establishing the importance of continual dialogue with our concession partners has made a tremendous difference.

EMPLOYING BUSINESS STUDENTS

Mr. NETHERCUTT. Is there room in your system for taking in some business administration students in the summer to think about assisting the local management of a particular park?

Mr. MURPHY. Before you came in, Randy Jones mentioned he did hire one of our business students who had been in the parks helping with the business plans into his concession office before he left Rocky Mountain.

Mr. JONES. At Rocky Mountain National Park, we hired a recent MBA graduate who is now running the concession program at the park. She has just turned it around, and is doing a wonderful job.

Mr. NETHERCUTT. Do you see potential in that in other parks around the country?

Mr. JONES. I hope so. We need to do a better job of going out and recruiting to bring in the skills we need in these programs.

Mr. NETHERCUTT. Do you plan to do that?

Mr. JONES. Yes, sir, we do.

Mr. SKEEN. Mr. Regula?

Mr. REGULA. That was a positive response to Mr. Nethercutt's question because we have had a concern.

VISITATION AFTER SEPTEMER 11 TERRORIST ATTACK

I am curious. Since September 11, what is the attendance situation?

Ms. MAINELLA. We have had a drop in attendance. In fact, our attendance for the year 2001 dropped about 6 million. Of that, almost 5 million has been since September 11. However, we are seeing parks like Shenandoah that have actually increased visitation since September 11. September 11 certainly had a visitation impact but we see ourselves coming back. We are now back to 85 percent. The cherry blossoms may have pushed us over the edge. We do feel it is coming back.

GRAND CANYON NATIONAL PARK TRANSPORTATION SYSTEM

Mr. REGULA. What is the status of the transportation system at Grand Canyon?

Ms. MAINELLA. At this point, a proposal came in, it was reviewed by OMB and has now come back again for a review by us to be able to move forward with an evaluation of the various options. Some of the concern was the cost. Light rail was the first recommended direction. Grand Canyon is one park where attendance is still down since September 11. International travel has been one of the big areas that is down.

Before we can give you a good game plan on that, we have to make sure we understand where we are attendance-wise and financially to be able to make a recommendation. That is being reviewed now with this new data.

IMPLEMENTATION OF NAPA RECOMMENDATIONS FOR CONSTRUCTION PROGRAM

Mr. REGULA. In the several years since NAPA made its recommendations for reforming and streamlining the Park Service construction program, what is the status of that?

Ms. MAINELLA. We have revisted our construction efforts at the Denver Service Center area. Thanks to you and others here we had a NAPA report that looked at that effort. When you see the newest report, I think you will be pretty proud of the accomplishments we have made in implementing those recommendations. Dan Wenk may want to speak in greater depth about that.

We are using the private sector so much more with 90 percent of our efforts for design being contracted out. We have developed models and other things of that nature. I feel we are moving much more quickly.

We do need help in the regions a bit more to make sure we have sufficient project managers and contracting capacity. The $10 million in this 2003 budget will help immensely.

Mr. REGULA. To make it work, you have to get the superintendents.

Ms. MAINELLA. When I say regions, I mean our superintendents.

Mr. REGULA. Do you have a program of some type where those who are now superintendents, or will be, can get some education or instruction in contracting policies?

Ms. MAINELLA. Yes, we do. We have been doing a lot of training. Dan, I would love you to answer that question because you know more in detail than I. This is Dan Wenk, our new Denver Service Center Director.

Mr. WENK. We have gone from doing the work in-house to 90 percent outside. We have about 165 contracts in place around the country with contractors who can do that design work, who are familiar with the local conditions and have the expertise we need to do it. Some of that expertise we need goes directly to your question, training for the superintendents and staff in the parks. We have conducted, I think, seven training courses on a nationwide basis and have had about 160 park superintendents take that course. Another 50 or 60 appropriate park personnel have taken the course. They are better able to understand the process they need

to use as well as their role, because they have been made accountable for the construction part in their park in accordance with the NAPA recommendations. We are very pleased where that is going.

Mr. REGULA. Has outsourcing indicated any diminishing quality in your construction?

Mr. WENK. No. One of the great things about using the A&E's familiar with locations is we have standard contracts with these companies around the country, so we have developed relationships with them. We also use a very strong project management system where we always have involvement of National Park Service project managers and the staff within park areas and the regions. They assure the projects are being done to the standards and the quality that we require and the American public demands of the national park.

Mr. REGULA. Thank you.

Ms. MAINELLA. Mr. Regula, we appreciate your being willing to be a star in our training video. You were a participant in that video for training and we appreciate that.

VANISHING TREASURES PROGRAM

Mr. SKEEN. The committee has strongly supported the Vanishing Treasures program designed to reduce the threats to ancient prehistoric and historic sites and structures, particularly in the southwest. I understand that Glenn Fulfer, the Superintendent from Salinas Pueblo Mission National Monument in New Mexico, is here today. Glenn, can you come forward and tell the committee how the program is working?

Mr. FULFER. It is a great honor to stand before you and this committee and to give you a little information about the Vanishing Treasures program. We are very proud of Vanishing Treasures. It is a grassroots effort conceived and brought forth from three New Mexico parks which got together and began to share information and concerns about the preservation of these sites, the primary resources for which a lot of these parks were established.

Through the efforts of several park superintendents and with the support of the National Park Service leadership, Vanishing Treasures has now grown to include 41 parks. These are in the States of New Mexico, Texas, Arizona, Utah, Colorado and Wyoming, soon to include three California desert parks, Death Valley, Joshua Tree, and Mojave Desert.

The initiative has two major thrusts: the preservation of the resources, and the building of a cadre of professionals in the parks to take care of these resources. In 1998, we received the first appropriations and we are very grateful for the funding that you provided to us.

From fiscal year 1998 through fiscal year 2001, we have been able to add about 48 individuals, mainly a minority work force, Native Americans, Hispanic Americans, 48 new positions in 22 parks, and undertake 65 emergency stabilization projects in 37 parks. The total through fiscal year 1998-2001 has been a little over $7 million, small potatoes when we look at other programs. We feel we are a small program but we have done some big things. We do appreciate your help.

Every year, we develop a year-end report which gives those that are interested in the status of Vanishing Treasures a breakdown of what we have done with the money appropriated to us. We have always been very proud of our level of accountability. If you give us money and we say we are going to do something special with it, then we like to come back and be able to say to you, this is what we accomplished.

It is an effort very much needed in the arid West, something the National Park Service leadership has supported, and we are grateful for that. If there is anything I can answer I would be more than happy to do that.

Also, the year-end report not only includes the last year's activities, it also is a combination of all the previous years activities. It is the history of Vanishing Treasures, what we have done, where we have done the work, the people hired and brought on, and we are proud of the program and grateful for the support we have received.

CARLSBAD CAVERNS NATIONAL PARK

Mr. SKEEN. Can you get lunch down at Carlsbad now?

Mr. FULFER. Yes, sir, you can.

Mr. SKEEN. Can I buy a T-shirt?

Mr. FULFER. Yes, sir, you can. In fact, I have T-shirts at Salinas.

Mr. SKEEN. I am delighted to hear this because it has been a real sore spot for our part of the country.

TENNIS STADIUM IN ROCK CREEK PARK

Mr. DICKS. Let me bring up an item of interest I have had for years, the work of the Washington Tennis and Education Foundation. Zack Wamp's discussion about golf, I thought the tennis players ought to get in there.

This has been somewhat controversial, but one of the things we have worked on has been the stadium at 16th and Kennedy which is in Rock Creek Park, one of our national parks. There was an agreement between the Park Service and the Foundation for this stadium to be turned over to the Park Service. It was an agreement that has been reached and apparently it still hasn't happened. The Foundation is very concerned about it.

They sponsor the major tennis tournament here but the money goes to help inner city youth both in terms of bringing them into tennis and helping them with education, so it is a charitable effort and I think a positive one. It has done a lot of good work, started by Arthur Ashe many years ago. A lot of us in Congress have been involved and sustain it. In fact, we are having a tournament on the 20th. If you can find out about it and let me know.

Ms. MAINELLA. I will do that and let you know.

[The information follows:]

WILLIAM FITZGERALD TENNIS CENTER—ROCK CREEK PARK

In 1997 an Agreement was reached between the National Park Service and the Washington Tennis Foundation (now the Washington Tennis and Education Foundation [WTEF]) regarding the William Fitzgerald Tennis Center at 16th and Kennedy Streets in Rock Creek Park. The WTEF was obligated to complete certain prescribed unfinished items of work, in addition to two major accessibility modifica-

tions, after which title to the facility would be conveyed to the National Park Service.

WTEF has accomplished the unfinished items by the end of 1998, and later accomplished one of the accessibility modifications. To expedite the process Rock Creek Park agreed to assume responsibility for the second accessibility modification. An Architectural & Engineering (A&E) firm has been contracted to evaluate the current status of the unfinished work, as well as the condition of the facility. The contractor is reviewing plans, and will be coordinating with the original construction contractor. We anticipate completion of the second accessibility modification within 60 days after the completion of that process.

Assuming the WTEF has accomplished and maintained the required work, the accessibility modifications are completed and the A&E does not discover unknown substantive construction or maintenance deficiencies, we expect timely conveyance of the title to the facility.

SECURITY AT NATIONAL MONUMENTS

Mr. DICKS. The other thing I wanted to ask you about is the question on homeland security. Can you summarize for the committee what actions have been taken so far this year to improve security at our national monuments and other at-risk sites?

Ms. MAINELLA. We have been doing a lot. The area that we probably gave our greatest attention to initially are the Statue of Liberty and the New York areas and also the Washington area, the two major areas of initial impact. Thanks to some supplemental funding, we have been able to move forward with increasing the law enforcement efforts at the Statue of Liberty, Ellis Island and Liberty Island both reopened. We have not been able to actually reopen the Statue. We are consulting right now with the Secret Service, getting their advice, to be able to do that.

We have everything reopened here in Washington D.C. including the Washington Monument. In the 2003 budget there is an additional $12 million to help us with the Park Police. Another $23 million is requested to deal with Washington D.C. monuments, getting away from the ugly barriers and putting in a security system that will be more appropriate at the Washington, Lincoln and Jefferson Memorials.

SECURITY AT THE WASHINGTON MONUMENT

Mr. DICKS. One question on that whole subject, several months ago the Department conducted a tour of the Washington Monument and described the need for the screening facility as extremely urgent. They pointed out that under the current arrangement, a terrorist could be inside the Monument before he or she could be detected. Can you tell us why the funds for the Washington Monument screening facilities have not been included in the 2003 request?

Ms. MAINELLA. These funds will be in our 2004 request. We are planning at that level. The screening facility as it is today is not the ideal scenario but it is one that gives us enough safety for people coming in. We are doing metal detection at this time, so the security is adequate. It is not ideal. Putting the screening facility underground and more distant from the Monument will be an even greater attribute. When we had our plan reviewed by outside sources, it was a strong recommendation, but we felt financially the first thing we wanted to do was go after car bombs or anything like

that. So we are working on the barriers and in 2004, we will come back with requests for the actual screening facility.

Mr. MURPHY. We also are working under an expedited schedule for the security at the Washington Monument. We have done a design and build competition already, chosen the designer, gone through an expedited approval process with the Fine Arts Commission and also with our Historic Preservation Council. We have a construction schedule that really doesn't allow for any breaks between the design and build and approval processes we have to go through.

We are redirecting some construction funds which will allow us to continue to the planning process and get to the construction process without any gap at all.

Mr. DICKS. You are saying even if we added money in a supplemental, could you move forward on the screening facility any faster?

Mr. MURPHY. Yes. The reason is it will come to a point where we will get a break but right now we have provided all the money we can to move as quickly as we can to a point. After that point we will need supplemental money to allow us to continue even faster.

Mr. DICKS. If the Congress wanted to do this, do you want to tell us how much you need to move this forward as expeditiously as possible?

Ms. MAINELLA. I think we would best provide it for the record.

Mr. DICKS. We understand it is somewhere between $18 and $20 million.

[The information follows:]

SUPPLEMENTAL FUNDING FOR SECURITY PROJECTS

The Department and the National Park Service consider this to be a very important project and have included it in the FY 2003 budget request. We would move forward as soon as the FY 2003 budget is enacted. The first phase will install most of the permanent vehicle barrier system and begin site preparation for the underground visitor screening facility. We plan to request the balance of the funds to complete the project in the FY 2004 budget.

Mr. DICKS. Chief, is this screening facility important?

Ms. CHAMBERS. Absolutely, it is, sir. In the meantime, the system that is in place is adequate. It would not be a recommended permanent solution because we want the safety of the visitors as our primary concern. Right now, it is true someone could enter the screening facility, adjacent to the Monument, with some type of weapon.

We looked at the previous studies from Booz Allen Hamilton and others and are confident that whatever a person could carry into that screening facility is not sufficient to damage the Monument itself. So the Monument itself is in secure hands right now but the preferred way is to get that screening facility as far away as possible from the Monument itself.

Mr. DICKS. From your professional point of view, you would like to see this done as quickly as possible?

Ms. CHAMBERS. Absolutely.

SECURITY IN OTHER PARK UNITS

Ms. MAINELLA. Also, one of the things we do have is another $6 million requested in this budget to help us in law enforcement at some of our park units.

CONSTRUCTION AT FORT JEFFERSON AT DRY TORTUGAS NATIONAL PARK

Mr. DICKS. We are having a difficult time obligating all these construction funds. I noticed we need to do some work at Fort Jefferson, so that may be an ongoing issue. If you do have some extra money around, that might be one.

Ms. MAINELLA. I will be out there in the near future with the Park Foundation. We will take a look at it.

Mr. DICKS. They are doing it kind of one-sided at times and that means you have to set up the crew, do all their stuff, then they disband, then they reassemble. It would be better to get one crew out there, do the thing, get it done, and I think you would save a ton of money. So you take a look at it.

Ms. MAINELLA. Yes, sir. We will.

URBAN PARK AND RECREATION FUND

Mr. DICKS. I did notice you did have nice things to say about UPAR?

Ms. MAINELLA. Yes, sir.

Mr. DICKS. That was noted. The question from the staff was, if it is so good, why have they zeroed it in the budget. If you could help me answer that?

Ms. MAINELLA. I think it has all been a balancing act and it is always a challenge.

Mr. DICKS. I know. We will try to help you with that challenge.

Mr. SKEEN. Mr. Kingston?

COLLEGE INTERNSHIPS IN THE NATIONAL PARK SERVICE

Mr. KINGSTON. George Nethercutt got my curiosity up. In terms of internship, there are a lot of college programs that have outdoor recreation degrees. If you are a freshman or sophomore in college and want to try to get an internship with the National Park Service, are those opportunities available?

Ms. MAINELLA. Yes, they are. I just met with a number of the curriculum chairs across our Nation, encouraging them to think about national parks as a place to place interns. I am hoping together we will be able to further enhance the opportunities for internships in our parks because I think that is a great learning opportunity as well as an opportunity to have folks learn about the values of our parks resource-wise and visitor-wise.

Mr. DICKS. If we have some college student names, where do we turn them in?

Ms. MAINELLA. If you get them to me I will make sure they are put with the proper Education and Training Coordinator. Don?

Mr. MURPHY. I just met with the Associate Director this morning on just that issue. We have directed our Human Resources staff to put together a pamphlet that we will be able to send out to you in the next couple of weeks outlining all of our intern opportuni-

ties, and telling how to apply as well. We did not have that in a central location and just nailed that down this morning. We should be able to get it to you in a couple of weeks.

YOUTH CONSERVATION CORPS

Mr. DICKS. What about the Youth Conservation Corps? We have expanded that. Are you using that?

Ms. MAINELLA. We sure are and they are very important in our whole maintenance backlog effort and many Youth Conservation Corps become employees for us in the future.

BLUE RIDGE PARKWAY AIR POLLUTION

Mr. KINGSTON. The Blue Ridge Parkway, when you drive up there, I think it says "Today's temperature," and then it has a pollution index number. Is that something that is just trendy or does that have science behind it?

Ms. MAINELLA. I am not sure I know that answer. Mike, is that a scientific measurement?

Mr. SOUKUP. I am not sure what we monitor in that park. It is probably related to ozone.

Mr. KINGSTON. I believe it is ozone related.

[The information follows:]

POLLUTION INDEX SIGNS

The signs referred to were located at entrance stations along Skyline Drive in Shenandoah National Park. These signs, which provided park visitors and commuters with the current temperature and air quality index (AQI) were removed in 1997 as a result of questions about the timeliness of, and need for, the information provided.

The park has since developed an Ozone Advisory System in conjunction with the Environmental Protection Agency and the Virginia State Department of Environmental Quality. This system is a telephone-based program, by which visitors can access an informational hotline via the park's main number that provides them with the daily AQI from May 1st through September 30th. Additionally, weather and AQI information are broadcast over the park radio system on a daily basis so that Rangers can respond to visitor inquiries.

Discussions are ongoing within the park and with neighboring parks and stakeholders concerning additional ways to best obtain and communicate air quality information.

Ms. MAINELLA. Let us check on that.

Mr. NETHERCUTT. There is a GAO study that we just did last year which focuses on part of the Blue Ridge Parkway and TVA. The Administration is working in that area. If you look at nuclear, then you will find you can reduce, you can reduce a lot of the powerplants. There are three nuclear powerplants stopped in 1993, the last one was about 95 percent complete. You could cut a lot of pollution by reinstituting those plants. I just mention that as an aside.

Mr. KINGSTON. I would mention as an aside that 76 percent of the houses in France get power from nuclear sources.

Mr. NETHERCUTT. And England gets 40 percent of the national currency by doing work in Asia and reprocessing far ahead of the United States.

ROCKY MOUNTAIN NATIONAL PARK CONCESSIONS

Mr. KINGSTON. The Rocky Mountain National Park, the visitor center is where the main concession stand is up on the top?

Mr. JONES. Yes.

Mr. KINGSTON. Why don't you sell some stuff at the bottom near Estes Park because you have a park information center where you sell a few books but you don't sell the trinkets and junky little things you could turn a profit on.

Mr. DICKS. Check the business plan.

Mr. KINGSTON. Isn't it 26 miles up the road to the Trail Ridge Visitor Center?

Mr. JONES. Yes, sir.

Mr. KINGSTON. I think you are missing a big business opportunity. That is not even technically inside the gate, so you could get all those people who saved $10 by not driving in.

Mr. JONES. We could, but we also have a wonderful community in the town of Estes Park that has a wide range of businesses that do a good job of providing merchandise for the public.

Mr. KINGSTON. That is right. I forgot. They have fake arrowheads just as easy as anyone else.

CONSTRUCTION PROGRAM MANAGEMENT

In the Denver Park Service Center, you caught some criticism about construction. My question isn't so much about Denver as much as the criticism that everyone in this room involved in the National Park Service catches, the $300,000 outhouse and so forth. Do you feel on construction, this is a nagging problem with the National Park Service?

Ms. MAINELLA. I think we learned a lot from that situation because we made a lot of changes. We made changes in the process, contracting out and doing a lot more private sector partnership at the Denver Service Center. We also instituted a Development Advisory Board which involves not only people from the Park Service but outside individuals looking at what we are doing and evaluating. Any large projects have to go through that review. That did not exist before, so we have added those elements. I think that has also helped us be a lot more realistic in our opportunities as far as construction and making sure we are using appropriate cost effectiveness.

As you know, sometimes building in government requires extra bonding and other things that need to take place which sometimes affects pricing, but I think we are a lot better positioned. We also are packaging ourselves a little more appropriately when we tell you how much a house costs in the Park Service and also talking about all the roads it took you to get there. Sometimes we were doing that in the past.

Mr. SKEEN. Mr. Hinchey?

SEISMIC STUDIES AND OIL EXPLORATION AT CANYONLANDS AND ARCHES NATIONAL PARKS

Mr. HINCHEY. I wanted to ask a couple questions about the seismic studies that were going on around Canyonlands and Arches particularly, and the controversy going on there.

The Bureau of Land Management seems insistent upon moving forward with these seismic studies but the Park Service and others have intervened to try to slow down that process.

Ms. MAINELLA. I don't know if the seismic studies will take place. I think BLM the properties are quite far away from where we are. I can get a more complete answer on that if you would like.

Mr. HINCHEY. The Bureau of Land Appeals has issued a disagreement with BLM's assessment that there was no impact, so they have intervened and the seismic studies have been stopped, as I understand.

Ms. MAINELLA. Let me get back to you after I check on that. I apologize, I don't have the full details on that.

Mr. HINCHEY. It is a complex issue. I wouldn't expect you to have the details on it. I am sure there are very few people who do and they are the ones intimately involved in this. I raise it because of a concern for the impact these seismic studies, and perhaps some resultant exploratory activities for oil, will have on the quality of Canyonlands particularly. I would ask you to pay attention to that and I know you will.

Ms. MAINELLA. We will, sir. It is very important. It is right there by that arch where the torch came in at the Olympics in the State of Utah. I was there at 5 a.m. or sunrise.

[The information follows:]

BUREAU OF LAND MANAGEMENT SEISMIC EXPLORATION PROJECT IN VICINITY OF CANYONLANDS AND ARCHES NATIONAL PARKS

The project in question is the Yellowcat Geophysical Survey, approved by the Bureau of Land Management (BLM) after an environmental assessment and public review. During this process the National Park Service stated that the Survey's seismic testing would have no impact on either Canyonlands or Arches National Parks.

The Survey was being conducted by representatives of the oil and gas lease owners until a stay issued by the Interior Board of Land Appeals (IBLA) suspended work on February 22, 2002. (IBLA has not yet ruled on the merits of the case.) The Survey involved no drilling of either exploratory or development wells. In fact, if any proposals for field development were to result from this seismic testing, a full Environmental Impact Statement (EIS), conducted by BLM and involving the National Park Service, would be required.

The closest portion of the seismic project area is approximately four miles from Arches National Park, and five miles from the world-renowned landmark—Delicate Arch. At that distance even the largest vehicles employed by the project are not visible to the naked eye.

Mr. HINCHEY. In any case, it is important to us. I want you to be aware of that and I know you will be paying close attention.

SEISMIC STUDIES AND OIL EXPLORATION AT BIG CYRESS NATIONAL PRESERVE

A similar situation exists in Big Cypress, something with which you are more familiar. I wonder if you could bring us up to date on what is happening there, with particular regard to oil explorations and the impact of that on the ongoing efforts to restore the Everglades in association with the Big Cypress?

Ms. MAINELLA. As you know, Big Cypress is part of the Everglades Ecosystem and as a preserve, does have a unique situation where it has had oil drilling going on for a long time. It does have the Collier family and some other individuals, but mostly the Collier family has an opportunity because of their ownership on some of those rights to continue to move in that direction.

We are working closely with the Collier family to see if there are any alternatives, any options from exchange to other options that

could be considered. We are working on those aggressively right now.

Mr. HINCHEY. What would that mean?

Ms. MAINELLA. That effort has been with our attorneys and others. I am not sure of any of the details other than it might be able to address the oil issues in Big Cypress, which are a big concern for us all. I would be glad to keep you informed as that progresses. At this point, all I know is there has been negotiations underway.

Mr. HINCHEY. I think we should have an answer for the record.

Ms. MAINELLA. I'll follow up when I find out the answer.

Mr. HINCHEY. Will that answer include what the Administration's position is with regard to energy exploration in the Big Cypress at the same time that we are spending, over a period of time, several billions of dollars to bring about restoration?

Ms. MAINELLA. Exactly. Big Cypress is an important part of our whole Everglades effort.

Mr. HINCHEY. I want to have it clear to what extent we may be engaged in conflicting activities.

Ms. MAINELLA. Exactly.

[The information follows:]

Oil Exploration Associated with Big Cypress National Preserve

The enabling legislation for Big Cypress National Preserve, enacted in 1974, recognized the existence of oil and gas rights within the Preserve. While limiting the circumstances in which the Secretary was authorized to acquire such rights, it specifically authorized the Secretary to regulate such activities. In 1988, Congress authorized the expansion of the Preserve, directed the Secretary to promulgate regulations governing oil and gas operations within the Preserve and the newly authorized Addition area, and provided for the establishment of a Minerals Management Office within the Park to facilitate timely consideration and decision on applications for the exploration, development and production of the non-Federal oil and gas that underlies the Preserve and Addition. The 1988 statute mandated that such regulations require final action on such applications within 90 days of receipt unless certain statutorily listed exceptions require additional time.

In 1991, the Preserve prepared a Minerals Management Plan (MMP) in order to clarify how oil and gas operations would be managed in the original Preserve. The first of three phases of work to update the MMP commenced in 1999. An updated draft oil and gas management plan is scheduled to be released for public comment later this year. The authority to regulate these private property rights is far more limited than the protective measures and timing rights the government may assert when it leases federal oil and gas rights. To refuse to permit the exercise of these private property rights would subject the United States to significant takings claims.

To date, Collier Resources Company which owns the vast majority of the developable minerals underlying the Preserve and Addition, has submitted 26 applications for plans of operations to explore for oil and gas within the Preserve, and has also sent applications for plans of operations in the adjacent Florida Panther Refuge.

The Department and the State of Florida share the Committee's concern that such new oil and gas exploration and development activities could negatively impact our joint efforts to restore the Everglades natural system, as well as the resources Congress sought to protect with the establishment of the Preserve. The Department believes that there is a credible risk of significant oil and gas development within the Preserve and Addition, and since the mid-1990's has had discussions with the Collier representatives over a possible acquisition of these oil and gas resources. We are optimistic that a potential framework for the acquisition will be developed with the Colliers in the near future. Any such framework is likely to require funding by Congress. The Department looks forward to working closely with the Committee in the future on this issue.

VANISHING TREASURES PROGRAM

Mr. HINCHEY. I wanted to express my appreciation for the Vanishing Treasures Program. Your presentation was very good. The documents you presented about the work you are doing is also very impressive and would seem to me to be something that really needs to be done.

It is an interesting project and I hope you will keep us posted on how you are proceeding with it. We would like to be helpful to you in whatever way we can.

Ms. MAINELLA. It is a good program. It has allowed us to bring Native Americans on as part of our employment because of the skills they have been able to afford us not available before.

Mr. SKEEN. Mr. Nethercutt?

Mr. NETHERCUTT. One comment and a short question.

You speak of your personnel. I imagine I speak for everyone on the subcommittee in congratulating you and your park rangers at the various parks. I think we have all had exposure. Talking about Native Americans, I went to climb the Grand Canyon years ago and the Native American guides and informational resources they provided were great. Your people are doing a fine job out in the field dealing with the public.

Ms. MAINELLA. They do a great job and are our best asset.

Mr. NETHERCUTT. I think you are right.

PARK RANGERS ASSIGNED TO SECURITY AWAY FROM PARK

The Grand Coulee Dam issue, you and I talked about a bit previously. There are some Park Service people providing security there. You have answered me in writing. If you could update as best you can any further information you have about the timetable?

Ms. MAINELLA. The Department is working aggressively to have our park law enforcement rangers so back to the parks. Right now we are supporting some work at the dams and other things like that. The date they have given us would be October 1 that we would get our rangers back.

We have also been doing security in Washington, D.C. and I understand we may be able to have some of our rangers go back as of May 1. So we are looking at that.

Mr. MURPHY. That is correct. The situation at the dams has been very difficult because BOR has had to get up to speed, had to have authority to hire, under contract, law enforcement personnel, and we are assisting them in doing that. We just deployed five people to their regions to assist in putting together their law enforcement programs. We are now trying to expedite that by providing additional personnel. I think we will make that October date.

Mr. NETHERCUTT. I hope so because it is putting some pressure on and frankly it is not our best resource. With all due respect, I think we need pretty specifically trained people for the kind of problems we might face out our way. I know you are trying. Thank you.

Ms. MAINELLA. Thank you.

SNOWMOBILES IN PARKS

Mr. DICKS. Going back to the snowmobiles, I have been out there and seen the park and I think this is a serious issue. One thing is the improvement in technology. These four stroke engines are much better and there may be a way to address this by using the better technology. I hope you will take a serious look at that.

Mr. SKEEN. If there are no additional questions, I would like to thank the witnesses for their testimony today and this concludes the hearing on the National Park Service budget.

Ms. MAINELLA. Thank you, sir.

[Additional questions for the record follow:]

NATIONAL PARK SERVICE
FISCAL YEAR 2003 BUDGET
APRIL 10, 2002

ADDITIONAL COMMITTEE QUESTIONS

GENERAL POLICY QUESTIONS

1. Question: The Administration, the National Park Service and the Committee have all emphasized the importance of reducing the parks' most critical **backlog maintenance** problems. Would you agree that if future budgets do not contain **substantial** operating increases to address these critical needs, we will find ourselves in the same place in the future?

Answer: The National Park Service (NPS) has focused on addressing the maintenance backlog in recent budgets and has devoted increasingly large amounts of money to maintenance and facility backlog reduction. This emphasis on backlog reduction has been necessary and is continuing. We agree that intensive rehabilitation efforts are best complemented by operational activities such as preventive cyclic maintenance and park base increases in order to sustain the gains achieved. Without sufficient operational funding for maintenance, we will be faced with a similar backlog problem within the next 10 to 15 years.

In any budget request, determining how to cover myriad concerns and shortfalls is a difficult task. As we face a growing list of needs including homeland security concerns, the necessity to gather data for informed decision-making, the necessity to provide minimal resources for new park land and facility responsibilities, and a renewed emphasis on accountability, it has become even harder to maintain the appropriate balance between the competing requirements of capital investment and operations. Our FY 2003 request attempts to strike that balance, with some high priority, park base operational increases and a doubling of the cyclic maintenance program complimenting a still vigorous facility infrastructure program.

2. Question: What would you say is the **greatest challenge** or need facing the National Park Service?

Answer: The greatest challenge for the NPS is devising creative means to address the many needs of a complex organization and a changing National Park system. It is our challenge to direct our funding and energy to our most pressing, high priority operational concerns without compromising our efforts in other important, although lesser, priority issues. The NPS must become more accountable and professional, and make better resource decisions through better information, improved business practices and greater use of available technology. Realizing that Federal appropriations are not the only answer, we must seek alternative ways of funding, focusing on partnerships and other methods laid out in our park business plans. We must ensure that our park system, which represents the best of America, remains a shining light to the world and a source of comfort for all.

3. Question: Your budget includes $22 million for a **new partnership program** with non-federal partners yet the request only includes $9 million for high priority park-based operations. While partnerships are important elements to helping manage our public lands, why should this new partnership program take precedence over the critical operating needs of the units of the National Park System?

Answer: The goals of the Cooperative Conservation Initiative (CCI) and the National Park Service's requests to increase park base operations are similar regarding resource preservation, but the

CCI investment will be at least doubled (to $44 million) by its matching requirement. The CCI funds will go further in meeting our needs for natural resource projects in the parks.

It should be noted that there is actually more than $9 million in the budget request for park operational increases. There is also $18.7 million in additional money for increased security at 6 parks ($6.1 million) and for those units protected by the U.S. Park Police ($12.6 million). Overall, the fiscal year 2003 budget request includes an increase of $97.49 million for the Operation of the National Park System appropriation. While not all of this goes into park bases, it all benefits the parks and park operations. In addition, fee dollars are also used to the benefit of the parks.

4. Question: The Committee has provided significant appropriation increases over the last six years for critical **backlog maintenance**. During this same period, the Committee-initiated recreational fee demonstration program has provided large amounts of monies for this same purpose. Can you quantify how much progress has been made to reduce the backlog through these funding sources?

Answer: Funding available annually for accomplishing maintenance projects (including programs such as line-item construction, fee demonstration, repair and rehabilitation, concessions franchise fees, and the Federal Lands Highway Program) has grown 150 percent since 1995, from $263 million to $661 million requested in FY 2003. Thousands of projects have put deteriorated facilities into good condition, although an exact measurement will not be readily available until the annual condition assessment process is implemented by the end of 2003. At that time, the Service will be better able to report on the progress made with the significant amount of funding provided by the Committee.

5. Question: The Committee has invested considerable resources in capital improvements to address the deferred maintenance backlog in the last several years. What steps is NPS taking to protect these investments?

Answer: The NPS has invested and continues to invest much time and financial resources into our program of having reliable condition assessments of our facilities and the establishment of a maintenance management system to be deployed to all parks. These steps will afford the NPS a vehicle to measure our performance in reducing the maintenance backlog and help prioritize our actions. In addition, the NPS has proposed a doubling of our cyclic maintenance program in FY 2003 to increase preventive maintenance activities, and is placing a high priority on proposing park base increases tied to specific facility improvements. Examples of such increases in the FY 2003 budget include base increases for Manzanar NHS and Brown v Board of Education NHS.

6. Question: The Administration has committed to eliminating the Park Service's deferred **maintenance backlog** by 2006. In light of the difficulties the agency has had obtaining reliable information on the size of the backlog, is this objective realistic?

Answer: The NPS is committed to fulfilling the President's promise. Making significant progress against the backlog is realistic and funding the FY 2003 budget request will allow us to continue on this path. The exact parameters of the backlog, however, will not be known until the completion of annual condition assessments by the end of FY 2003. At that time, the NPS will be in a position to better evaluate the true scope of the facility backlog and be able to project a more precise timeline for success. In addition, much of the NPS backlog consists of road and bridge repair. Completion of backlogged road projects will be addressed in the Administration's proposal to renew funding under the Transportation Equity Act for the 21st Century program (TEA-21) in FY 2004.

7. Question: The Committee has provided over a billion dollars toward reducing the backlog over six years. It is likely that these operational and construction increases will continue. Has the Park Service

made a conscious effort to **revise the way they apportion operational increases** so that the parks can properly maintain the structures that have been recently repaired such as the stabilization work recently completed on Ellis Island? Also, please address this in the context of the entire park system.

Answer: The National Park Service (NPS) recognizes the importance of maintaining the resources for which it has responsibility. The NPS budget formulation system provides a way for a park to identify operating needs and link them to requested or completed backlogged projects. This type of operating need tends to receive a higher priority ranking from the field. Indeed, most of the NPS operating requests in recent years have focused primarily on new responsibilities. In the FY 2003 budget request, examples include operational and maintenance support of the new Wright-Dunbar Interpretive Center at Dayton Aviation Heritage National Historical Park, the Monroe School Visitor Center at Brown v. Board of Education National Historic Site, and the new visitor center at Manzanar National Historic Site. Furthermore, the FY 2003 request includes an increase of $25 million for the cyclic maintenance program, as a conscious effort to focus additional resources on preventive maintenance so a new backlog does not develop. Another change that has been implemented in the FY 2003 budget request linking operational needs to capital expenditures is the inclusion of estimates of operating costs associated with proposed land acquisition requests.

8. Question: While the Committee has always placed a high priority on needs of the National Park Service in allocating funds each year, the Service continues to have great difficulty in documenting progress and measuring success. What management changes are you making to ensure that improvements are made in this area?

Answer: In the area of facility maintenance, this will be accomplished through the use of condition assessments and the implementation of a new maintenance management program, the Facility Management Software System (FMSS). As the number of parks with access to and training in FMSS grows, the NPS will be increasingly able to track its maintenance needs accurately and to realistically estimate the cost of maintaining NPS facilities. FMSS will also record actual costs and accomplishments so that a specific accounting for the use of funds will be possible. FMSS will be in use at all parks by the end of FY 2003, and by the same time, baseline condition assessments will be completed in virtually all park units. Inventoried assets will be assigned a Facility Condition Index that quantifies its condition, allowing park managers to determine when it is more cost effective to replace, rather than repair, the structure. The changes in asset FCI will provide a direct measure of progress toward achieving maintenance goals.

In addition, the NPS is placing greater emphasis on performance-based service contracting and the development of new performance measures for programs like the Natural Resource Challenge and concessions.

9. Question: Your budget proposes reductions in administrative funding as part of a government-wide initiative. Given the Service's record of administrative problems, such as quantifying the maintenance backlog and measuring program success, won't the proposed administrative funding reductions exacerbate these problems? Please explain.

Answer: Assuming you are equating reductions in administrative funding to the budget request's absorption of fixed cost increases and travel, the Department has indicated that its agencies would offset unfunded pay increases by implementing internal reforms such as delayering organizations, competing work with the private sector, reexamining position grades, and management streamlining.

10. Question: The budget assumes that management savings will offset the need to provide 100 percent of fixed costs and travel expenses. Can you assure the Committee that there will be tangible savings from these management initiatives in fiscal year 2003 that will offset the operations reductions?

Answer: The National Park Service is committed to management reform including performance-based service contracting, working with non-profit partners to establish a loan repayment program to assist in employee recruiting, implementing the business plan model in conjunction with a strong partnership with the National Park Conservation Association and several universities, and accelerating competitive sourcing efforts. In addition, we will utilize teleconferencing and other innovative methods to decrease the need for travel. Our intention is that the resultant savings and cumulative effect of a variety of these reforms will allow us to absorb a portion of our fixed cost increases and travel costs.

11. Question: What is the specific impact of making the parks absorb $12 million in mandatory pay costs and $5.8 million in travel costs? In addition to addressing this issue nationwide, please give impacts on several specific park units.

Answer: Of the overall reductions of $13.3 million for pay and $6.5 million for travel, the parks are estimated to absorb $10.5 million and $5.1 million, respectively. NPS estimates that savings realized from management reforms will offset these absorptions.

Specific actions that might have to be taken vary. At Mount Rainier National Park, a shorter season might be implemented for the facilities on the east side of the park, including the Ohanapecosh Campground, which would also have its evening campfire programs limited to weekends. Law enforcement patrols might be reduced to one ranger per district per shift, eliminating any backup. At Point Reyes National Seashore, absorbing the reductions would possibly be covered by limiting the seasonal staffing of visitor centers and law enforcement staffing. The Drakes Beach Visitor Center, which now provides weekend and holiday service during the winter and five-day service during the summer, would be closed year-round. At Vicksburg National Military Park, a preservation specialist position might have to go unfilled, causing delays in the repointing of masonry joints and the cleaning of the park's 1,400 monuments and markers.

12. Question: Won't smaller parks be disproportionately impacted by this reduction?

Answer: Smaller parks will not necessarily be disproportionately impacted by our plans to save money through management reforms. And even though it will be harder for smaller parks to implement ways to absorb some of their FY 2003 fixed cost increases, it is the National Park Service's intent to have all park situations monitored, and the responsibility for reform savings shifted if necessary, so that no park's core operations are affected.

13. Question: What are the types of services that will have to be reduced or eliminated

Answer: The National Park Service does not intend to reduce or eliminate any core services in parks to attain savings through management reform. We will instead take opportunities to reduce travel at all organizational levels, combine similar service needs of nearby organizations into a single contract, reexamine the grade structure of vacant positions, and implement other actions of this nature.

BUSINESS PLANS

14. Question: The business plans have identified funding needs at nearly every park where they have been completed. Obviously, appropriations cannot be the only answer to these situations. How are the results from the business plans completed to date being used in formulating the NPS budget?

Answer: The preparation of the NPS budget for operations is a very decentralized process, with increases formulated at each park unit and then prioritized at the park, regional, and national levels. It has been our experience that one of the benefits for a park having completed a business plan is the development of a much more systematic framework used as the basis for these requests. Using the data generated from their business plans, almost all parks have reformulated requests, generated new requests, and reprioritized existing requests. Data developed through the business plan process has been entered into the Service's automated budget formulation systems. In addition to improving the budget formulation process, the business plans are used to develop strategies for leveraging non-appropriated funding sources.

15. Question: Can you give the Committee a sense of how you see this program developing over the next several years?

Answer: Using the funding provided by the Committee, we are in the process of developing a web-based electronic performance support system to facilitate the development of these plans across the System. This tool, which includes a standardized template, will allow parks to complete business plans without the aid of the external consulting resources that we are currently utilizing from business and policy schools. As this system becomes part of our standardized planning processes, subsequent phases of development would integrate the business planning system into our systems for park operating increases, projects, and performance management. The result over time would be a standardized analytical framework for financial decision-making.

16. Question: Can you describe the evolution of these business plans over the last several years?

Answer: The business plan idea began in 1998, with initial work undertaken in a small number of parks. While no plans were completed that year, the processes that have served as our foundation were developed. During 1999, the overall management functions were centralized in the Washington office, and during the period from 1999 to 2001, we have completed 37 plans. These plans represent approximately 11% of the units in the National Park System, 27% of our operating budget, 29% of our visitation, and 32% of NPS acreage. In each of the years during this time period, we have continued to strengthen the training and support that we are able to provide the consultant teams in parks, and those park's management teams, in completing these documents. Furthermore, we have continued to expand and refine the standardized components of a business plan. This year will be a major step forward for the program, as we will be testing the first version of our electronic performance support system with this summer's group of parks. This is the automated template that will facilitate development of business plans throughout the NPS.

17. Question: Is the Service actively working to resolve the administrative barriers that exist to make it easier to recruit these specialized individuals?

Answer: At this time there are no administrative barriers that exist prohibiting us from recruiting these individuals. We are working determinedly to employ people with these skills and qualifications.

SOUTH FLORIDA RESTORATION

18. Question: Will the Department of the Interior have any role or say in how these modifications to water deliveries will be operated once they are constructed?

Answer: The National Park Service (NPS) and the Fish and Wildlife Service (FWS) have routinely provided input to the U.S. Army Corps of Engineers (COE) and the South Florida Water

Management District on water management operations related to Everglades National Park and other NPS and FWS lands, and have a consultative role on these operational decisions once the project modifications are completed. This consultative role allows the NPS and FWS to serve as cooperating agencies under the authority of the National Environmental Policy Act (NEPA) during the plan formulation and design phases of these projects, as well as for later operational modifications. This includes consultation with the U.S. Army Corps of Engineers in the development of the operational rules for all new water control structures. Further, NPS and FWS provide advice and recommendations to the COE under the Fish and Wildlife Coordination Act. The FWS also has a formal consultative role under the Endangered Species Act to evaluate the effect of modifications to water deliveries on threatened and endangered species.

From the mid 1980's through the mid 1990's, the National Park Service had a formal concurrence role in all operational decisions related to Everglades National Park water deliveries, as required by Public Law 98-181. This concurrence role was suspended in 1997 and formally terminated in 2000 when the Army Corps of Engineers began using emergency authorities to modify water deliveries, to meet the requirements of a 1999 Fish and Wildlife Service Biological Opinion focused on the protection of the Cape Sable Seaside Sparrow.

Under the long-term adaptive management process that is being established for south Florida restoration initiatives, the Army Corps of Engineers envisions that a formal consultation process will be established. The Department of Interior must have a significant consultation role in this process, particularly for the water management operations that directly affect NPS and FWS lands and waters.

19. Question: What is the Park Service's definition of restoration for the South Florida Ecosystem?

Answer: Restoration is a sequence of actions taken to reestablish a naturally functioning, self-maintaining ecosystem that has sufficient biological diversity, and is integrated with the broader regional landscape. Land and water management activities should focus on the reestablishment of natural hydrological and ecological processes that are thought to have characterized the pre-drainage ecosystem, and allow these ecological components and processes to evolve over time, in response to changing environmental conditions.

In south Florida, specific management actions are needed to reverse habitat losses and habitat fragmentation due to drainage and development, improve water quality, control invasive exotic species, increase the abundance and diversity of native plants and animals, and restore natural hydrological processes. The NPS and FWS units that the Department maintains in South Florida are intended to serve as core natural areas to protect biological diversity and act as ecological benchmarks to measure long-term restoration success.

20. The Park will receive great benefit from two projects that are currently underway – the Modified Waters Delivery and the C-111 projects. However, these projects have been delayed by water quality concerns, issues over how high to keep water in the canals on the east side of the Park, and land acquisition difficulties. What is the status of each project?

Answer: The Modified Water Deliveries Project is designed to restore more natural hydrologic conditions to the Northeast Shark Slough basin of Everglades National Park. The Project includes acquisition of over 109,000 acres of wetlands in Northeast Shark Slough and the East Everglades and the construction of three major water control components. The land acquisition program is approximately 97% complete, and the remaining 3% should be complete in late 2002. The largest construction component is the flood mitigation features for the 8.5 Square Mile Area. The U.S. Army Corps of Engineers approved the final plan for this component in December 2000. The Corps is currently acquiring

the lands required for the approved buffer area and levee and canal alignments, and construction was originally slated for completion by December 2003.

The redesign of this project component and ultimate completion of this project to achieve restoration of more natural water flows to Everglades National Park is uncertain, and complicated by a recent adverse ruling in pending litigation against the COE. On May 13, 2002, a magistrate judge in the U.S. Federal District in the Southern District of Florida issued a recommended ruling finding that the COE lacked authority to acquire lands in the 8.5 Square Mile Area as a method of providing the necessary flood mitigation. Although this ruling has not yet been adopted by the District Court, it has the potential, if finalized, to reverse ongoing efforts to provide flood protection to the 8.5 Square Mile Area through a combination of land acquisition and construction of structural features. This could result in achieving more limited restoration of natural water flows to Everglades National Park.

The second construction component includes Conveyance and Seepage Control features to improve sheetflow through the upstream Water Conservation Areas and mitigate for any increased flooding impacts on adjacent lands to the east of the Park. The U.S. Army Corps of Engineers completed a Value Engineering Report on these structural features in January 2000, and construction is slated for completion in late 2003. The final construction component is the modification to Tamiami Trail (US 41) to increase flows from the upstream Water Conservation Areas into Northeast Shark Slough. The U.S. Army Corps of Engineers completed the recommended plan for this component in March 2001. The plan includes the construction of a 3,000-foot bridge and raising the remaining portions of the Tamiami Trail roadway. This component is slated for completion in late 2005.

Additional modifications to provide for increased water conveyance and marsh connectivity under Tamiami Trail were identified by the Corps as their environmentally preferred alternative for the Modified Water Deliveries Project. These improvements will be addressed under the authority of the Comprehensive Everglades Restoration Plan. The final operational plan for the Modified Water Deliveries Project is being developed by the U.S. Army Corps of Engineers in conjunction with the C-111 Project. This will be accomplished through a Combined Structural and Operational Plan (CSOP), which is slated for completion in late 2005.

The C-111 Project is designed to restore more natural hydrologic conditions in the Taylor Slough and Eastern Panhandle basins of Everglades National Park. This project includes the acquisition of over 12,000 acres of wetlands and the construction of three major water control components. In January 2002, U.S. Army Corps of Engineers issued the C-111 Supplemental General Reevaluation Report to meet Congressional directives in WRDA 1996 related to water quality. The supplement also addresses adjustments in the project's land acquisition requirements, and establishes a credit program for previous land acquisition actions by the local sponsor (SFWMD).

The first construction component is the Lower C-111 Sheetflow Enhancement features that redirect flows from the lower C-111 canal into Northeast Florida Bay. This project component was completed in 1998. The second project component is the construction of two new bridges over Taylor Slough along the main Park Road, and this component was completed in August 2000. The final and largest project component includes new Pump Stations and associated Detention Areas along the upper L-31N canal that will discharge into the headwaters of the Taylor Slough watershed. The first of three pump stations S-332D was completed in 1999, and was operational in 2000. The remaining pump stations, S332B and S332C, and their associated detention areas, are been constructed as temporary pump stations to meet the requirements of the 1999 FWS Biological Opinion. They will be in place and operational by July 2002. These temporary facilities are scheduled to be replaced by permanent pump stations by December 2005.

21. Question: The Corps is using interagency Project Delivery Teams (PDT) to design the 68 individual projects that will "get the water right" in South Florida. Team meetings will give resource agencies like the Park Service the chance to bring science and issues to the table. Does the Park Service have people participating in these meetings?

Answer: The National Park Service has staff participating in the Project Delivery Teams and in the system-wide scientific evaluation and planning teams, known as RECOVER (this stands for REstoration, COordination, and VERification). The Department recognizes the importance of these interagency efforts and the role that ecosystem oriented agencies like the NPS, FWS, and USGS can play in defining restoration goals and tracking long-term restoration success.

22. Question: The Everglades Expansion Act of 1989 authorized the Secretary of the Army, in consultation with the Secretary of the Interior, to construct modifications to the Central and Southern Florida Project to improve water deliveries into the park and, to the extent practicable, take steps to restore the natural hydrological conditions within the park. What is the status of this Modified Water Deliveries Project funded entirely by this committee?

Answer: All of the land acquisition efforts will be completed by late 2002. The Modified Water Deliveries construction components that address increased Conveyance and Seepage Control and the 8.5 Square Mile Area flood mitigation features are scheduled for completion by December 2003, although that schedule is uncertain based upon a recent adverse ruling in Federal court, finding that the COE lacks authority to implement the newly redesigned plan for the 8.5 Square Mile Area flood protection features. The remaining structural features that address modifications to the Tamiami Trail roadway are scheduled for completion in late 2005.

The final operational plan for the Modified Water Deliveries Project will be developed in conjunction with the C-111 Project, and is scheduled for completion in late 2005. For more details on the project components and schedules, see the response to question 20.

23. Question: Will the natural hydrological conditions be restored?

Answer: The primary benefit of the Modified Water Deliveries Project is in improvements to the timing and distribution of flows entering the Shark Slough watershed. The project will begin to reestablish sheetflow through the upstream Water Conservation Areas and reintroduce surface water inflows into the Northeast Shark Slough basin of ENP. Since the completion of the Corps 1992 Modified Water Deliveries General Design Memorandum, south Florida water managers have acknowledged that additional water volumes are needed to restore more natural hydrologic conditions in ENP. The Comprehensive Everglades Restoration Plan will be the forum to address these needed increases in water volumes, as well as improving water quality, and providing long-term assurances to permanently protect Park resources.

24. Question: Please explain what constitutes restoration of the natural hydrological conditions?

Answer: Restoration of more natural hydrologic conditions refers to reestablishing the pre-drainage patterns of spatial water depths, and the durations of flooding and drydown events in the Everglades wetlands, as well as reestablishing the volume, timing, and distribution of pre-drainage flow patterns through the wetlands and into the downstream estuaries. In the pre-drainage Everglades, permanent and seasonally inundated wetlands covered nearly 9 million acres. This large spatial extent was coupled with the very slight elevation gradient, dense wetland vegetation, and highly permeable organic soils to produce slow moving sheetflow that prolonged the effects of wet season rainfall, and

buffered the ecosystem from the impacts of floods and droughts. These seasonal and annual hydrological patterns were closely linked with the cycles of aquatic production, and the dispersal, reproduction, and survival of native plant and animal communities.

In the post-drainage Everglades, 4.5 million acres of wetlands have been drained for urban and agricultural development, greatly reducing natural water storage and overall water availability. Sheetflow processes have been greatly reduced, and replaced by canal and levee systems that channelize water flows, create artificial impoundments, and fragment the landscape. Flood control demands result in major water diversions to tide, and water supply requirements result in the stacking of water in the Water Conservation Areas, altering marsh water depths and flow patterns. All of these changes have had detrimental effects on native plant and animal communities, and made the ecosystem more susceptible to the impacts of floods and droughts. The reestablishment of pre-drainage hydrologic conditions in the remaining natural areas should begin to reverse the habitat losses caused by marsh fragmentation and over-drainage. Restoring more natural hydrologic conditions will also improve water quality, reduce the spread of exotics, and increase the abundance of diversity of native plants and animals, which should make the ecosystem more resilient to man-made disturbances.

25. Question: Will water deliveries into the park be improved? If so, by how much?

Answer: The Modified Water Deliveries Project will address key structural components needed to improve the timing and distribution of flows into the Northeast Shark Slough basin of Everglades National Park. All of the infrastructure elements needed to allow for improved inflows into the ENP expansion lands have been designed, and the majority of the construction features will be completed by late 2003. The U.S. Army Corps of Engineers is now beginning the process of defining the long-term operations of these new components. This operational plan, slated for completion in December 2005, will largely determine the level of hydrologic benefits provided by the plan.

26. Question: What results are expected to be achieved?

Answer: We expect to see significant improvement of the hydrological and ecological functions in the lands added by Congress to Everglades National Park. By rehydrating these severely overdrained areas and improving sheetflow in these marshes, we expect to see improved wading bird foraging, alligator recolonization, reduced invasive plant species, a shift toward more natural fire regimes, and increased aquatic productivity. The degree of hydrological and ecological improvement is contingent on the final operating plan.

27. Question: The Act also directed the Secretary of the Army, in analysis, design and engineering associated with the development of a general design memorandum for works and operations in the "C-111 Basin" area of the East Everglades, to take all measures which are feasible and consistent with the purposes of the project to protect natural values associated with Everglades National Park. This effort is commonly referred to as the C-111 project. What is the status of the C-111 project?

Answer: A detailed discussion of the status of the C-111 Project structural components is provided in the response to question20 . Many of the structural components were completed in 1999 and 2000. The remaining structural features will be completed by late 2005. The final operations for the C-111 Project will be developed under the Combined Structural and Operational Plan (CSOP), slated for completion in December 2005.

28. Question: Will Taylor Slough be restored as part of this project? What constitutes effective restoration of Taylor Slough?

Answer: The Congressionally-approved 1994 C-111 General Reevaluation Report has as its primary purpose the restoration of the hydrologic conditions in the Taylor Slough and Eastern Panhandle basins of Everglades National Park, while maintaining the authorized levels of flood protection in the adjacent developed areas. Effective restoration of Taylor Slough requires the reestablishment of pre-drainage water depths and hydroperiods in these wetlands, and restoring pre-drainage freshwater flow patterns into the downstream Florida Bay estuaries. Achieving these restoration benefits depends on the final design of the pump stations and detention areas in the Taylor Slough headwaters, that will be constructed by the C-111 project, and their final operating plans, that are slated for completion in late 2005.

Major rainfall events in the watershed during 1999 and 2000 have generated local pressure to expand the purpose of the C-111 Project to provide increased flood protection to the adjacent developed areas in the C-111 basin. The DOI is working closely with the Army Corps of Engineers and the South Florida Water Management District to ensure that restoration remains the primary objective of the C-111 Project. Any additional flood protection activities must be accomplished in a way that does not reduce the environmental benefits that were expected to be provided by the C-111 Project.

29. Question: In general, will the Modified Waters Deliveries Project and the C-111 Project provides the intended benefits to the Everglades National Park?

Answer: The level of restoration benefits from these projects will not be known until the operational plans for these projects are complete in late 2005. The National Park Service will continue to work with the U.S. Army Corps of Engineers and the South Florida Water Management District to ensure that these projects provide the intended environmental benefits to Everglades National Park and the greater South Florida ecosystem.

COOPERATIVE CONSERVATION INITIATIVE

30. Question: Specifically, how is the Cooperative Conservation Initiative different from the existing Challenge grant program if at all?

Answer: The existing Challenge Cost Share Program (CCSP) seeks to support increased participation by neighboring communities and qualified partners in the preservation and improvement of NPS natural, cultural, and recreational resources and in the support of all other authorized Service programs and activities, including national trails. The Cooperative Conservation Initiative (CCI) represents a more focused program, funding projects that specifically address the natural resource restoration and protection needs of parks.

31. Question: What specific criteria and guidelines does the Service presently employ in the operation of its existing challenge cost share program?

Answer: The following information outlines the criteria and guidelines of the Challenge Cost Share Program (CCSP) in FY 2002:

- CCSP awards will be made in made in four categories: (1) Regular CCSP projects; (2) National Trails System CCSP projects; (3) Lewis and Clark CCSP projects, and; (4) Director's CCSP projects of national scope.
- The maximum Federal share for Regular, National Trails System, and Director's national scope projects is $30,000. The maximum Federal share for Lewis and Clark projects is $250,000. An equal amount of eligible and allowable matching share of cash, goods, or services from non-Federal sources is required.

- With the exception of those projects selected by the Director, project proposals are forwarded by parks, centers, and/or program offices for competitive selection by the Regional Directors. Projects selected are generally those able to be completed within one year.
- Each Region may use up to $5,000 to offset project review, selection costs, and/or administration.
- All projects must be selected by no later than July 1, 2002.
- Selection Criteria: To be eligible for competitive evaluation for all CCSP categories, the applicant must meet the following selection criteria: Proposed project meets a critical need or issue faced by the park or by other sites or segments of our population; the proposal ensures and demonstrates active and full support, partnership, sponsorship, and participation by non-NPS entities ensuring a strong collaborative effort; the budget narrative details sufficient, necessary, and reasonably valued costs for materials and services to complete proposed work within the scheduled time frame.
- $210,900 is reserved for Director's projects in FY 2002.
- Eligible costs are valued according to the appropriate Office of Management and Budget Circular cost principles (Department of the Interior regulations at 43 CFR 12).
- Federal funds cannot match Federal funds.
- Generally, CCSP money shall not be used to fund "regular" ONPS activity. This includes routine maintenance or other normally budgeted park operational activity.
- Where CCSP funding is part of a larger project, only the scope of work of the CCSP project should be considered in calculating the matching share amount to be applied to CCSP.

32. Question: Does the park superintendent select the projects?

Answer: Superintendents do not make selections. CCSP projects are selected at the Regional Office level. CCSP projects of national scope are selected by the Director. Lewis and Clark CCSP projects are selected by the Lewis and Clark National Historic Trail Office.

33. Question: Since the funds are included under the existing Challenge Cost Share program, will the criteria remain the same?

Answer: All criteria for selecting CCI projects have not yet been finalized; however, these criteria will be expanded beyond the project selection criteria included in the existing CCSP.

34. Question: If not, please provide the specific criteria, guidelines and selection process for the new initiative?

Answer: The CCI criteria that have been developed include:

Applicants will have to have partners—States, local governments, Tribes, non-governmental organizations, the private sector, and/or private individuals—for the receipt of any funds. In addition, coalitions of partners are encouraged.

Projects will be nominated through the bureaus' field units for the CCI operating account funds.

•Ranking Criteria: The CCI ranking criteria will be more specifically developed so that the program would be ready to proceed in October 2002, with approval of the Congress. Examples of types of criteria that will be considered include enhancement or protection of wildlife; restoration of streams and riparian areas; number of partners and degree of involvement, financial and otherwise; and size of match.

•Selection Criteria: Eligible projects/programs could be either new or expansion projects in accordance with the purposes stated above. New projects could be a demonstration project, a pilot, or replication of a

project succeeding elsewhere. For expansion of existing projects, CCI funds can only be used for the new and expanded portion.

- Projects will be selected competitively based on the benefits derived from the project. Bureaus will look for innovative ideas from partners and joint federal/partners decision-making mechanisms will be reflected in approved applications for funds.

- Applications will 1) identify stakeholder involvement in the application and 2) be required to identify benefits to be achieved as well as timelines for accomplishing clearly defined goals.

•Selection Process: The Director will make decisions on competitive applications for funds, with final review by the Secretary for the CCI operating accounts. However, project ideas are intended to be generated in the field rather than by Washington headquarters.

•Duration of Projects: The length of projects will receive no commitment beyond one year for the operating accounts but opportunities for renewal will exist.

•Administrative Costs: Bureau administrative/overhead costs will be no more than two percent of the total for the operating account programs.

•Mechanisms for Fund Transfer: Cooperative agreements, contracts, and memoranda of understanding will be used for the operating account CCI programs.

•Reporting Requirements/Accountability: Recipients of the CCI operating account projects will be required to report program progress and financial status quarterly. The Director or her designees will meet quarterly with the Department to discuss progress of the program.

35. Please provide for the record the projects selected for the last two years. Please include any project partners, purpose for the project and benefits to the park unit.

Answer: During FY 2000 and FY 2001, a total of $6.671 million was distributed to the various NPS regions and offices to fund Challenge Cost Share projects. The partners in these projects contributed well over $27 million, more than quadrupling the value from the Federal dollars. A list of projects, partners, and costs is provided.

NATIONAL PARK SERVICE

Challenge Cost Share Program, Two-Year Summary of Projects

Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
AK	Alaska Region	Municipality of Anchorage	Improvements to the Girdwood-Iditarod Trail	7,500
AK	Alaska Region	Iditarod Trail Blazers	Improve Kenai Peninsula Iditarod National Historic Trail	11,400
AK	Alaska Region	GCI	Develop park access Web-based curriculum	30,000
AK	Alaska Region	Municipality of Anchorage	Reconstruct Girdwood Alaska Iditarod National Historic Trail	7,500
AK	Alaska Regional Office	Alaska Mountain & Wilderness Huts Assn	Rehab, retrofit, manage and maintain old homestead log cabin	11,400
AK	Denali NP	Alaska Natural History Association	Produce free and sale publications on park; hire two SCA for winter interp programs; conduct the first Denali Winterfest	4,000
AK	Gates of the Arctic NP & Preserve	The Nature Conservancy	Identify the plants, animals, and natural communities that typify the Arctic Brooks Range Ecoregion	30,000
AK	Glacier Bay NP	Panasonic Corporation, Pace Technologies	Produce film celebrating underwater resources of Glacier Bay	30,000
AK	Katmai NP	Dallas Museum of Natural History	Cooperative paleontological inventory of fossil bearing strata	24,200
AK	Kenai Fjords NP	Canon Expedition into the Parks	Study human impacts on bear populations, phase 2	27,500
AK	Kenai Fjords NP	Dallas Museum of Natural History	Cooperative paleontological inventory of fossil bearing strata	15,000
AK	Kenai Fjords NP	Alaska Natural History Association	Relocate Ranger Station, install solar utilities, wire building	3,000
AK	Kenai Fjords NP	Alaska Natural History Association	Natural History Assn summer staff at Exit Glacier info center	10,000
AK	Kenai Fjords NP	Alaska Natural History Association	Update a free multi-agency newspaper	2,000
AK	Kenai Fjords NP	Canon Expedition into the Parks	Study human impacts on bear populations, phase 3	27,500
AK	Western Arctic Parklands	University of Alaska	Complete a muskoxen composition and behavior study	4,700
AK	Western Arctic Parklands	Koyuk IRA	Mark Iditarod NHT with 52 official historic trail mileposts	7,500
		Subtotal, Alaska Region		**253,200**
IM	Bandelier NM	Los Alamos Middle School	Outreach to community & school re: fire ecology	7,748
IM	Bandelier NM	Los Alamos Middle School	Provide equipment, tools, training, tech support for ongoing wildfire urban interface education program	27,251
IM	Bent's Old Fort NHS	Arkansas Valley Correctional Facility	Tamarisk Control on 94 acres	24,000
IM	Bent's Old Fort NHS	Arkansas Valley Correctional Facility	Clear 50 acres of tamarisk within the historic landscape	22,000
IM	Bryce Canyon NP	Sierra Club	Build boundary fence with Sierra Club	5,000
IM	Canyonlands	Hopi Foundation	Hopi & Zuni archeological training	40,000
IM	Canyonlands NP	Canyonlands Natural History Association	Training in conducting and documenting oral cultural history	12,800
IM	Casa Grande Ruins NM	Statistical Research, Inc.	Produce flexible and updateable GIS for park & adjacent lands	7,600
IM	Casa Grande Ruins NM	Arizona State University - Dept. of Anthropology	Archeological survey and subsurface testing to define the full boundaries of the Casa Grande settlement	30,000
IM	Chaco Culture NHP	SW Youth Corps	Archeological site mapping	12,000

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
IM	Chaco Culture NHP	Albuquerque Astronomical Society, Hubwest ICS, Univ of New Mexico	Quantify night sky darkness; create website, and input date	18,300
IM	Chickasaw NRA	Southern OK Memorial Found., Nobel Found.	Replace outdated native habitat exhibits	25,100
IM	Glacier NP	National Park Foundation Owl Research Inst	Complete first systematic inventory of park nocturnal owls	12,000
IM	Grand Canyon NP	Grand Canyon Unified School District	School to work habitat restoration - 300+ students	5,536
IM	Grand Canyon NP	Elderhostel and Sierra Club	Volunteer non-native plant eradication program	23,100
IM	Great Sand Dunes NM	Los Caminos Antiguos	Documentary on the cultural heritage of the area	5,000
IM	Hubbell Trading Post NHS	Navajo Health Foundation	Revise and publish Historic Ganado Mission Guidebook	4,000
IM	Hubbell Trading Post NHS	Ganado Water Users Association	Ganado Harvest Festival, educate & connect farmers w/help	3,000
IM	Hubbell Trading Post NHS	Southwest Parks and Monuments Association	Paid internships to attract underrepresented groups to NPS	1,837
IM	IM Cultural Res Center	Trail of Tears Association	Meeting of archeologists, historians, etc to improve trail map	3,000
IM	IM Cultural Res Center	Pioneer Historical Society of Dent County	Archeo work at Kit Carson house; historic Boggsville exhibits	24,000
IM	IM Cultural Res Center	City of Las Vegas, NM	Bilingual written/audio wayside exhibit on the Santa Fe Trail	4,200
IM	IM Cultural Res Center	National Frontier Trails Center	Waysides, audio station and walkway in Independence, MO	9,200
IM	IM Cultural Res Center	City of Raton, NM	Wayside exhibit on Willow Springs Sta. on Santa Fe Tr	1,000
IM	IM Cultural Res Center	Santa Fe Trail Association	Public symposium on the latest Santa Fe Trail research	3,200
IM	IM Cultural Res Center	Vann House State Historic Site	Exhibits & video for new museum at a Trail of Tears site	30,000
IM	IM Cultural Res Center	3-Trails West, Inc	Landscaped walkway & exhibit, 3 hist trails-Kans. City MO	3,000
IM	IM Cultural Res Center	3-Trails West, Cave Spring Assoc.	Site plan for visitor access and information at trail remnant	18,000
IM	IM Cultural Res Center	3-Trails, LaFarge Cement Corp.	Develop MO river overlook, to interpret 4 historic trails	12,400
IM	IM Cultural Res Center	3-Trails, Hickman Mills Sch District	750 ft of greenway & 3 exhibits in Kans. City/Independence	7,200
IM	IM Cultural Res Center	3-Trails West	Cataloging and documentation of historic research materials	1,600
IM	Intermountain Denver	City of Wheat Ridge (CO) Park and Rec Dept.	Prospect Lake bank restoration & habitat	4,200
IM	Intermountain Santa Fe	City of Lockhart, Texas	Town branch Greenway system interp plan development	15,000
IM	Intermountain Denver	Trail of Tears Association	Develop joint website, public journal, newsletter	30,000
IM	Intermountain Denver	Colorado Historical Society	Develop Pike's Stockade master plan	14,700
IM	Intermountain Denver		Travelers Rest NHL - Investigate/document actual site	8,792
IM	Intermountain Denver	Missoula Montana City/County	Travelers Rest NHL - Investigate and document Rest site	30,000
IM	Intermountain Denver	North Fork River Improvement Association	North Fork irrigation diversion demo	25,100
IM	Intermountain Santa Fe	Choctaw Nation	Repair & reroof Pushmataha Hall	30,000
IM	Intermountain Santa Fe	Brazos Greenways Council, Texas A&M U	Promote greenway/open space program in area communities	26,200
IM	Intermountain Santa Fe	Morris County Historical Society	Preserve & maintain historic house associated with Santa Fe Trail	900
IM	Intermountain Santa Fe	Kit Carson - Taos Historic Museums	Assess and document Kit Carson home train young people in preparation of historic documentation	16,100
IM	Intermountain Santa Fe	Arizona Trail Association	Regional trail teams - establish a minimum of six in Arizona	29,900
IM	Intermountain Santa Fe	Bull Creek Foundation	Brochure, trail signs, kiosks, displays on Old Spicewood Spr.	9,600

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
IM	Long Distance Trails Office	Pony Express NHT	Bridge building, trail construction & maintenance	13,640
IM	Long Distance Trails Office	Kansas Chapter, Oregon California Trail Association	Survey & mapping of Ore/Calif trails in NE Kansas	23,332
IM	Long Distance Trails Office	NW Chapter, Oregon California Trail Association	Survey & mapping of historic trails in Pendleton, Ore area	10,000
IM	Long Distance Trails Office	Utah Historic Trails Consortium	Redesign & layout brochure "The Mormon Trail in Utah"	1,200
IM	Long Distance Trails Office	Cherokee National Historical Society	AV production at Cherokee Nat museum, exhibits	26,000
IM	Long Distance Trails Office	University of Wyoming	Archeological study of Seminole Indians at Devils Gate, WY	30,000
IM	Long Distance Trails Office	National Pony Express Association	Train volunteers to give programs at schools on pony express	2,248
IM	Long Distance Trails Office	Little Bighorn Productions	PBS style video about Ft. Laramie on four historic trail routes	30,000
IM	Long Distance Trails Office	National Ore/Ca Public Affairs Division	Historic Trails preservation video	24,088
IM	Long Distance Trails Office	NW Chapter, Oregon-California Trail Association	Study/survey of Applegate Trail, part of the California NHT	21,164
IM	Long Distance Trails Office	Nebraska Department of Roads	Auto route signs across Nebraska relating to historic trails	7,500
IM	Petroglyph NM	New Mexico Museum of Natural History & NM Museum of Natural History Foundation	Develop an educational hands-on exhibit for use by New Mexico parks and schools	9,000
IM	Petroglyph NM	City of Albuquerque, NM	Piedras Marcadas - concept trail plan, 2 interpretive waysides	3,000
IM	Regional Director, IMR		Old stories/new voices	16,000
IM	Rocky Mountain NP	Rocky Mountain National Park Associates	Restoration/rehabilitation of the Louise Cabin	25,300
IM	Washita Battlefield NHS	Southern Cheyenne and Araphao Tribes	Cheyenne/Arapaho Tribe, hire temp Cult Liaison Pgm Asst	13,700
IM	Yellowstone NP	Confederated Tribes of the Kootenai'Salish	Oral history on Yellowstone ties with tribe audio tapes	7,750
IM	Yellowstone NP	P.A.S.T. Foundation	Underwater archeo survey to complete site documentation	30,000
		Subtotal, Intermountain Region		**937,486**
MW	Lewis & Clark CCI	Ronald Craig	Who was York? Interpretive program	2,000
MW	Lewis & Clark CCI	LC Trail Heritage Foundation	Review to update Foundation Curriculum Guide	3,000
MW	Lewis & Clark CCI	LC Trail Heritage Foundation	Printing of Curriculum Update	3,000
MW	Lewis & Clark CCI	LCTHF	Trail stewardship Project	4,000
MW	Lewis & Clark CCI	Bicentennial Council	Electronic communication	5,000
MW	Lewis & Clark CCI	Bicentennial Council	Corporate sponsorship feasibility analysis	10,000
MW	Lewis & Clark CCI	Loess Hills Hospitality Association	L&C Educational tour for students	3,123
MW	Lewis & Clark CCI	Clearwater-Snake L/C Bicentennial Committee	Passages 2000: Getting 'IT' Done - 4 states for the Bicentennial	5,000
MW	Lewis & Clark CCI	Lewis & Clark Information Center (of Idaho)	L&C & the Native Americans in Idaho (a Statewide brochure)	10,000
MW	Lewis & Clark CCI	Nez Perce Tribe	Nez Perce-L&C cultural & interpretive project	17,643
MW	Lewis & Clark CCI	Discovery Expedition of St. Charles, Inc.	Discovery Expedition of St. Charles, MO	10,000
MW	Lewis & Clark CCI	State of Missouri	MO L&C Expedition interpretive signs	12,000
MW	Lewis & Clark CCI	LCTHF - Portage Chapter	Scholar in Residence program	2,500
MW	Lewis & Clark CCI	LCTHF - Portage Chapter	Print 40,000 L&C portage brochures	2,500
MW	Lewis & Clark CCI	LCTHF - MT Chapter	Beaver's Head Rock Sign	3,000

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
MW	Lewis & Clark CCI	Lewis & Clark Interpretive Association	Establish a "Junior Explorer" program	3,500
MW	Lewis & Clark CCI	MT MO River Country Toursim Board	MT MO River Country LC Interp. Kiosk	4,465
MW	Lewis & Clark CCI	Beaverhead Chamber of Commerce	L/C Host Tools & training for Beaverhead CO, MT	5,000
MW	Lewis & Clark CCI	MT L/C Bicentennial Commission	MT L/C Bicentennial Strategic Planning	15,000
MW	Lewis & Clark CCI	ND L/C Bicentennial Foundation	ND Lewis & Clark Bicentennial Foundation	10,000
MW	Lewis & Clark CCI	Three Affiliated Tribes Museum	"The Ways of Our People"	10,612
MW	Lewis & Clark CCI	NE Humanities Council	LC Teachers	15,000
MW	Lewis & Clark CCI	NE/IA L/C Coordinating Council	NE/IA LC Trail Brochure	5,000
MW	Lewis & Clark CCI	Columbia River Maritime Museum	Nicholas Finch on the Trail of Discovery	6,000
MW	Lewis & Clark CCI	Confed Tribes of Umatilla Indian Reservation	Homeland Heritage Loop	7,193
MW	Lewis & Clark CCI	Morrow County Planning Dept.	Morrow Co. Heritage Trail LC Signage	8,000
MW	Lewis & Clark CCI	L/C Bicentennial Assn., Clatsop County, OR	Oregon Lewis & Clark Bicentennial Plan	10,000
MW	Lewis & Clark CCI	LC On Ohio, Mississippi & Missouri Rivers	SD Community LC Project	10,000
MW	Lewis & Clark CCI	Elk Point City	Elk Point L/C Wayside Exhibit & Botanical Garden	10,000
MW	Lewis & Clark CCI	W.H. Over Museum	LC Learning & Information Center at the W.H. Over Museum	12,063
MW	Lewis & Clark CCI	Pacific County Friends of Lewis & Clark	Pacific County, WA L/C Website	5,000
MW	Lewis & Clark CCI	WA State Historical Society	WA L&C Bicent. planning communication & field services	10,000
MW	Lewis & Clark CCI	Wahiiakum Port	Skamokawa Vista Park Heritage Trail	10,000
MW	Lewis & Clark CCI	L&C Interpretive Association	L&C Topographic/Relief Trail Map Set	10,000
MW	Lewis & Clark CCI	LCTHF	Trail Stewardship	13,000
MW	Lewis & Clark CCI	LCTHF	L&C Trail Slide Project	5,785
MW	Lewis & Clark CCI	LCTHF	Curriculum and Resource guide for Middle & Jr High Schools	3,500
MW	Lewis & Clark CCI	Nat Assn of Tribal Historic Preserv Officers	Tribal Opportunities Tool Kit preservation, protection, promo	20,000
MW	Lewis & Clark CCI	National Council of the L&C Bicentennial	National Council Web Site Enhancement & Reconstruction	10,000
MW	Lewis & Clark CCI	National Council of the L&C Bicentennial.	Sixth Annual Bicentennial Planning Workshop	10,000
MW	Lewis & Clark CCI	National Council of the L&C Bicentennial.	National Council Tribal Liaison Administrative Associate	22,000
MW	Lewis & Clark CCI	National Council of the L&C Bicentennial.	Tribal Gathering II - Omaha, April 2001	30,000
MW	Lewis & Clark CCI	Northwest Regional Educational Laboratory	Guidelines for gathering & using info on L&C and Tribes	10,000
MW	Lewis & Clark CCI	LCTHF	Web-based Authoritative L&C Information Source	14,625
MW	Lewis & Clark CCI	City of Weippe	Weippe Discovery Ctr "Lewis & Clark Interpretive Center"	20,000
MW	Lewis & Clark CCI	City of Weippe	Retreat to Oyippe	1,000
MW	Lewis & Clark CCI	Helis Gate Education Association, Inc.	The Natural History of the Lewis & Clark Expedition	10,000
MW	Lewis & Clark CCI	ID Dept. of Commerce - Tourism	L&C & the Native Peoples in ID	15,000
MW	Lewis & Clark CCI	ID State Historical Society	L&C Materials for ID Libraries	7,990
MW	Lewis & Clark CCI	Nez Perce Tribe	Lapwai Valley, Orofino, & Kamiah Spring Clean Up 2001	5,000
MW	Lewis & Clark CCI	Greater Alton Twin Rivers Conv. & Visitors Bureau	Lewis & Clark's Camp DuBois Exhibit	15,000

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
MW	Lewis & Clark CCI	Falls of the Ohio L&C Bicentennial. Committee	L&C Expedition & the Falls of the Ohio Brochure	10,000
MW	Lewis & Clark CCI	KS Comm & Coalition for the L&C Bicentennial.	L&C Trail in Kansas	15,000
MW	Lewis & Clark CCI	Curators of the University of Missouri	Louisiana Purchase Bicentennial	20,000
MW	Lewis & Clark CCI	Discovery Expedition of St. Charles, MO	Discovery Expedition of St. Charles, MO	15,000
MW	Lewis & Clark CCI	Discovery Expedition of St Charles; L&C Center	L&C Discovery Expedition Center	20,000
MW	Lewis & Clark CCI	Jackson County Parks & Recreation	Archaeological Survey, L&C Education Center, Fort Osage	4,946
MW	Lewis & Clark CCI	Camp Fortunate Chapter of the LCTHF	Camp Fortunate Reenactment, Meeting with Lemhi Shoshoni	2,727
MW	Lewis & Clark CCI	Golden Triangle L&C Bicentennial. Commission	Interpretive Signage	18,558
MW	Lewis & Clark CCI	Headwaters Chapter	Lewis & Clark in the Headwaters Area Interpretive Brochure	5,000
MW	Lewis & Clark CCI	LCTHF	"We Proceeded On": The history of the Lewis & Clark NHT	7,500
MW	Lewis & Clark CCI	MT Fish, Wildlife & Parks - L&C State Park	L&C Caverns State Park Bicentennial. interp and trail system	5,000
MW	Lewis & Clark CCI	MT Community Development Corporation	Traveler's Rest Preservation Project	20,000
MW	Lewis & Clark CCI	MT Fish, Wildlife & Parks	MO Headwaters State Park Interpretive Specialist Staff	10,000
MW	Lewis & Clark CCI	MT L&C Bicentennial Commission	L&C Bicent. Gateway & Travel Corridor Orientation Kiosks	20,000
MW	Lewis & Clark CCI	MT Sheriff's & Peace Officers Association in partnership w/ the MT L&C Bicentennial. Comm.	Public safety planning for the L&C Bicent. in MT	10,000
MW	Lewis & Clark CCI	Park County, MT	Clark route self-guided driving tour, wayside exhibits, brochure	10,000
MW	Lewis & Clark CCI	Pompeys Pillar Association	Pompeys Pillar vegetation research & interpretation	2,600
MW	Lewis & Clark CCI	Portage Route Chapter - LCTHF	Scholar-in-Residence 2001	6,000
MW	Lewis & Clark CCI	Portage Route Chapter - LCTHF	Tower Rock signs	6,000
MW	Lewis & Clark CCI	The Watercourse	Lewis & Clark student activity booklet	20,000
MW	Lewis & Clark CCI	Twin Bridges Lewis & Clark Committee	Corps of Discovery/Indian Nation Monument	4,985
MW	Lewis & Clark CCI	Williston Convention & Visitors Bureau	Commemorate the L&C Bicent. in the MT & ND Region	20,000
MW	Lewis & Clark CCI	Fort Abraham Lincoln Foundation	The Life of Shahaka, Lewis & Clark's "Big White"	15,000
MW	Lewis & Clark CCI	Minot State University	Mandan language & oral traditions preservation project	17,828
MW	Lewis & Clark CCI	ND Geological Survey	Guide to the geology of the Lewis & Clark Trail in ND	5,000
MW	Lewis & Clark CCI	ND L & C Bicentennial Foundation	Fort Mandan Multi-cultural interpretive program	15,000
MW	Lewis & Clark CCI	ND L & C Bicentennial Foundation	Fort Mandan brochure	5,000
MW	Lewis & Clark CCI	ND L&C Bicentennial Foundation	North Dakota signage	25,000
MW	Lewis & Clark CCI	Standing Rock Sioux Tribe, Kenel District	Fort Manuel replica	20,000
MW	Lewis & Clark CCI	State Historical Society of ND	Heritage Outbound Winter Adventure Trip: L&C in ND	5,742
MW	Lewis & Clark CCI	Omaha Parks, Rec & Public Property Dept.	Interpret L&C along the Omaha Riverfront Trail	20,000
MW	Lewis & Clark CCI	L&C Natural Resources District	Corps of Discovery Welcome Center	10,000
MW	Lewis & Clark CCI	MO River Basin L&C Interp Trail & VC Foundation	MO River Basin L&C Interpretive Trail & VC	20,000
MW	Lewis & Clark CCI	NE Humanities Council	L&C Teacher Education	20,000
MW	Lewis & Clark CCI	NE L&C Bicentennial Commission	NE L&C Bicent. Commission Strategic Plan Development	20,000

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
MW	Lewis & Clark CCI	NE/IA LECL Bicentennial Council	NE/IA Bicentennial Planning & Collaboration	20,000
MW	Lewis & Clark CCI	Ponca State Park - NE Game & Parks Commission	Outdoor Theatre	5,000
MW	Lewis & Clark CCI	Ponca Tribe of NE	L&C/Ponca Tribe Earthlodge Research Project	4,009
MW	Lewis & Clark CCI	Ohio River Chapter - LCTHF	Eastern LECL Trail Awareness Project	4,973
MW	Lewis & Clark CCI	Columbia County Historical Society	Sand & Sauvie Island Encampment, Walking & Water Trails	8,800
MW	Lewis & Clark CCI	Oregon Parks & Recreation Department	Ecola State Park	15,000
MW	Lewis & Clark CCI	Umatilla Tribes	Lewis & Clark Native Language Conference	7,578
MW	Lewis & Clark CCI	Wisdom of the Elders Inc, Going-to-the-Sun Institute	First Nation People Discover Lewis & Clark	30,000
MW	Lewis & Clark CCI	OR & WA Chapters of LCTHF	LECL Columbia River Water Trail Guide	5,000
MW	Lewis & Clark CCI	Philadelphia Chapter - LCTHF	"The Eastern Legacy of Lewis & Clark" Map	5,097
MW	Lewis & Clark CCI	City of Fort Pierre	Lily Park L&C Visitor Center	10,000
MW	Lewis & Clark CCI	City of Springfield	Terrace Park Improvements	9,358
MW	Lewis & Clark CCI	Crow Creek Sioux Tribe	Crow Creek Sioux Tribe Welcome & Info Center	15,000
MW	Lewis & Clark CCI	Elk Point City	Elk Point L&C Trail Wayside Exhibit & Botanical Garden	10,000
MW	Lewis & Clark CCI	Lower Brule Sioux Tribe	Buffalo Interpretive Center	10,000
MW	Lewis & Clark CCI	Oglala Sioux Parks & Recreation Authority	Lakota Renaissance since Lewis & Clark	30,000
MW	Lewis & Clark CCI	SD Department of Tourism	L&C Interpretive Center	10,000
MW	Lewis & Clark CCI	Yankton Lewis & Clark Bicentennial, Inc	Yankton Area Lewis & Clark Activities	10,000
MW	Lewis & Clark CCI	L&C Exploratory Center, City of Charlottesville	Lewis & Clark Festival	20,000
MW	Lewis & Clark CCI	City of Long Beach	Clark's Last Mile	10,000
MW	Lewis & Clark CCI	Pacific County Friends of Lewis & Clark	McKenzie Head Interpretive Park	5,000
MW	Lewis & Clark CCI	WA State Historical Society	WA L & C Bicent. Planning Communication & Field Services	10,000
MW	Lewis & Clark CCI	Yakima Nation Museum	Native Exchange Traditions, The Yakima People & L&C	30,000
MW	Lewis & Clark CCI	Ducks Unlimited, Incorporated.	L&C 2005-Sandy River Delta Wetland Restoration Design	10,000
MW	Lewis & Clark CCI	Lewis & Clark 2005	"Recapturing our Rivers"	5,000
MW	Lewis & Clark CCI	WA State Tourism / OR Tourism Commissions	WA/OR Joint LECL Trail Brochure	20,000
MW	Lewis & Clark CCI	MO State Historical Society	Traveling exhibit of Society's collection of L&C artifacts	2,000,000
		Subtotal, Lewis & Clark		**3,244,200**
MW	Apostle Island NL	WI/MN Univs/colleges, private orgs, Bayfield CoC, Red Cliff Band of Lake Superior Chippewa	Complete Social Science Study at Apostle Islands.	12,000
MW	Badlands NP	University of Wyoming	Tests on genetic parentage of Black-Footed Ferret	15,000
MW	Buffalo NR	University of Arkansas	Inventory cave fauna and measure physical/geological variables	7,242
MW	Cuyahoga Valley NP	Cuyahoga Valley Environmental Education Center	Continue artists in residence program for 12 artists	12,000
MW	Dayton Aviation Htg NHP	Carillon Historical Park	Construct handicapped ramp at Carillon Historical Park	9,000
MW	Fort Larned NHS	Kansas State Historical Society	Host national History Day Teacher Workshop	1,000

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
MW	Ft Union Trading Post NHS	Friends of Fort Union/Fort Buford	Host history conference on 19th Cent. N. American fur trade	5,000
MW	Grand Portage NM	Lakehead University	Create GIS maps and databases	14,000
MW	Homestead NM	Student Conservation Association	SCA volunteers document, restore, protect, interpret prairie	7,375
MW	Homestead NM	Student Conservation Association	Maintain and improve native plant display	8,000
MW	Hopewell Culture NHP	Cleveland Museum of Natural History	Finish remote sensing map of earthmound; take core samples	6,545
MW	Hopewell Culture NHP	Ohio State University	Survey Hopewellian earthwork	9,951
MW	Ice Age NST	N.Central Regional Planning Commission, Marathon County Parks, Ice Age Park & Trail Foundation	Complete Corridor Planning Process	30,040
MW	Ice Age NST	Ice Age Park & Trail Foundation	Develop and print trail guide	3,400
MW	Ice Age NST	Dane County Parks Department	Restore prairie on 20-acres	5,000
MW	Ice Age NST	Dane County Parks Department	Create and install trail displays	2,750
MW	Ice Age NST	Wisconsin Dept of Natural Resources	Relocate trail to reduce erosion	1,600
MW	Ice Age NST	Dane County Highway Department	Provide signage on highway	2,635
MW	Ice Age NST	Ice Age Park & Trail Foundation	Complete accessible trail	2,143
MW	Ice Age NST	Ice Age Park & Trail Foundation	Create 30 page activity guide	1,725
MW	Ice Age NST	Ice Age Park & Trail Foundation	Provide training skills workshop	14,838
MW	Ice Age NST	Ice Age Park & Trail Foundation	Provide user trail maps	4,500
MW	Ice Age NST	Ice Age Park & Trail Foundation	Construct 3 info kiosks	1,203
MW	Ice Age NST	Ice Age Park & Trail Foundation	Create terminus trail marker	642
MW	Ice Age NST	Ice Age Park & Trail Foundation	Construct storage facility	830
MW	Ice Age NST	Ice Age Park & Trail Foundation	Build parking lot & trail head	2549
MW	Ice Age NST	Ice Age Park & Trail Foundation	Fund completion of trail segment	8,358
MW	Ice Age NST	Ice Age Park & Trail Foundation	Install two kiosks	430
MW	Ice Age NST	Ice Age Park & Trail Foundation	Update existing phone displays	1,011
MW	Ice Age NST	Ice Age Park & Trail Foundation	Create signage to improve trail access	1,389
MW	Ice Age NST	Ice Age Park & Trail Foundation	Create plaque for western terminus of trail	361
MW	Ice Age NST	Dane County Parks Department	Restore prairie on 23-acres of land	5,000
MW	Ice Age NST	Wisconsin Dept of Natural Resources	Build parking lot	4,500
MW	Ice Age NST	Alliant Energy	Create boardwalk and trail	6,162
MW	Keweenaw NHP	Quincy Mine Hoist Association	Clean and catalog artifacts	12,500
MW	Midwest Archeo Center	University of Nebraska-Lincoln, NB State Historical Soc, NB Association of Professional Archeologists	Repair bindings, maps, artwork of manuscripts in Library	5,000
MW	Milwaukee Field Office	City of Portage, Portage Canal Society, Ice Age Park and Trail Foundation	Develop canoe guide for users	4,000
MW	Missouri Field Office	Greenway Network, Incorporated	Develop/install signs for the Wapelhorst Park	1,040
MW	Missouri Field Office	Greenway Network, Incorporated	Environmental education exhibits in St. Charles, MO	1,700

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
MW	North Country NST	NCTA-Joan Young	LP-22 Manistee NF Signing/Blazing	1,000
MW	North Country NST	NCTA-Tom Learmont	LP-23 Fallasburg Interpretation	1,050
MW	North Country NST	NCTA-Richard Saur	LP-24 Wasnich Connection	1,874
MW	North Country NST	NCTA-Richard Naperala	LP-26 Manistee River Trail Construction	905
MW	North Country NST	NCTA-Bob Papp	NC-7 North Star Enhancements	3,600
MW	North Country NST	NCTA-Bob Papp	NC-8 Map Production 2000	5,000
MW	North Country NST	NCTA-Bob Papp	NC-9 Millennium Trails/Labor Day event	2,500
MW	North Country NST	FLTC-Howard Beye	NY-23 Destination Signs #2	850
MW	North Country NST	FLTC-Howard Beye	NY-25 Allegany SP Outhouses	2,000
MW	North Country NST	FLTC-Howard Beye	NY-26 Carl States Lean-to	4,000
MW	North Country NST	FLTC-Howard Beye	NY-27 FLTC Map Update #2	1,400
MW	North Country NST	FLTC-Howard Beye	NY-28 Register Boxes #2	100
MW	North Country NST	FLTC-Howard Beye	NY-29 Picnic Tables	550
MW	North Country NST	BTA-Jack Watkins	OH-5 Trail Signing	1,714
MW	North Country NST	NCTA-Bob Tait	PA-4 Kiosks	1,444
MW	North Country NST	NCTA-Bob Tait	PA-5 Tools Trailer	1,500
MW	North Country NST	Pictured Rocks	UP-12 Mosquito River Trail Structures	2,019
MW	North Country NST	MIDNR-Porky Mtn SP	UP-13 Tiebel and Speaker Bridges	4,400
MW	North Country NST	NCTA-Doug Welker	UP-14 Ottawa NF Lean-to #1	1,000
MW	North Country NST	NCTA-Peter Nordgren	WI-10 Brule River Signs, Parking, Trail	5,390
MW	North Country NST	NCTA-Peter Nordgren	WI-9 Brule-St. Croix Extended Crew	5,600
MW	North Country NST	NCTA-Arlen Matson	LP-25 Grand Traverse Trailer	3,696
MW	North Country NST	NCTA-Joan Young	LP-27 HMF Bridge Const/Repair	757
MW	North Country NST	Cal. Co - Dennis Randolph	LP-28 Kalamazoo River NCT Route Planning	4,000
MW	North Country NST	NCTA-Bob Papp	NC-10 Map Production 2001	8,100
MW	North Country NST	NCTA-Bob Papp	NC-11 Gateway to Volunteerism	1,500
MW	North Country NST	NCTA-Bob Papp	NC-12 Headquarters Upgrade	2,550
MW	North Country NST	FLTC-Howard Beye	NY-30 Woodchuck Hollow Lean-to	2,500
MW	North Country NST	FLTC-Howard Beye	NY-31 ADK-ONON Boardwalks	2,577
MW	North Country NST	FLTC-Howard Beye	NY-32 Map Update #3	1,750
MW	North Country NST	FLTC-Howard Beye	NY-33 Fire rings #2	1,000
MW	North Country NST	FLTC-Howard Beye	NY-34 Map M-6 Bridge	2,000
MW	North Country NST	FLTC-Howard Beye	NY-36 DR Mower	2,076
MW	North Country NST	FLTC-Howard Beye	NY-37 Tool Trailer	3,596
MW	North Country NST	NCTA-Al Larmann	NY-38 Chenango Street Trailhead	831
MW	North Country NST	NCTA-Al Larmann	NY-39 Gorge Seg. Washout (emergency)	2,200

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
MW	North Country NST	DNR-Jim Tillman	OH-6 Beaver Creek SP Interpretation	4,550
MW	North Country NST	BTA-Jack Watkins	OH-7 BTA Signing #2	1,743
MW	North Country NST	BTA-Jack Watkins	OH-8 Duck Creek Bridge (emergency)	1,850
MW	North Country NST	NCTA-Bob Tait	PA-6 Bear Creek Bridges	3,000
MW	North Country NST	DNR-Jim Richardson	UP-15 Porcupine Mtns SP Carsonite	546
MW	North Country NST	NCTA-Peter Nordgren	WI-11 Trail Registers	326
MW	North Country NST	NCTA-Peter Nordgren	WI-12 St. Croix Lake Trailhead	1,000
MW	North Country NST	NCTA-Peter Nordgren	WI-10 U-R-Here Map (00 Project need)	250
MW	North Country NST	BTA-Jim Sprague	BT-Carsonite for certify (savings fm UP15)	557
MW	Ohio Field Office	Ohio Greenways	Update statewide map of greenways and trails	2,000
MW	Omaha Field Office	University of Nebraska-Omaha	Survey landowners and users of 4 NB rail-trails	4,000
MW	Pictured Rocks NL	Michigan Dept of Natural Resources	Collar black bears to understand bears' ecology	1,000
MW	RTCA	Platte River Connection	Renovate railroad trestle crossing the Platte River	5,300
MW	RTCA	Grand Calumet Task Force	Develop a river-side trail in Gary IN	4,000
MW	RTCA	Great Ohio Lake to River Greenway Coalition	Reprint concept map for 100 miles of trail	2,200
MW	RTCA	West Creek Preservation Committee	Print 55,000 brochures	2,500
MW	RTCA	Nebraska National Forest	Pine Ridge Trails Conference	2,500
MW	RTCA	TrailNet	Volunteer cleanup, stakeholder meeting	3,500
MW	RTCA	TrailNet	Retrofit Coast Guard building for visitor use	4,000
MW	RTCA	University of Nebraska-Omaha	Survey Omaha area trails	1,000
MW	RTCA		Admin costs – travel to empanel group for program oversight	1,588
MW	RTCA Chicago Field Office	Great River Trail Council	Brochure on recreational trails near Miss. River	2,400
MW	RTCA Ohio Field Office	West Creek Preservation Committee	Conduct public education campaign	1,860
MW	RTCA Ohio Field Office	Ohio & Erie Canal Corridor Coalition	Publish NHC planning document	2,000
MW	RTCA Ohio Field Office	Little Turtle Waterway, Logansport Memorial Hospital, Cass County IN	Update Little Turtle Waterway Master Plan	4,000
MW	RTCA Omaha Field Office	Homestead Conservation & Trails Association and Great Plains Trails Network	Develop funding strategy to purchase abandoned rail corridor	2,000
MW	Saint Croix NSR	MN WI Boundary Area Commission	Watershed educational materials, website, orientation trips	14,250
MW	Saint Croix NSR	WI DNR & MN/WI Boundary Area Commission	Fund Team Coordinator, develop education materials	14,300
MW	Sleeping Bear Dunes NL	Glen Lake Community Schools	Roof repair, lead abatement on historic one-room schoolhouse	15,000
MW	Theodore Roosevelt NP	Consensus Council	Draft model implementation docs for multi-use grassland mgmt	15,000
MW	Theodore Roosevelt NP	Billings County & City of Medora	Purchase new ambulance	14,400
MW	Voyageurs NP	Minnesota Dept of Natural Resources	Survey/management recommendations-No. Goshawks areas	15,000
		Subtotal, Midwest Region		**467,068**

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
NC	Antietam NB	Fredrick County Public Schools	Provide field trip projects for students	2,100
NC	Antietam NB	Sharpsburg Area Emergency Medical Services	Increase outreach and emergency response capabilities	9,000
NC	C & O Canal NHP	Leave No Trace, Incorporated	Foster sense of stewardship among park users	11,000
NC	C & O Canal NHP	Palisades Citizens Association	Reconstruct and repair two connector trails	3,600
NC	Catoctin Mountain Park	Order of the Arrow	Construct two handicapped accessible ramps for two cabins	3,500
NC	Catoctin Mountain Park	Order of the Arrow	Upgrade resource management storage building	1,900
NC	Catoctin Mountain Park	Boy Scouts of America	Construct accessible ramps & learn about historic restoration	3,500
NC	Manassas NB	Voluntary Action Center	Stabilize Henry Hill House	12,016
NC	Manassas NB	Battlefield Equestrian Society	Post park boundary	2,049
NC	Monocacy NB	20 Maine Infantry (Living History Unit)	Commemorate anniversary of battle of Monocacy	1,500
NC	Monocacy NB	Cold Comfort Productions	Produce 2 events highlighting Civil War history and Slavery	750
NC	National Trails System	Northern Virginia Planning District Commission	Virginia Trails Guide	5,000
NC	National Trails System	George Washington University	Research for PHNST corridor trails guide	20,000
NC	National Trails System	Potomac Heritage Partnership	Potomac Heritage Trail web page & logo	10,000
NC	Potomac Heritage Trail	Institute of International Tourism Studies	Blend education & recreation in trail corridor	20,000
NC	Potomac Heritage Trail	Potomac Trail Council, Inc.	Implement community outreach & volunteer organization	18,000
NC	Ranger Services	Potomac River Fisheries	Public info on fishing regulations and "low impact" river use	8,000
NC	Rock Creek Park	Furgeson Foundation, Incorporated	Inform students about cultural & natural conservation	40,000
NC	Rock Creek Park	Friends of Montrose/Dumbarton Oaks	Stabilize park stream in Dumbarton Oaks	10,000
NC	Rock Creek Park	Marie Reed GLOBE Project	Scientific literacy/environmental issues - elementary students	8,650
NC	Rock Creek Park	Friends of Montrose/Dumbarton Oaks	Stabilize park stream in Dumbarton Oaks	10,000
NC	Rock Creek Park	Alice Ferguson Foundation	Inform students about cultural & natural conservation	8,000
NC	Wolf Trap Farm Park	Wolf Trap Foundation	Upgrade park computer network	4,976
NC	Wolf Trap Farm Park	Wolf Trap Foundation & Americorps	Raze & rebuild barn	30,000
NC	Youth Programs	Student Conservation Association	Run regional junior ranger program	25,000
NC	Youth Programs	Student Conservation Association	Run regional junior ranger program	25,000
		Subtotal, National Capital Region		**293,541**
NE	Acadia NP	Friends of Acadia; Maine Conservation Corps; Maine Trails Program; Appalachian Mountain Club; ME Outdoor Heritage Fund	Restore trail connection	15,000
NE	Boston Support Office	Upper Valley Trails Alliance; App. Trail Conference; Geographic Data Tech.; Appalachian. Mtn Club	Upper Valley Trail Map	12,000
NE	Colonial NHP	Friends of NPS; Daughters of Amer Colonists; College of William & Mary; Colonial Williamsburg Foundation	Conduct Archeological Field School at Green Spring	30,000
NE	Delaware Water Gap NRA	NJ Resource Conservation and Development Council	Streambank stabilization	10,000

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
NE	Independence NHP	Area business and historical orgs; Deshler-Morris House Committee, Inc.	Marketing plan & brochure for Deshler-Morris House and surrounding historic sites	9,000
NE	Independence NHP	Germantown Historical Society; Historic Germantown Preserved	Plan Virtual Web-Based Tour of Historic Germantown	15,000
NE	Lowell NHP	City of Lowell, MA	Historic canal system debris removal	15,000
NE	New Jersey Coastal Heritage Trail Route	Cape May Bird Observatory; NJ Division of Parks and Forestry	Produce & Print a Guide to the Great Natural Spectacles of New Jersey's Delaware Bayshore	10,000
NE	NJCoastal Heritage Trail	NJTravel/Tourism; Mariott Corp; NJ Hwy Authority	Replace Cape May welcome center exhibit labels	3,100
NE	NJCoastal Heritage Trail	NJ SHPO; Citizens United to Protect the Maurice River and its Tributaries, Inc.	Produce Delaware Maritime history film	10,000
NE	NJCoastal Heritage Trail	NJ Division of Parks and Forestry	Update 4 waysides Double Trouble State Park	8,500
NE	NJCoastal Heritage Trail	NJ Division of Parks and Forestry	Dev audio interpretive tape Double Trouble State Park	9,000
NE	Northeast Region		Personnel costs - term employees hired to administer program	6,396
NE	Northeast Region	Girl Scouts of America	Sponsor October 2001 Conference for girls on natural resources	4,600
NE	Philadelphia Systems Office	St. Mary's (MD) City; MD State Museum; St. Mary's College of MD	St. John's archeological site NHL stabilization	15,000
NE	Philadelphia Systems Office	East Providence Carousel Park Commission	Crescent Park carousel NHL foundation stabilization	15,000
NE	Philadelphia Systems Office	NY Studio School of Drawing, Painting, and Sculpture; Robert Lehman Foundation	NY Studio School NHL bas relief ceiling preservation	15,000
NE	Philadelphia Systems Office	Palisades Interstate Park NHL - NJ Section	Palisades Interstate Park NHL, Living Palisades	14,554
NE	Philadelphia Systems Office	NH Div. Parks/Rec; Wentworth-Coolidge Comm;Hillsborough Historical Soc	Wentworth Coolidge/Pierce NHL Moisture Control	14,400
NE	Philadelphia Systems Office	Goucher College; Preservation Maryland, Preservation Pennsylvania	"Spreading the Word: Interpretation for NHLs" Conference	17,150
NE	Philadelphia Systems Office	R.R. Moton Museum, Inc.	Moton High School NHL Oral History Project	17,500
NE	Philadelphia Systems Office	Goucher College (Towson, MD); Preservation Maryland; Preservation Pennsylvania	"Spreading the Word: Interpretation for NHLs" Conference	3,000
NE	Philadelphia Systems Office	National Trust for Historic Preservation, Northeast Field Office	NHL Condition Assessment Internships	6,750
NE	Philadelphia Systems Office	John Burroughs Association, Inc.; Hudson Valley Greenway Council	Restoration of Slabsides National Historic Landmark	15,000
NE	Philadelphia Systems Office	Delaware River Greenway Partnership	Delaware River Greenway Stewardship Education Project	15,000
NE	Philadelphia Systems Office	9 Shaker Village sites-ME NH MA NY OH KY	Shaker Historic Trail Brochure	12,600
NE	Philadelphia Systems Office	Baltimore Maritime Museum	USS Torsk NHL Volunteer Deck Restoration	15,900
NE	Philadelphia Systems Office		Personnel costs - term employees hired to administer program	5,000
NE	Philadelphia Systems Office	Columbia (PA) Downtown Development Corporation	Reading & Columbia Rail Trail Interpretive Plan	18,000

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
NE	Philadelphia Systems Office	NHL Physical Plant Staff Pilot Training Program	NHL Physical Plant Staff Pilot Training Program	12,500
NE	Richmond NBP	Richmond Convention and Visitors Bureau; Richmond Riverfront Development Corporation	Partnership Brochure for Tredegar & Richmond's Canal Walk	3,000
NE	Richmond NBP	Historic Richmond Foundation	Monument Repair at Monumental Church	30,000
NE	Saint-Gaudens NHS	Augustus Saint-Gaudens Mem. Trustees, NY	Conservation of collections	5,000
NE	Salem Maritime NHS	Historic Salem, Inc.; Peabody Essex Museum; Salem State College; The House of the Seven Gables	Interpretive Exhibits for Nathaniel Bowditch House and Trail	7,500
NE	Shenandoah NP	National Park Foundation	Produce video for Big Meadows prescribed burn	12,500
NE	Shenandoah NP	Potomac Appalachian Trail Club	Maintain & monitor backcountry trail	10,000
NE	Shenandoah NP	Shenandoah National Park Foundation	Interactive Wilderness Exhibit	10,700
NE	Weir Farm NHS	Weir Farm Trust	Produce Exhibit "J. Alden Weir & His Connecticut Farm"	17,500
		Subtotal, Northeast Region		**466,150**
PW	Channel Islands NP	Santa Cruz Island Foundation	HABS photography of Island Resources	12,000
PW	Channel Islands NP	Santa Cruz Island Foundation	Arch-Engineering Condition Assess. Vail Vickers Ranch House	11,748
PW	Channel Islands NP	Santa Cruz Island Foundation	Hist Structure Report for Prisoners Warehouse, Sta Cruz Is.	18,000
PW	Channel Islands NP	Santa Barbara Museum of Natural History	Prepare and publish "Birds of California's Channel Is."	4,000
PW	Columbia Cascades SO	Town of Darrington, WA	Darrington Area Recreational Information Kiosk	10,725
PW	Columbia Cascades SO	Parks and Recreation Department, Medford, OR	Bear Creek National Recreational Trail	6,070
PW	Columbia Cascades SO	Friends of Forest Park - Portland, OR	Wildwood National Recreation Trail repair and improvement	5,000
PW	Columbia Cascades SO	Parks and Recreation, Snohomish County, WA	Pilchuck Trailhead Interpretive Kiosk	8,000
PW	Columbia Cascades SO	Jacksonville (OR) Woodlands Association	Rich Gulch Historic Mining District	18,098
PW	Columbia Cascades SO	Oregon Natural Heritage Program	Oregon National Natural Landmark Evaluations	2,534
PW	Columbia Cascades SO	The Nature Conservancy	Nature Conservancy Weed Control Strategy	7,082
PW	Columbia Cascades SO	Jack W. Eaton (landowner)	Resource Protection Fencing Project	340
PW	Columbia Cascades SO	Oregon Department of Parks and Recreation	Crown Point NNL Site Restoration	3,980
PW	Columbia Cascades SO	Northwest Interpretive Association	National Natural Landmark Brochure	2,000
PW	Columbia Cascades SO	Washington Natural Heritage Program	Washington NNL Evaluations	3,354
PW	Columbia Cascades SO	Friends of Forest Park - Portland, OR	Wildwood National Recreation Trail Erosion Project	10,000
PW	Columbia Cascades SO	Palouse Land Trust, The Nature Conservancy	Weed control at Rose Creek Preserve	9,000
PW	Columbia Cascades SO	Idaho Conservation Data Center - Boise, ID	Idaho National Natural Landmark evaluation	20,100
PW	Crater Lake NP	Oregon Natural Heritage Program	Crater Lake NP Whitebark Pine Disease Assessment	2,286
PW	Fort Clatsop NMem	The Sunset Empire Transportation District - Warrenton, OR	Lower Columbia Lewis and Clark Bicentennial Transportation Concept Plan	20,000
PW	Fort Clatsop NMem	Seaside Museum and Historical Society - OR	Salt Works First Person living history interpretation	10,200
PW	Fort Clatsop NMem	Pacific County Friends of Lewis and Clark	Mackenzie Head-North Head Trail interpretive panels	4,000

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
PW	Fort Clatsop NMem	The CarTours Foundation - Seattle, WA	"Trail of Discovery" driving tour on-the-ground route survey	28,400
PW	Golden Gate NRA	Golden Gate National Parks Association	Nuclear Reactions: GOGA Nike Missile Site Curriculum	9,900
PW	Great Basin NP	Great Basin Association	Teacher Workshop and Resource Activity Guide	9,786
PW	Hagerman Fossil Beds NM	National Park Foundation	The Principles of Science - A Virtual Classroom	25,000
PW	Hagerman Fossil Beds NM	Fossil Council, Inc.	Hagerman Fossil Beds Regional Trail System Expansion	10,032
PW	Hagerman Fossil Beds NM	Hagerman Fossil Council, Inc.	Regional trail system expansion	13,200
PW	Hawaii Volcanoes NP	KWXX 94.7 FM, HI State Department of Education	Imi Pono no ka Aina: Seeking Excellence for the Land	16,900
PW	Juan Bautista de Anza NHT	Historic San Jose Peralta Adobe and Fallon House Historic Site	Anza Trail/First Pueblo Wayside Interpretive Exhibit	5,390
PW	Juan Bautista de Anza NHT	Santa Clara University	Sesquicentennial Signage for Santa Clara University	14,600
PW	Juan Bautista de Anza NHT	North East Trees (NET)	Anza murals and signage at L.A. River and River Center	12,500
PW	Juan Bautista de Anza NHT	Santa Barbara Trust for Historic Preservation	"Colonial Trek" - Anza Trail Adventure	27,900
PW	Juan Bautista de Anza NHT	City of Palo Alto, Open Space Division	Develop Trail Segment - Arastradero Preserve	22,000
PW	Lake Roosevelt NRA	Colville Tribe	San Poil Launch Ramp	30,000
PW	Mount Rainier NP	Washington's National Park Fund	Focus on the Japanese-American Community	20,000
PW	Nez Perce NHP	Confederated Tribes of the Colville Reservation	Nespelem Cultural Center planning	2,900
PW	Olympic NP	Washington Department of Ecology	Complete Kestner Homestead Loop Trail	6,475
PW	Pacific Great Basin SO	Fair Oaks County Parks and Recreation Department	Brochure and poster for Phoenix Vernal Pools Nat Landmk	10,500
PW	Pacific Great Basin SO	Audubon Canyon Ranch	Assessment of threats of predation by common raven	27,500
PW	Point Reyes NS	Point Reyes NS Assoc, National Park Foundation	Pacific Coast Learning Ctr, Satellite Classroom at the Red Barn	30,000
PW	Point Reyes NS	Point Reyes National Seashore Association: Clem Miller Environmental Education Center	Providing access to the Pacific Coast Learning Center's education, Research, and Partnership Programs	11,500
PW	Point Reyes NS	Point Reyes National Seashore Association	Museum/Archive storage facility at the Red Barn	30,000
PW	Santa Monica Mtns NRA	L.A. County Sheriff's Dept - Lost Hills Station	Viral Intervention through Directional Alternatives	30,000
PW	Yosemite NP	California Conservation Corps	Mirror Lake Trail reconstruction	15,000
		Subtotal, Pacific West Region		**598,000**
SE	Biscayne NP	Florida Fish & Wildlife Conservation Commission	Expand spiny lobster survey	21,914
SE	Cane River Creole NHP	Northwestern State University	Archeo field school, determine true boundaries of Ft Jesup	29,959
SE	Chickamauga/Chattanooga	Friends of Moccasin Bend NP	Archeological overview and assessment of Moccasin Bend	11,594
SE	Cumberland Island NS	Georgia Southern University	Monitor horse impacts	14,200
SE	Fort Caroline Nmem	Telephone Pioneers of America	Install approx 500 feet of boardwalk in Spanish Pond	29,500
SE	Great Smoky Mountains	Lockheed Martin Energy Systems	Complete greenhouse structure	12,100
SE	Guilford Courthouse NMP	Guilford Battleground Company	Install interactive exhibits	28,000
SE	Mammoth Cave NP	Western Kentucky University	Develop Library Catalogue and Collections Assessment Plan	22,647
SE	Mammoth Cave NP	Cave Research Foundation	Development of virtual cave tour display for visitor center	21,349

NPS Challenge Cost Share Program, Fiscal Years 2000 and 2001

RGN	PARK/OFFICE	PARTNER	PROJECT	FEDERAL AMOUNT
SE	Mammoth Cave NP	National Speleological Society	Restoration of Echo River Passage	7,500
SE	Natchez Trace Parkway	Natchez Trace Trail Conference	Construct boardwalk, bridge and turnpike; improve treadway	23,355
SE	Natchez Trace Parkway	Natchez Trace Trail Conference & SCA	Construct/install boardwalks ; rebuild 2 bridges	25,000
SE	National Register Pgms Div.	State Historic Preservation Office	Produce video on Spanish-American War in Puerto Rico	9,000
SE	National Register Pgms Div.	USVI SHPO, Bethabara Park, Old Salem, Inc	Preservation of Moravian Cultural Resources	12,000
SE	National Register Pgms Div.	Georgia Southern University, University of Memphis, Savannah College of Art and Design	Develop education program for students at 3 universities	11,000
SE	New Orleans Jazz NHP	New Orleans. Musicians Mutual Protective Union, New Orleans Jazz Commission	Produce 24 on-site live performance based education programs	7,500
SE	Ocmulgee NM	Ocmulgee NM Association	Present Ocmulgee Indian Celebration to students/community	10,000
SE	Ocmulgee NM	Ocmulgee NM Association	Present Ocmulgee Indian Celebration to students/community	20,000
SE	Overmountain Victory NHT	Historic Burke Foundation	Complete visitor center & install wayside exhibits	11,250
SE	Overmountain Victory NHT	Bechtler Development Corporation	Develop trail for visitor use	11,250
SE	Selma to Montgomery NHT	Selma to Montgomery Friends Group	Trail brochures; trail signs; commemorative markers	22,500
SE	Selma to Montgomery NHT	AL Dept of Economic and Community Affairs	7th Conference on National Scenic and Historic Trails	3,260
SE	Selma to Montgomery NHT	National Voting Rights Museum & Institute	Memorial Park historical markers, walkways, lighting	7,740
SE	Selma to Montgomery NHT	Jacksonville State Univ. Env. Policy & Info Center	Develop interactive website highlighting trail	25,000
SE	Selma to Montgomery NHT	Friends of the Selma to Montgomery NHT	Develop constituency building program	14,000
		Subtotal, Southeast Region		**411,618**
	NPS TOTAL			**6,671,263**

36. Question: Why does this require additional staff and overhead expense?

Answer: The proposed $22 million budget for CCI is over 10 times greater than the existing regular CCSP project budget of $1.987 million in FY 2002, not counting the $4.993 million of the total $6.98 million CCSP budget directed to be used specifically for Lewis and Clark Bicentennial projects and activities. The existing CCSP is managed by one person in NPS headquarters and by CCSP coordinators in each Region. The responsibility to manage CCSP projects is a collateral duty of each of these positions. As such, to assure proper CCI project selection, tracking and accountability, some additional staff and administrative support will be required. However, administrative expenses of the CCI program will be limited to two percent (2%) of the appropriation, or $440,000.

37. Question: Would the park superintendents be involved in the selection of projects affecting their units?

Answer: While the process for selecting Cooperative Conservation Initiative (CCI) projects has not been finalized, the role of park superintendents in CCI projects will be pivotal. Parks will define park natural resource restoration and protection needs, develop projects to address these needs, and identify and secure partners to provide the required non-Federal contribution for each project. Proposals will be forwarded by parks for centralized review, final selection and approval.

38. Question: Would the funding be limited to lands directly adjacent to the park units?

Answer: The goal of CCI is the restoration and protection of natural resources in parks. It is recognized that to meet this goal efficiently and effectively, projects must be carried out on lands in and, in some cases, in proximity to units of the National Park System where authority to do so exists in a park's authorizing legislation. For example, to prevent, control, or eradicate invasive non-native vegetation in parks, it might be useful to undertake certain actions in proximity to parks, if authorized.

39. Question: Can you give several examples of projects that might be funded?

Answer: Examples of potential projects that could be funded by CCI include:

- Restore Salt Marsh at Herring River in Cape Cod National Seashore, Massachusetts;
- Restore soil and native vegetation of eroded sites in Glacier National Park, Montana;
- Remove failing dams and restore stream channel in Van Campens Brook in Delaware Water Gap National Recreation Area, Pennsylvania and New Jersey;
- Restore salmon, trout, and char access to off-channel habitat, Olympic National Park, Washington;
- Stabilize Gulf Intercoastal Waterway shoreline to reduce erosion and land loss, Jean Lafitte National Historical Park & Preserve, Louisiana;
- Inventory cave and karst resources to develop Resource Management and Public Entry Plan, Grand Canyon National Park, Arizona;
- Protect significant fossil resources and develop information products for park visitors, Agate Fossil Beds National Monument, Nebraska;
- Restore and manage grassland bird habitat on Floyd Bennett Field, Gateway National Recreation Area, New York;
- Eradicate invasive non-native plants in Tucson Mountains, Saguaro National Park, Arizona;
- Rehabilitate and landscape the Grand Promenade, Hot Springs National Park, Arkansas.

40. Question: Would there be a required cost share?

Answer: CCI requires that the non-Federal contribution for each project must be at least 50% of the cost of the project, which would include in-kind contributions.

41. Question: How would you measure success?

Answer: The success of CCI would be measured by the completion of projects to restore and protect natural resources in parks, associated improvements in the condition of natural resources in parks, and the identification and development of viable partnerships with non-Federal entities to assist in supporting and carrying out these much needed projects in units of the National Park System (NPS). Many of the accomplishments would be captured directly through the NPS's Performance Management System, measuring acres restored, acres of exotic plants controlled, and improved populations of species of concern.

DOCUMENTING THE BACKLOG

42. Question: It's been four years since the agency began development of a new maintenance management system yet this subcommittee has yet to see an overall cost and schedule for when this system will be fully implemented. What is the overall cost and schedule for this system being fully implemented?

Answer: As documented in the most recent Capital Asset Plan, the National Park Service anticipates full implementation of the Facility Management Software System at the conclusion of FY 2006 at a total cost of $35 million.

43. Question: When will the total amount of deferred maintenance for park owned assets be identified at all parks?

Answer: By the end of FY 2003, the National Park Service (NPS) will be able to produce a reliable listing of deferred maintenance work that still needs to be done, by completing initial annual condition assessments of its facilities. This entails developing an accurate inventory, inspecting all assets, identifying deficiencies and developing verifiable deficiency cost estimates, determining a facility condition index (FCI) for a measurement of a facility's relative condition at a particular point in time, and determining the asset priority index (API) for a numerical indication of the relative importance of an asset when compared to other assets within the same park. This initial assessment will provide a baseline of the overall condition of the facilities and infrastructure of the NPS. A full, valid, and verifiable estimate of deferred maintenance for NPS facilities will be produced at the conclusion of the first cycle of comprehensive assessments which, contingent upon sufficient funding, will occur at the conclusion of FY 2006.

44. Question: Costs for acquiring the new Facility Management Software System (Maximo) were initially estimated at $20 million but later increased to over $42 million. What caused such a large cost increase?

Answer: The primary reason for a redefined scope of the FMSS and cost increases is not due to any increase of the core software program (Maximo™), but as a result of new directives, DOI guidelines and enhanced software capabilities that have been developed since the start of the project. The NPS and DOI are committed to integrating the FMSS with other databases such as GIS, Structural Fire, List of Classified Structures, and the Department-wide procurement, payroll, and finance systems. This increases demands on system hardware performance, administration, development, on-line support and training course development. The identified increases in long term budget projections are needed to assure the success of development of an enterprise FMSS application and its implementation.

45. Question: The Park Service is developing two separate processes for reporting on deferred maintenance: one for park owned assets and one for concession operated assets. Since all the assets are park owned, why do you need two different systems?

Answer: Legislative and legal requirements mandate that facilities operated through concession contracts be managed differently than federally operated facilities. Concession Program Managers are currently in the process of developing program requirements and analyzing the FMSS to determine where modification might be necessary to meet the business practices for managing concession operated facilities. It is the intention of the NPS to make use of an integrated system as much as possible.

46. Question: What cost savings are possible from consolidating these two systems?

Answer: While it is too early to accurately predict the actual savings for utilizing a single system, it is apparent that overall costs for hardware architecture, software licensing, and system administration will be reduced.

47. Question: How will the Service determine deferred maintenance needs? Will each asset receive a detailed inspection by qualified personnel, or will only obvious and apparent deficiencies be identified? If the latter approach is taken, will the resulting deferred maintenance estimates be reliable?

Answer: All high priority assets, as determined by a standardized needs assessment process, will be subject to an annual condition assessment, performed by trained and qualified park staff. The first cycle of annual assessments will focus on obvious and apparent deficiencies and is scheduled to be completed in FY 2003. The initial round of full comprehensive assessments is scheduled to be completed by the conclusion of FY 2006 and will provide the most reliable estimate of the NPS facility deferred maintenance. Comprehensive condition assessments will be performed at each park on a five year cycle.

48. Question: In fiscal year 2001, the Park Service spent about $1 million dollars inventorying assets and performing comprehensive assessments at six pilot parks. What lessons were learned from this pilot project?

Answer: Conducting comprehensive condition assessments at six parks was beneficial. The six parks utilized A&E firms to generate and validate their inventory, consolidate baseline asset information and history, and conduct an assessment of complex assets. The NPS quickly recognized that the high cost per park was not acceptable.

In an attempt to ensure that resources were expended wisely, the NPS switched from comprehensive assessments to annual assessments in FY 2002. Parks have been directed to validate their inventory, consolidate baseline asset information and history, and conduct annual assessments identifying obvious and apparent deficiencies. Each of the seven NPS regions have put together Facility Inspection Teams or developed cooperative agreements with local colleges to provide architectural and engineering students to assist parks with the condition assessment process. The scope of work for A&E services will be modified according to lessons learned at the pilot parks with an expected result in cost savings.

49. Question: In early 2000, the Service planned for about a third of the parks to be using the asset management process by the end of fiscal year 2001. Now the Service states that this won't happen until a year later, the end of 2002. What caused the slippage?

Answer: An adjustment was made in the deployment timeline, not in the asset management process. The NPS changed deployment completion from FY 2002 to FY 2003 only because the amount of

training courses that are required - approximately 24 courses - would not be manageable in the original timeframe.

50. Question: When will the asset management process be fully implemented?

Answer: Contingent upon sufficient funding, the process will be fully implemented at the conclusion of FY 2006, coinciding with the completion of the initial round of full comprehensive assessments.

51. Question: The budget request includes a substantial increase for Condition Assessments and the Facility Software System. If the Committee provides these funds, when will the Service be able to estimate the non-road backlog maintenance needs?

Answer: At the conclusion of FY 2003, the NPS will have completed annual assessments for the first snapshot of all assets to determine backlog maintenance needs. By the conclusion of FY 2006, the NPS plans to complete the first five-year cycle of comprehensive assessments in all park areas to determine a valid estimate of all backlog maintenance needs.

52. Question: The Committee has provided funding for these items for several years, how much progress has the Service made?

Answer: As of September, 2001, the new Facility Management Software System (FMSS) has been deployed in 123 park units, and park staff at these units has been trained in the use of the software. The 123 park areas where FMSS has already been deployed represent approximately 70% of the total NPS assets identified in a March, 2000 desk audit. A total of 94 additional park areas will deploy FMSS in FY 2002 and the system will be deployed in the remaining park areas in FY 2003.

CONCESSION CONTRACTS

53. Question: Has the Park Service taken any steps to improve the overall management and operation of the concession program?

Answer: Yes. In compliance with PL 105-391, a number of initiatives are underway to improve the overall management and operation of the concession program. Franchise fees returned to the government are being used to hire an external business advisor to enhance the program's capabilities. Because NPS concession contracts contain complex hospitality, recreation, and retail businesses that require highly technical fiduciary expertise and oversight, we have also contracted with business consultants to assist us in developing a coherent strategy for managing the contracting process. We have also reengineered specific business processes of the concession program: standards, evaluation and rate approval procedures; data management/IT processes; insurance evaluation; post-contract business oversight standards; and requirements for comprehensive condition assessments for concession-occupied facilities for post-contract award activities.

The NPS has fast-tracked the 50 biggest concession operations, that generate 80% of the program's revenue, for new awards and is expediting the process for 260 small operations in an estimated 25 prospectuses.

Additionally, we have developed a model to estimate the NPS financial exposure associated with possessory interest and are developing an appraisal methodology to determine the sound value of possessory interest as defined in the 1965 Act. This will be followed with an arbitration strategy as is necessary to protect government assets and interests as new, high-value contracts are executed. A

Concession Management Advisory Board is also legislated to make recommendations to the program regarding contracting with the private sector to conduct appropriate elements of concession operations.

54. Question: The Committee understands that the Park Service has once again temporarily extended for one year over 400 concession contracts that are up for renewal under the new concessions law passed in 1998. Does the Service have a strategy for ending this backlog?

Answer: The program has developed a strategy for tackling this backlog of expired contracts resulting mostly from a moratorium on contracting that only ended in the latter part of FY 2000. Of the nearly 600 concession contracts that the NPS administers, there are 50 contracts that generate in excess of $3 million dollars annually. This eight percent of contracts generate approximately 80% of the concession program gross revenue and total return to the U.S. government. Therefore, these expired contracts are our highest priority to be renewed. Of the remaining, approximately 260 will be the subject of an estimated 25 prospectuses, mostly for smaller operators and outfitter/ guide services, that will retain a preferential right of renewal. We hope to have approximately 300 contracts in varying stages of completion by the end of this calendar year. In FY 2001, 86 were awarded Servicewide.

The highly complex concession contracts that are of high value and represent significant risk to the government are now being managed corporately by the Washington Office with business advisors from the private sector. This will provide for a national policy and legal consistency, and ensure the development of sound and supportable prospectus documents that protect government contract rights, enhance returns to the government, and add significant value to the contracting process.

The National Park Service recognizes that contract extensions are undesirable and that concessionaires, visitors and parks will all gain by completing these contracts as expeditiously as possible. Private business will gain from having a degree of certainty within a recognized business climate of accepted business principles and standards. Visitors will benefit from concessionaires with renewed incentives to invest in services and demonstrate good performance under performance-based contracts. And parks will benefit from higher returns that are reinvested back into the parks. In the meantime, contract extensions are the only legal action that we can take to avoid an interruption of visitor services.

55. Question: Is there a separate plan for dealing with both the small and large contracts?

Answer: Yes. As mentioned above, the 50 high value/high risk contracts are being developed with the help of external business consultants who add significant value to the contracting process and improve results to the government. Though the top 50 contracts are complex and require a high degree of technical fiduciary expertise, we have completed a strategic plan for the development of sound and supportable prospectus/contract documents, and one that we can implement expeditiously. The seven NPS Regions have delegated authority for all contracts under $3 million and have individually developed plans by which to complete contract documents for about 260 of the smaller contracts.

NATURAL RESOURCE CHALLENGE

56. Question: The Service has set ambitious goals for the Challenge program to be accomplished by 2005. How much progress has been made toward meeting those goals?

Answer: A great deal of progress has been made, particularly in those program areas that received funding beginning in FY 2000, such as exotic plant control and inventories. At the end of FY 2001, we had three-quarters of the basic inventory data sets completed. Other areas that were initiated later have not made as much progress, but their progress is still significant. For example, if the proposed FY 2003

budget is successful, monitoring will be initiated in half of the networks of parks set up for shared monitoring.

57. Question: The Committee has provided significant funding for this initiative over the past three years. Can you assure the Committee that the funding is being used for this program and not being diverted by the parks for other purposes?

Answer: In response to the language in the FY 2000 Interior Appropriations Act report, we are providing Congress with an annual report on Challenge expenditures. Although most of the funded activities take place at the park level, with the proposed FY 2003 budget, only about 15 percent of the Challenge funding will be controlled at the park level, that is, moved into park bases. For the park base funding, as well as the remaining 85 per cent of the funding, detailed reports are required annually, concerning both expenditures and accomplishments. These detailed reports are used to report to Congress on Challenge expenditures. The report for FY 2001 Challenge funding is in the review process at this time.

58. Question: The Committee has provided funding for 13 Learning Centers. How effective have they been in attracting outside researchers to conduct studies for high priority park projects?

Answer: Five of the Centers were established in FY 2001 and these have been very successful in attracting researchers. Eight of the centers were funded only since the beginning of this fiscal year and are just getting their research coordination positions filled. As a result, we do not have complete information about their performance yet.

59. Question: Is it fair to say that the park superintendents are driving the research projects rather than the researchers themselves?

Answer: Learning Centers are not the primary vehicle for getting research needed by the park accomplished. For superintendent-driven research, the primary vehicle is working with the United States Geological Survey (USGS), Cooperative Ecosystem Studies Units (CESUs), and others using NPS funding or special USGS funding targeted for NPS projects. However, that funding is limited and learning centers are another means of helping meet park needs and making parks, as outstanding public resources, available to outside researchers to meet broader scientific objectives. Any research conducted in parks usually meets park objectives because the more we learn about the parks, the more information we have to make well-informed management decisions. Moreover, park priorities and research interests often intercept. Therefore, learning centers help parks meet a broad public need and also help get important resource information for park management, while leveraging the funding available for research.

50. Question: Can you provide specific examples for each center?

Answer: Yes, each of the five established learning centers have excellent examples of their success in hosting research. Examples are:

Continental Divide Research and Learning Center - Last year Rocky Mountain National Park had 60 research projects, of which 20 were park priorities and received some NPS funding. For those 20, the park funding was matched dollar for dollar resulting in over $810,000 in matching funds.

Pacific Coast Learning Center - The majority of research conducted through the Pacific Coast Learning Center addresses backlog projects in the NPS project management system. An example is a project with the Point Reyes Bird Observatory. Through the Learning Center, funding from the Point Reyes National

Seashore Association and the U.S. Fish and Wildlife Service was provided to the Observatory to conduct an egg survey and monitor the snowy plover.

Purchase Knob: Appalachian Science Learning Center - Purchase Knob is located on a high elevation site in Great Smoky Mountains National Park in North Carolina and provides a perfect spot to monitor ozone impacts on plants, which is a high park research priority. Bio-monitoring gardens are set up to monitor 30 plants that are highly sensitive to ozone damage. This research is made possible through a grant between Appalachian State University, Auburn University and a researcher in England. A companion study looks at tardigrades (water bears) that live in lichen and moss and are also sensitive to ozone. This research is conducted through Warren Wilson College.

The Atlantic Learning Center at Cape Cod National Seashore - A research catalog for perspective researchers is under development. This will allow outside researchers to understand what opportunities are available for research in the park and what the priorities are for the park. While infrastructure is being adapted for reuse, the Seashore has set aside two NPS-maintained houses for researchers. One of the ongoing research projects is a National Science Foundation-funded University of Massachusetts study of exotic brown-tailed moths at the Seashore. These moths, whose caterpillars cause a severe rash to people exposed to them, appear to be controlled naturally by components of the Seashore ecosystem and are only an isolated problem there. The scientists want to find out exactly what components are effective so that they can apply biocontrols outside the Seashore. The Atlantic Learning Center has assisted by providing housing, research facilities and staff support. During FY 2001, research permits for the park doubled over the previous year

Ocean Alaska Science and Learning Center - Harbor seal and Steller sea lion research cosponsored by the Center will benefit virtually all of Alaska's 11 coastal national parks, since these marine mammals travel widely throughout Alaska's marine environment and are a species of special concern.

Centers funded for less than a year are preparing to host researchers but are already undertaking projects. The Crown of the Continent Learning Center at Glacier National Park, for example, is partnering with USGS and the Murdoch Charitable Trust to expand the bighorn sheep study east of the continental divide within Glacier National Park.

61. Question: It seems that partnerships are critical to accomplishing the goals of the Natural Resource Challenge. How many federal and non-federal partners are involved in this effort?

Answer: There are literally almost too many partners to count. The CESUs alone have 11 Federal partners and 80 colleges, universities and other partner institutions. In the first 5 of the 17 monitoring networks -- those established in FY 2001 -- at least 18 partnerships were involved in their first year of operation. Each of the 13 learning centers has a number of partners as well. The first five learning centers, which have been in operation more than a full year, have identified a total of 67 partners to date.

62. Question: One of the highest priority elements of this program is updating and maintaining basic natural resource inventories. Once the data is collected, what safeguards are in place to ensure that the parks will keep the information current?

Answer: The Inventory and Monitoring Program is structured to keep information current. Much of the information, in terms of trends and changes in condition, will come from the monitoring programs being established. Funding for the inventory program will be used to keep some of the larger inventory efforts, such as vegetation mapping, up to date, through acquisition of new photography combined with ongoing plant monitoring to keep the maps current.

63. Question: Can you provide the Committee with examples of how this baseline information is leading to scientifically sound management decisions that ensure the health of the parks?

Answer: We have good examples of how inventory and monitoring information is being used to make sound decisions:

In a cooperative effort with NASA and USGS at Assateague Island NS, monitoring data using new LIDAR (light detecting and ranging) technology, is measuring fine-scale changes in topography to improve restoration plans. The US Army Corps of Engineers used a map generated by LIDAR data in conjunction with the park's GIS maps to make adjustments to a proposed restoration project to better fit the desired outcome of the project.

The freshwater mussel inventory at Mississippi NRRA suggests that water quality regulations have helped improve habitat for mussels, and could have good implications for human health as well. Very few exotic zebra mussels were found during the survey. Improved water quality and the near absence of zebra mussels may mean the Mississippi NRRA is one of the last big river mussel refuges in the Midwest. The Minnesota Department of Natural Resources and Mississippi NRRA have already relocated several state-listed and one Federally listed species to sites within the unit corridor and the inventory data will help locate other sites for translocations.

Delaware Water Gap NRA is using information on location of rattlesnake nests to determine appropriate locations for hang-glider use.

64. Question: How much of the funding to date has been allocated to the parks to hire staff?

Answer: For park-specific programs, $6.6 million has been allocated to parks. Of this amount, approximately 65% is for staff. For example, a significant portion of Big Cypress Preserve's funding is for contracted exotic plant control work. Of the $2.7 million for learning centers, approximately 80% is going to parks for staff, as is a small amount of the inventory and monitoring funding, to complete prototype work to assist the network efforts.

65. Question: Are these new hires working exclusively on the Natural Resource Challenge?

Answer: While some first year funding was used for start-up costs, such as equipment, or for other natural resource studies, we believe that Challenge funding is being used exclusively for Challenge purposes. We will have a park-by-park summary of activities, expenditures and accomplishments in the FY 2001 report to Congress.

66. Question: How closely does the Washington office monitor this situation?

Answer: We require a written report each October 30 and require that the report be approved by the appropriate regional office.

67. Question: There has been considerable discussion about the relationship between the Challenge program and science conducted by the Biological Research Division (U.S. Geological Survey). Can you describe how the Park Service interfaces with BRD?

Answer: The NPS works productively with the Biological Resources Division (BRD) of the USGS. Parks can often attract BRD researchers by supplying housing, office, lab, and logistic support; by hiring temporary summer field assistants; and by directly funding some park-specific biological research projects. NPS involves BRD researchers in park research needs planning sessions; identifies research

project priorities for the BRD research funding source; and co-funds the BRD Park-Oriented Biological Support program that attracts BRD researchers and technical specialists to conduct short-term exploratory research and technical assistance projects that specifically benefit parks. NPS uses a BRD contractor who developed, and serves, the web-based Internet Research Permit and Reporting System. BRD also develops monitoring protocols to assist the NPS Inventory and Monitoring program and co-manages the vegetation mapping program. The NPS Challenge program funds additional activities of BRD on a project-by-project basis where BRD discipline capabilities and personnel availability permit, often in the area of biological inventories. NPS maintains close working relationships with many individual BRD researchers.

Park resource managers, regional and support office personnel, NPS employees stationed at interagency Cooperative Ecosystem Studies Units, and staff of the Natural Resource Program Center and Washington Office make significant efforts to keep BRD apprised of NPS needs and involved in assisting NPS.

68. Question: It seems that one of the most effective and efficient element of the Challenge program is the way the Service has managed the Exotic teams. Can you briefly describe how they work?

Answer: The NPS Exotic Plant Management Team's (EPMT's) are an innovative tool to manage invasive exotic plants. Modeled after the approach used to fight wildfires, EPMT's are designed to provide highly trained mobile strike forces of plant management specialists to assist parks across broad geographic areas, in the control of exotic plants. This success can be attributed to a number of factors: the ability to adapt to local conditions and needs, self-contained mobile units of specialists, focus on priority areas, and accountability.

Each team of specialists works with multiple parks to identify, conduct, and evaluate exotic plant removal projects and restoration efforts. The EPMT's have developed site-specific strategies for combating exotic plants that reflect the needs and resources of the more than 91 parks they serve. Additionally, the EPMT's are building technical capacity to meet growing demand in natural area exotic plant management. This technical capacity includes: development and use of a web-based data and a corresponding GIS map that tracks progress of each project site; a web site; quarterly reports; and distribution of the EPMT Operations Handbook.

The initial four EPMT's funded in 2000 have identified, treated, inventoried or monitored over 100 high priority exotic plant species on 17,000 acres. Six species have been eradicated from parklands for the first time in recent history. Haleakala NP is now free of damaging silk oak and thatching grass. Loggerhead Key in Dry Tortugus NP is also exotic plant free. Similar exotic plant management control is anticipated from the five EPMT's funded in FY 2002.

69. Question: Have you used this method for other elements of the Challenge?

Answer: Yes, we have used variations and elements of this method for other components of the Challenge. The inventory and monitoring networks similarly use shared resources and expertise to more efficiently accomplish inventory and monitoring activities for a group of parks. CESUs, although reaching beyond NPS, also are organized by biogeographical areas. Learning centers, similar to the EPMTs, have used competition to select proposals. The Challenge also is placing individual aquatic resource specialists and air resource specialists in field locations throughout the country to service a number of parks sharing resource characteristics. Their locations and priorities, similar to the EMPTs, are determined based on the locations of the greatest needs, determined in conjunction with regional offices.

SECURITY IN THE PARKS

70. Question: The Committee provided nearly $60 million last fall in the Supplemental Appropriations bill for enhanced security in the parks. The funds were focused on high priority sites such as the Statue of Liberty and the monuments on the mall in Washington. What progress has been made to enhance security at these sites?

Answer: Good progress has been made at all sites. At Boston NHP, funding has been used for personal services/benefits, travel expenses, supplies and materials for detailees and temporary personnel to maintain enhanced security levels. At Federal Hall NM, almost $300,000 has been obligated for security systems, including cameras and computers, an x-ray screening unit, window, dome and hatch guards, retrofit/outfitting for elevator, a security fence at the Pine Street entrance, metal detector/magnetometers, emergency vehicles, and narrow band radios. Regarding the major rehabilitation project to Federal Hall itself, the research, predesign schematics, and site engineering analysis is in progress and a contract will be let for construction and project management upon completion of the structural report. At Fort Point NHS, the scope of work for a security assessment is currently being written. Following the assessment of the site the park will purchase and install security equipment. At Independence NHP, enhanced security levels have been maintained through use of overtime and detailees. The park has contracted magnetometer services and is in the process of purchasing the screening equipment and performing a security assessment. Park personnel must meet with City of Philadelphia officials to discuss aspects of the proposals before proceeding with the purchase for radios, a security screening structure, and additional magnetometer and x-ray units. At Jefferson National Expansion Memorial, enhanced security has been provided through use of temporary employees and more coverage at screening points. Magnetometers and x-ray equipment are being relocated to a position immediately inside the entrance doors to the underground Arch visitor center complex. A formal Risk Assessment Plan is in process. At Mount Rushmore National Memorial, the park is in the process of purchasing and installing equipment according to their FY2002 security risk assessment. At the Statue of Liberty NM and Ellis Island, concrete barriers and gate systems have been installed on the Ellis Island Bridge. Contracts are in place for maintenance of the marine patrol fleet and for the purchase of thermal image/monitors. A perimeter security system contract for Liberty Island has been let and night vision equipment has been purchased. Emergency personal protective gear has been purchased and a contract has been awarded for U.S. Park Police radios. At the *U.S.S. Arizona* Memorial, funds have been expended on implementing a security checkpoint and a security guard contract. The park is currently developing the scope of work for a security analysis contract.

The U.S. Park Police have significantly increased visible police patrols at all facilities with a high threat level patrolled by the U.S. Park Police in the New York and Washington D.C. Metropolitan areas. The level of patrol is evaluated on a daily basis and raised or lowered according to the perceived need. Currently the USPP are operating at a level significantly lower than immediately after September 11, 2001, but much greater than prior to that day. Funding has also been used to ensure that the officers are properly equipped to respond to potential terrorist threats. In addition, the USPP has added uniformed guards to assist at the screening facility at the Washington Monument and at the White House Visitor's Center. A contract for the radio system site survey and engineering design for Washington, D.C. operations has been approved. Completion of the contract is anticipated within six months. A new recruit class has been hired and is currently being trained at the Federal Law Enforcement Training Center in Brunswick, Georgia. Additional canines have been authorized and procured for each of the three major operational areas and an x-ray machine was purchased for the White House Visitor Center. We are in the process of reviewing additional security upgrades at the White House Visitor Center. We have completed preliminary analysis of a security key card system for all USPP facilities in the Washington metropolitan area and are evaluating cost-effective options prior to issuing a Request for Proposals.

71. Question: Are additional funds needed for these particular areas this year?

Answer: An increase for additional security operating costs for Mount Rushmore NM was not included in the FY 2002 Supplemental Appropriations request. Mount Rushmore and the Midwest Region are currently trying to find sources for the $280,000 required to cover 24/7 security costs for the site. An operating increase for Mount Rushmore is included in the FY 2003 budget request.

CONSTRUCTION – DENVER SERVICE CENTER

It's been several years since the National Academy of Public Administration (NAPA) made recommendations for reforming and streamlining the Park Service's construction program.

72. Question: Have these changes been beneficial to the Park Service?

Answer: The National Park Service (NPS) is managing its planning-design-construction process more efficiently and effectively and has documented cost avoidance of over $85 million since 1999 through the annual value analysis program reports.

73. Question: Would you recommend any changes to the NAPA recommendations?

Answer: Implementation of the original NAPA recommendations has generally worked well. However, changed circumstances and opportunities for improvements have also become evident during the last several years.

The NAPA study did not fully address the role or the needs of Regional Offices in managing construction work – a role that has become more taxing since 1999 as the Regions have taken on the management of more NPS Construction Line Item work, while seeing the funding levels for their Repair/Rehabilitation and Fee project programs rise. In FY 1998 Construction Line Item, Repair/Rehabilitation and Fee projects totaled $323 million; in FY 2002, they total $466 million, a 44% increase.

The current budget request includes $10 million to expand the capability in the Regional Offices to manage the increased levels of planning contracts and compliance activity.

The 1999 NAPA recommendations also did not address the funding of compliance activities that have to be done before construction can proceed, in part because it was not clear at the time to what extent the construction planning accounts had been funding this work. After several years of operations under the NAPA recommendations and further discussions with the NAPA panelists, NPS believes that contracted compliance reports should be recognized as a funding need, as part of the planning/design process but separate from current planning/design caps.

74. Question: Some of the criticism of the construction program by GAO, the Inspector General and NAPA centered around the Park Service's practice of designing projects from scratch and issuing numerous change orders. This resulted in significantly higher project costs. The Committee understands the Service is involved in several efforts to address this concern including the development of **facility planning models**. Can you describe this and other practices that have been incorporated into the process?

Answer: The NPS has initiated four major changes in business practices to limit construction costs within government and industry standards, to reduce the number of designs prepared from scratch, and to control cost overruns.

- The Service has prepared guidelines for, and expanded the use of, value analysis throughout the planning-design-construction cycle to improve and better document decisions. Value-based

decision making is now required for general management plans, 'build/no-build' decisions in implementation plans, and at critical points during the design process for construction projects. A pre-design value analysis report is submitted and reviewed for all major construction projects before they are presented to the Servicewide Development Advisory Board (DAB) and the non-NPS Advisors to the Director. Additional value analysis during design development is also required for most large construction projects.

- Efforts are underway to develop facility planning models that will provide guidance on the appropriate size, function, and cost of the facilities that support operation of the National Park System. The models are being developed by a contractor based on extensive research of government and private facilities and will set allowable size, function, and cost parameters for each facility type. The interactive models will be available to park staff, planners, and design professionals for use in preparing proposals for facility rehabilitation or construction. Project proposals that do not meet the model parameters will be required to justify their variations to program managers, the DAB, and the Advisors to the Director before receiving approval.
- The NPS has expanded and improved its use of performance-based contracting. This process reduces reliance on the development of detailed designs in favor of performance specifications and extensively reduces the "design from scratch" approach. This process also reduces cost modifications during construction.
- Enforcement of the reduced NAPA contingency reserve amount (10%) on individual projects has helped limit the number and amount of modifications during construction. Construction modifications that exceed the cap are subject to multi-layered reviews before funds are allocated thereby discouraging marginal requests.

75. Question: The Committee remains concerned over the size and cost of visitor and administrative facilities and the unrealistic expectations set forth in some General Management Plans. Given the size of the backlog and the need to address operational shortfalls in the parks, what are you doing to ensure that this issue is addressed?

Answer: On March 27, 2002 the Department submitted a National Park Service (NPS) report that restates a commitment to addressing backlogs while outlining specific actions that are being taken to address concerns about unrealistic expectations for visitor and administrative facilities. An analysis of NPS projects that have been requested or earmarked in past years indicates that very few of these proposals are linked to recent General Management Plans (GMPs), though some of the construction projects funded in FY 2002 reflect recommendations in GMPs that are more than 20 years old. The NPS is progressing as quickly as possible to revise outdated GMPs to assure that they reflect realistic expectations about development, funding, and staffing.

In response to the Committee's concerns, the NPS Director has instructed the Regional Directors to give additional scrutiny to any plans that envision a level of new development that exceeds $10 million or that might be considered controversial. Relationships between current or projected visitation and the size or cost of new facilities are considered potentially controversial factors. Regional Directors have been asked to present these plans to the Washington Office in order that some proposals are appropriately scaled back. Regional Directors also are being asked to review all of the visitor facility type projects in the 5 year construction program to assure that they are being conceived and planned with realistic assumptions about funding.

Additional actions in progress include:

- A computerized visitor facility planning model and criteria are expected to be ready for testing and application by July, 2002. This model will define "acceptable" ranges of space and cost for various functions based on standards developed by other agencies and the private sector.
- Planning is underway for the NPS social science program to evaluate how visitation is projected, how visitors are using NPS facilities, and what changes in use patterns and technology over the next ten years should be considered in designing facilities to meet needs.
- A strategy is being developed to better inform park superintendents and staff about tools for management of visitor capacity that do not depend on new facilities.
- Programs and technical assistance projects are being conducted to help park managers cooperate with Gateway communities about how the private sector might provide basic visitor services outside of parks.
- Descriptions of projects in the line item construction program are being improved to reflect scope and purpose more accurately, especially where "new" construction is replacing obsolete facilities that are contributing to the backlog of deferred maintenance.
- New guidance has been developed for preparation of capability statements that will address questions about realistic projections of increases in visitation and the constraints on NPS to develop or staff new facilities in light of competing demands in other parks.

76. Question: The construction budget for fiscal year 2003 includes $10 million to hire regional staff to help manage the dramatic increase in construction projects. How will these funds be allocated to the regions and how can you assure the Committee that these positions will not be diverted by the regional offices for other purposes?

Answer: The funds will be allocated based on the size of the Line Item Construction program that each region will be managing in that fiscal year. Since the $10 million will not be used to support a large increase in permanent staff, we expect to maintain sufficient flexibility to modify allocations of contract monies from year to year. Construction management is the most desperate need of our regional offices, especially in light of the Director's mandate to improve NPS's obligation rate, and diverting these funds would be unlikely. Additionally, these funds will be the only funds allocated to regions from this budget activity. Monitoring or auditing expenses of this program will, therefore, be easily implemented.

77. Question: The obligation rate for construction projects has been quite low the last few years. What are the main reasons for this?

Answer: Implementation of the NAPA recommendations that began during FY 1998 required major changes at the Denver Service Center (DSC) -- a reduction-in-force (RIF) in FY 1999 and a restructuring to reduce the in-house design workforce and to increase the use of contracted professional services for design and construction inspection. These changes had a major effect on employee morale and productivity that lasted through the entire year due to the uncertainties surrounding the RIF and changes in project personnel as in-house designers departed. Extensive changes were also initiated in Servicewide management and oversight processes for design and construction in order to implement the NAPA recommendations. These changes required time and effort from key managers in the regional offices and the DSC. In FY 1999 the line-item construction program had also increased slightly, funding for facility maintenance had increased substantially, and revenues collected through the recreational fee demonstration program in FY 1998 began to be available for construction and maintenance projects. We believe the combination of the DSC restructuring, construction program management changes, and funding increases were responsible for the dramatic drop in obligation rates between FY 1998 and FY 1999 from 66% to 40%. This reflects a drop in actual obligations from $111 million in FY 1998 to $94.7 million in FY 1999.

In response to the growing workload, regional and park staffs increased their use of the same out-sourcing methods in FY 2000 that were being implemented at DSC. The obligation rate for FY 2000 increased slightly to 47%. However, the actual amount of obligations increased from $94.7 million in FY 1999 to $132.5 million in FY 2000 -- a 40% increase over FY 1999.

In FY 2001, DSC and program transition activities were largely complete, but construction and maintenance project activity continued to climb, driven by continued modest funding increases in the maintenance and fee programs and major increases in line-item construction. After several years of accelerated construction project activity resulting from the funding increases, the supply of 'on the shelf' projects with completed advance planning and compliance was depleted. The lack of funding for compliance as part of the planning/design process in the line-item construction program became evident as the cause of delays on some projects. Despite the increases, the obligation rate held almost steady at 44% and actual obligations increased to $147.6 million in FY 2001 – an increase of 11% over FY 2000.

In FY 2002, construction and maintenance project funding increased substantially as part of the President's initiative to reduce the deferred maintenance backlog in the national park system over the next five years. Efforts to improve the project workflow are continuing and a major initiative of the Director to obligate prior-year construction balances is underway. While we expect improved performance in both actual obligations and the obligation rate for FY 2002, additional resources are needed to sustain this increased level of construction and maintenance activity over the next five years. Specifically, sufficient funding is needed to include compliance in the planning/design process and ensure that out-year projects are ready for obligation. The $10 million request in FY 2003 for additional regional capability is needed to add limited program and project management staff and to fund the contracted professional services necessary to complete the expanded facility construction and maintenance activities efficiently.

78. Question: How accurate are the out year estimates in your five year plan? What is the record concerning revision of out year estimates say for the last three years?

Answer: The cost estimates for projects in the out-years of our five-year plans are "Class C" estimates that have been escalated for inflation to the projected construction year. Class C estimates are general estimates based on the unit costs of similar facilities (e.g., 5,000 square foot building @ $150/square foot). More specific estimates are developed as the project moves through design. Class C estimates often include a variance of plus or minus 25%. Project estimates in budget requests to Congress are generally more specific "Class B" estimates that are based on schematic design quantities. These estimates are developed after the first year of planning/design activity on the project and usually include a variance of less than 15%.

Based on our project reviews that occur when the Class B estimates are available, approximately one-third of the out-year projects reviewed in the last three years have experienced a cost increase during pre-design. These increases occurred primarily because items or cost elements critical to a functional, completed project were omitted from the Class C estimate, not due to errors in unit costs. This factor most often relates to the availability of the professional services or expertise necessary to evaluate a facility's condition and/or to identify the proper facility 'solution' for the function to be served.

In order to update the out-year project files (including estimates) and to implement other improvements in the project selection process, all line-item construction projects currently prioritized for FY 2005 and beyond are being revised and will be re-ranked for the next five-year plan (FY 2004-2008). Estimating will improve significantly through use of the facility planning models that are being developed that include user queries intended to cover the most common omissions from project proposals for facilities. The cost estimating systems being developed for integration into the facility planning models, the Project

Management Information System (PMIS), and the Facility Management Software System (FMSS) will also include similar queries and cost assemblies designed to minimize omissions from project estimates.

79. Question: How does the Service use contingency funds that were not used on a project?

Answer: All unused project funds are centrally pooled and applied to other projects that have shortfalls. All unobligated construction funds are currently programmed for authorized projects.

80. Question: What has been the contingency funds use, as a percentage of net construction cost for line item construction projects, since the 1998 NAPA study?

Answer: On those projects where contingencies are programmed, the National Park Service uses 10% of net construction dollars as an estimate. On average, evidence indicates this to be an appropriate level.

81. Question: What was the percentage, in fiscal year 2001, of the DSC base funding for personnel that was not expended as planned?

Answer: All but $2,778 out of the $11,376,855 programmed for personal services, or 99.98% was expended as planned.

82. Question: What is the specific allocation of the $9.15 million Pre-Design and Supplemental Services funding between the DSC and the parks and regions?

Answer: DSC is responsible for 36% of the Pre-Design and Supplemental Services funding allocated in FY 2002, with parks/regions managing the remaining 64%.

83. Question: In the fiscal year 2002 budget, what portion of the line item program is to be accomplished by the DSC and by the parks and regions?

Answer: Of the $275.3 million appropriated for line-item construction projects in FY 2002, DSC will manage $72.4 million, or 26%, and the parks/regions will manage $201.9 million, or 74%. The park and region total includes a number of projects that involve funding that is being passed through the NPS for administration by another agency or organization.

84. Question: How have these proportions changed over the last five years?

Answer:

FISCAL YEAR	Total Title I Line Item Construction Appropriation ($000s)	DENVER SERVICE CENTER		PARKS & REGIONS	
		$ (000s)	%	$ (000s)	%
2002	275,339	72,354	26.3	202,985	73.7
2001	189,711	45,781	24.1	143,930	75.9
2000	156,486	50,678	32.4	105,808	67.6
1999	185,241	47,941	25.9	137,300	74.1

85. Question: How many fiscal year 2002 and prior year line item projects are being delayed due to unfinished compliance work?

Answer: By January, 2002, sufficient funding allocations had been made to start compliance work that had been responsible or partially responsible for delaying progress toward obligation of FY 2002 and prior year projects. These projects can now proceed to contract awards. Other compliance funding requests, for projects prioritized for appropriation through FY 2004, are being reviewed; when approved, funds for this work will also be allocated.

86. Question: What is being done to expedite this compliance work?

Answer: Construction planning or other program funding has been provided based on the Director's direction to field and program managers to obligate all FY 2001 and prior year line-item construction projects during this fiscal year and to improve the obligation rate of projects appropriated in FY 2002 substantially.

87. Question: How did you plan to perform the compliance work when you requested the projects?

Answer: Project teams recently reported that 63% of the compliance work was expected to be funded from line-item construction planning, as was the case pre-FY 1999, even though compliance funding was not considered when planning cap percentages were set by the 1999 NAPA report. The remaining compliance work was expected to be funded from the Cultural Resources Protection Program, from park or regional base operations, and from other programs, primarily the recreational fee demonstration program.

88. Question: How many line item projects in the fiscal year 2003 request do not have compliance activities completed?

Answer: Presently, 19 of the FY 2003 projects that need compliance work do not have all compliance activities completed because many regulatory agencies will only issue final clearances or permits after reviewing construction drawings. All compliance activities must be completed before projects can be advertised for bids. Funding allocations, which allow work to begin, for all compliance requests for FY 2003 projects have been made.

89. Question: Do any of these projects concern you with regard to the accuracy of the project cost estimate?

Answer: Due to the increases in the line-item construction programs for FY 2001 and FY 2002, a number of projects in the FY 2003 request were accelerated and have not had Class B estimates produced yet. Based on past experience, we would expect the upgraded estimates for several of those projects to identify cost elements that had been omitted from the original Class C estimates. In some cases, the omissions can be accommodated by reductions in other project cost elements. In other cases, additional funding will be required to complete a functional project. We will continue to advise Congressional committee staff as soon as we become aware of projects that require additional funding.

90. Question: How will you accommodate the compliance planning if the Committee cannot provide additional funding?

Answer: Now that compliance work has been clearly identified as a required element of the planning process, but accounted for separately from the current NAPA-established planning/design caps, the NPS will continue to fund the necessary compliance work through a combination of funding sources, including appropriate park bases, appropriate Regional and Servicewide project accounts, and planning

funds outside the pre-design and planning caps. If money available in these funding sources is not equal to the need, the number of line-item projects that could be requested for construction might be reduced.

91. Question: To what extent do you use the three archeological centers for assistance in performing the compliance work? Please be specific.

Answer: The National Park Service (NPS) has more than three archeological centers. The largest are the Southeast Archeological Center in Tallahassee, FL; the Midwest Archeological Center in Lincoln, NB; the Intermountain Cultural Resource Center in Santa Fe, NM; and, the Western Archeological and Conservation Center in Tucson, AZ. There are smaller archeological centers or units associated with other NPS areas in Lowell, MA, and Valley Forge, PA.

NPS archeological centers regularly and substantially provide parks with assistance in complying with the requirements of Section 106 of the National Historic Preservation Act and the National Environmental Policy Act. Using the Midwest Archeological Center as a representative example, the staff provides nearly 100% of the archeological compliance work needed for construction, maintenance, and operational projects at parks in the region, and if staff are available, the center provides similar services for NPS units outside the region. Most of this work is funded by project or planning accounts. In about 50% of the projects, archeological center staff is also involved in project planning as well as in compliance work.

92. Question: If you do not use them, what are they used for?

Answer: The functions carried out by the archeological centers include planning, investigations, and the mitigation of adverse effects necessary for NPS compliance with cultural resource and environmental laws. In addition, the centers provide parks and regional managers with a variety of services for the interpretation, maintenance, and protection of archeological sites in the parks. Archeological centers carry out most of the effort to identify and document the archeological sites in NPS units. They are involved substantially in monitoring sites and updating the records regarding archeological site condition and threats to sites. Center staff support NPS law enforcement efforts to protect sites, working closely with rangers and U.S. Attorneys on investigations and prosecutions relating to archeological site looting.

SNOWMOBILES, PERSONAL WATERCRAFT AND OFF ROAD VEHICLES

93. Question: What is the current status of park policies regarding snowmobiles, including the Winter use plan in Yellowstone and Grand Teton National Parks, personal watercraft and off road vehicles. Please also include timetables for completion of environmental studies and estimated final implementation dates, if available.

Answer: The National Park Service (NPS) policies on snowmobile use remain as they were prior to 1993. Each park unit must comply with the requirements established in the existing snowmobile regulations in 36 CFR 2.18 when making decisions regarding snowmobile management. Any proposed regulations to permit or limit the use of snowmobiles from a park unit will be reviewed on a case by case basis. Regarding the Winter Use Plan for Yellowstone NP and Grand Teton NP, the public comment period is currently open on the Draft Supplemental Environmental Impact Statement (SEIS) that provides four alternatives for future snowmobile management. In addition, a proposed rule to delay the implementation of the existing snowmobile regulations is open for public comment. Both comment periods close May 29, 2002. A final SEIS and regulation, if applicable, will be completed by November 15, 2002, as required by the court.

The NPS is currently undertaking rulemakings to propose continued personal watercraft use at 16 park units. An Environmental Analysis or Impact Statement and an economic report supplement each rulemaking. The rulemakings are at various stages from draft regulations and completed environmental assessments to just bringing contractors on board to begin the public scoping. Because of the magnitude of the areas and the analysis required, it will likely be two years or more before all areas have special regulations in place; some will be completed sooner than others. As with snowmobiles, the NPS policy on off road vehicles (ORV) is codified in regulations in 36 CFR 4.10. This regulation defines the criteria under which ORV use may be authorized. Any proposed regulation to permit or limit the use of ORV will be reviewed on a case by case basis. There are no pending regulations regarding ORV use at this time.

ELLIS ISLAND

94. Question: The park has been working on a feasibility study for the south side of Ellis Island for several years. When will this study be complete?

Answer: The feasibility study was completed in the summer of 2001 and is being used as background material for the Development Concept Plan/Environmental Impact Statement that is currently underway.

95. Question: Save Ellis Island is a private, non-profit group interested in helping the park rehabilitate the buildings on the south side. Is there a formal relationship with this organization?

Answer: NPS signed a fundraising agreement with Save Ellis Island in February, 2001. We are working very closely with this fundraising partner.

96. Question: Has the Park Service made any commitment to this effort?

Answer: The National Park Service is very committed to this partnership effort and is taking an active role. Numerous projects have been undertaken using funds from the NPS Line Item Construction Program (FY 1999 through FY 2002), New Jersey Budget appropriations (FY 2000-2002), and the Save America's Treasures challenge grant program. Additionally, over $6 million in funds for South Side stabilization, rehabilitation, and related projects has been committed from the park's 80% concession fee program.

97. Question: This organization is interested in helping to raise $300 million for the rehabilitation. Does the Park Service plan on requesting funds toward this effort in their annual budget request?

Answer: At the present time NPS efforts are focused first on completing the numerous projects underway or in the works. These include Phase III of the South Side stabilization, stabilization of the Baggage and Dormitory Building, rehabilitation of the Laundry and Outbuilding, rehabilitation of the Ferry Building interior and associated corridor, the infrastructure development master plan, and the seawall rehabilitation master plan.

In addition, the Service is working with a consultant on a Development Concept Plan and Environmental Impact Statement that will provide the framework for making decisions about the long-term preservation and revitalization of the remaining buildings on Ellis Island. This plan is expected to be out for public review this summer. The goal is to identify the appropriate mix of public and private uses, and the mix of private fundraising, commercial investments, and public moneys needed to rehabilitate these buildings.

98. Question: Will the park submit this project for funding in the Service's five-year plan?

Answer: The seawall rehabilitation project was included in the last 5-year construction program submitted to Congress in April 2001. The planning process for a new 5-year program is presently underway. The Service has not determined if this project will be included. A master plan to guide the rehabilitation and future cyclic maintenance of the seawall is being prepared using the funding provided in the FY 02 budget. This master plan will be completed in the spring of 2003.

The infrastructure master plan that is being prepared will provide a blue print, including a timeline and cost estimates, for development of needed infrastructure for the South Side. When the master plan is completed (expected by early this summer), the Service will develop a list of prioritized projects and explore funding these projects from a variety of sources.

99. Question: How high a regional priority is this major rehabilitation project?

Answer: The National Park Service is very supportive of the partnership to rehabilitate the remaining buildings on Ellis Island. The high priority place on this project is illustrated by the commitment to date of over $6 million in funds for South Side stabilization, rehabilitation, and related projects from the park's 80% concession fee program. Additional projects are expected to have a high priority for funding from this program in the future.

100. Question: Currently Ellis Island and the Statue of Liberty have significant backlog needs including repair of the seawall and utilities. Both have significant costs associated with them. Federal funding will be limited for the foreseeable future because of the war on terrorism and homeland security needs. How would this project rank in priority with the seawall and utility projects?

Answer: Increasing security and ensuring the safety of the park's visitors, staff, and resources is the highest priority for the park. The ongoing utility work and the seawall rehabilitation project are also high priorities. A master plan to guide the rehabilitation and future cyclic maintenance of the seawall is being prepared using the funding provided in the FY 02 budget. This master plan will be completed in the spring of 2003.

The infrastructure master plan that is being prepared will provide a blue print, including a timeline and cost estimates, for future needed infrastructure for the South Side. When the master plan is completed (expected by early this summer), the Service will develop a list of prioritized projects and explore funding these projects from a variety of sources, not limited to Construction appropriations.

101. Question: Several years ago, the Committee provided funding, which was matched by non-federal funds to help stabilize the south side of Ellis Island. This project had three phases totaling more than $10 million. Are phases one and two complete?

Answer: Funding for the three phased stabilization of the South Side came from the NPS Line Item Construction Program (FY 1999 and 2000), New Jersey budget appropriations (FY 2000), and the park's 80% concession fee program. Phases I and II of the stabilization are complete.

102. Question: When will phase three be completed?

Answer: Pre-design of Phase III is almost finished and construction is expected to begin early in FY 2003. We expect Phase III to take a year or more to complete.

103. Question: What is the additional square footage in the newly stabilized buildings that the Park will need to maintain?

Answer: The 29 buildings on the South Side buildings include 250,000 square feet.

104. Question: Since the Park Service requested these funds, can the Committee assume that the park will now receive adequate operational funds to maintain the structures?

Answer: The Park's existing level of operating funds is adequate to provide routine maintenance of the stabilized structures.

105. Question: What is the operational need for the newly stabilized structures?

Answer: The stabilized buildings require only routine repairs and maintenance.

106. Question: How much of this is included in the fiscal year 2003 request?

Answer: No funds are needed or requested for this effort in FY 2003.

YOSEMITE NATIONAL PARK

107. Question: In 1997, this Committee appropriated $186 million in flood recovery money and $11 million for a transportation plan at Yosemite National Park. Five years later, how much of the funding remains to be spent and what has been accomplished to date?

Answer: Of the $186 million appropriation, $105.8 million remains unobligated as of March 31, 2002. Another $11 million for transportation was a commitment of future Federal Lands Highway Program funds, and remains unobligated. To date, 148 of 210 projects funded by the appropriation have been completed. Several lawsuits have delayed flood recovery work. In 1998, a federal judge ruled that many park actions would not comply with environmental laws until comprehensive planning was completed for Yosemite Valley. This led to consolidation of various planning efforts, and the *Yosemite Valley Plan* was completed in 2000. In 1999, a federal judge ruled that the park must complete a management plan for the Merced River. The *Merced Wild and Scenic River Comprehensive Management Plan* was completed by July of 2000, challenged in another lawsuit, and finally upheld as valid by a federal judge in March of 2002. Flood recovery efforts that were delayed during the planning and legal challenges can now go forward. Additional detail on individual projects may be found in the Flood Recovery Quarterly Report that is regularly provided to Congress.

108. Question: The park has prepared a list of specific projects that will be initiated and completed by the end of fiscal year 2004. Has this list been approved and made available to the public? Please provide project details for the record.

Answer: The list has been approved by the Director of the National Park Service and the Assistant Secretary of the Interior for Policy, Management and Budget. The approval has been transmitted by letter and provided to Congress. This list, below, is available to the general public.

Project	Description	Completion Date
Reconstruct Yosemite Lodge	Reconstruct the flood-damaged Yosemite Lodge in accordance with the Yosemite Valley Plan.	September 2004
Improve Yosemite Fall Area	Realign trails for accessibility and improved visitor experience, replace inadequate restroom and remove automobile and bus parking.	September 2004
Design Camp 4 Expansion	Design of the expansion and rehabilitation of Camp 4.	May 2003

Project	Description	Completion Date
Design Indian Cultural Center	Design an Indian cultural center in partnership with American Indian groups.	May 2003
Design Northside Drive Reroute	Design the rerouting of Northside Drive to eliminate pedestrian/vehicle conflict.	October 2002
Construct Curry Village Cabins with Baths	Construct 10 duplex cabins (20 beds) with baths for guests at Curry Village to replace flood-damaged facilities.	March 2004
Expand Campgrounds (East Valley) Phase 1	Add campsites in three locations to replace flood-damaged sites, resulting in approximately 70 additional campsites in Yosemite Valley.	April 2004
Purchase Shuttle Buses	Purchase clean-fuel technology buses to replace and expand the current in-Valley shuttle fleet.	March 2004
Improve Shuttle Bus Stops	Improve roadway surface and upgrade signs, seating, bike racks and lockers at shuttle stops, and establish new stops where needed throughout Yosemite Valley.	October 2003
Construct Curry Village Employee Dormitories	Construct dormitories to replace flood-damaged concession employee housing.	September 2004
Remove Happy Isles Bridge	Remove the flood-damaged Happy Isles vehicular bridge.	November 2001
Remove Cascades Dam	Remove dam and restore area in accordance with the Wild and Scenic River Plan.	September 2003
Develop Plans for Restoration of Flooded Campgrounds to Natural Conditions	Complete the planning required prior to the restoration of flood-damaged campgrounds to natural conditions.	April 2003
Complete a Parkwide Campground Study	Complete a Parkwide Campground Study. Coordinate with planning for restoration of flooded campgrounds.	December 2000
Replace Valley Flood-Damaged Offices in El Portal	Construct a building addition adjacent to the El Portal Warehouse to replace flood-damaged offices.	October 2003

109. Question: The Committee directed the Park to study the potential for expanding camping opportunities in or near the park. When do you expect to complete the study?

Answer: The study will be submitted by December, 2002.

110. Question: Does the park have any intention of restoring campsites in the valley?

Answer: In accordance with the Record of Decision for the Yosemite Valley Plan, campsites that were destroyed in the 1997 flood are proposed for removal, and the sites will be restored to natural conditions pending completion of the restoration plan included in the list of projects reported to Congress. The Yosemite Valley Plan calls for some additional sites, and, when completed, there will be approximately 500 campsites in the valley.

VALLEY FORGE NATIONAL HISTORICAL PARK

111. Question: In January of 2002, the Committee became aware of national news stories regarding the possible development of privately owned land within the boundary of Valley Forge National Historic Park?

Answer: The possible development at Valley Forge National Historical Park came to national attention as a result of articles in Philadelphia area newspapers in December, 2001, reporting that Toll Brothers was seeking subdivision and development approval from the local government. The National Park Service (NPS) was aware of the subdivision and development proposal and was relying on the local

government to deny approval. When it was determined that local government lacked the ability to deny approval, the park attempted to discuss the situation with the developer but was advised by counsel for the developer to exercise its government power of eminent domain if it wished to stop the development. Subsequently, Toll Brothers approached the park about negotiating a sale of the land to the government.

112. Question: Does the park have a current Land Protection Plan, and if so, when was it completed or last updated?

Answer: The park's Land Protection Plan was completed in 1983. It has been updated periodically, the last time in 2001.

113. Question: If there is a plan, how high a priority was the particular parcel in question?

Answer: The 1983 Land Protection Plan identified the particular parcel in question as a Priority A acquisition tract.

114. Question: Prior to this attempt to develop the property, was there ever an attempt by the park to approach the owners about a possible easement or acquisition?

Answer: Yes. About a decade ago the NPS discussed the acquisition of the land with the owner but was unable to acquire the property by negotiation. In 2001 the NPS discussed an easement agreement with Toll Brothers. The developer was not interested in conveying an easement that would not allow subdivision and development of the residential community they proposed.

115 Question: Is the park undertaking a federal appraisal?

Answer: Yes. On March 4, 2002, the National Park Service contracted with a appraiser in the Philadelphia marketing area to obtain a complete, self-contained appraisal of the property proposed for development.

ENHANCING FEE PROGRAMS

116. Question: The National Park Foundation provided $500,000 for a study of the Park Service's fee programs. The study, completed in May 2001, made several recommendations on improving various fee programs. Has the Park Service implemented the recommendations? Please list recommendations and changes that have been made to date.

Answer: The following seven recommendations for consideration were proposed by McKinsey and Company in their report to the National Park Service (NPS). The recommendations were made to shift toward a more understandable, logical fee structure, and to better optimize revenue.

- *Define a standard entrance package and fees for enhanced services.*
- *Simplify pricing and move to more consistent fee levels across similar parks.*
- *Review the Parks Pass program.*
- *Re-tier commercial bus entry.*
- *Standardize duration of entry across similar parks.*
- *Explore per-person fees Servicewide.*
- *Expand coverage by converting select non-fee parks to the fee program.*

In addition, the study stated that the NPS could improve the effectiveness and feasibility of managing the fee programs by pursuing changes in the way fee revenues are allocated and used. While the use of funds

was outside the scope of the study, the following four recommendations were made on the basis that these issues significantly impact how visitors interact with fee programs and therefore require consideration:

- *Assess and standardize allocation ratios for all fee programs*
- *Examine feasibility of allocating pass revenues based on pass usage*
- *Maintain high retention of funds by park*
- *Ensure that sufficient, skilled project management staff is available to plan and oversee projects cost-effectively*

The progress to date in implementing the recommendations is as follows:

- An implementation strategy has been developed. An implementation manager position will be announced in the near future.

- Consistent minimum fee levels were set at all parks for FY 2002 ($3 per person and $5 per vehicle) in order to standardize fees at parks.

- Carlsbad Caverns NP and Oregon Caves NM made changes to address some of the confusion with issues regarding use and entry charges. Both parks have been accepting entrance passes for certain cave tours. At both parks the public has been very supportive. It has had some effects on revenue, but the customer service aspect has far outweighed the revenue losses to date. This is a pilot for the NPS to test the shifting of some of our basic cave and historic home tours to entrance/basic package activities.

- A strategy for revising commercial tour fees was developed but implementation was delayed due to the events of September 11, 2001 and requests by the tour industry to reduce fees. No adjustment to commercial tour fee rates has been made since 1998. By NPS policy, there is a one-year notice requirement prior to implementing any commercial tour fee increase. No notice will be given in 2002.

- Some smaller historical parks are charging per-person fees on a pilot basis. We are also in the process of collecting data to implement a per-person fee structure at Shenandoah NP. Statistics are being collected on numbers of people per car, the logistics involved in head counting/pass acceptance, and the timeliness of transactions to test the validity of moving to a per-person fee structure in lieu of a per-vehicle fee structure.

- Technology improvements, to better evaluate the National Parks Pass and to provide more data in order to set more consistent fee rates, was an important recommendation. The General Accounting Office and the Department's Inspector General also identified technology improvements as a way to improve customer service and accountability. Recently a new program analyst position was established in the Fee Program Office to coordinate technology related needs and improvements. This person will be focusing on conducting a need assessment of technology upgrades such as advanced cash register systems and swipe card technologies. We currently have about 30 advanced cash register systems in the NPS and approximately 69 automated fee machines. We expanded some credit card capability this past year at Glacier NP, Yosemite NP and a number of smaller sites. We also have expanded our regional banking program with Key Bank. Parks in the Intermountain Region can now complete electronic deposit paperwork which expedites deposits and provides more reliable and timely reports. We continue to expand our national reservation system and are collecting more fees via the internet, and 1-800 numbers.

OPERATIONS OF THE NATIONAL PARK SYSTEM

117. Question: Can you describe in detail how the Service determines which park units will receive operational increases, including the operations formulation system?

Answer: The Service maintains a permanent record of all unfunded, operational budgetary needs in its web-based Operations Formulation System (OFS). The NPS, the Department of the Interior and OMB must weigh many factors in seeking to direct available budgetary allowance to the most pressing, high priority operational needs. Once the amount to be requested for park increases in the President's budget, if any, is determined, the NPS follows the sequential priorities set by each region in OFS in allocating the available funding. At this time, the NPS does not attempt to determine a Servicewide list of priorities for park base operations, although this idea is under consideration by senior management for use in the FY 2004 budget cycle. Rather, the amount available is generally prorated among the seven regions based on each region's current percentage of the total NPS operational budget. The regional priority list is generally followed, except in cases when serious questions about the validity and timeliness of the request are evident.

118. Question: Does the Service have specific criteria for increases and do the regions in making their recommendations closely follow those criteria?

Answer: The regions follow the general guidance issued at the beginning of the annual budget cycle by the NPS Director and the Secretary of the Interior. For example, taking care of new responsibilities (such as operating a recently rehabilitated visitor center or wastewater plant), preventive maintenance, and homeland security and law enforcement have been articulated as high priorities in recent budgets. The regional list reflects the broader criteria, but the process does allow flexibility to address some more localized concerns.

119. Question: Does the central office always accept the regional priorities?

Answer: Each request that is included in the budget request is reviewed, first at the regional level and then by the central office. When the request appears to be justified and in line with the general priorities set by the NPS Director and the Department, every attempt is made to follow the priorities of the region. The Regional Director is closer to, and knowledgeable of, the budgetary situation at the region's parks. However, if the request is judged by the central office to be poorly justified, the region and park are provided an opportunity to improve their justification and rationale. If they are unable to do so, the request is bypassed for submission.

120. Question: In setting operational priorities, how does the National Park Service address funding requirements associated with new facilities and/or land acquisitions versus other operational needs?

Answer: The requirements associated with new facilities or lands fare well in the priority setting process. In recent years, the Director's guidance has stressed this factor in setting priorities at the park, regional and Servicewide level. In addition, to facilitate the process, the OFS system has a direct automated link between the operating requirements of a new facility and the project requirements, identified in the Project Management Information System, that may be necessary to rehabilitate that facility. This link provides the necessary information for detailed review and aids greatly in setting priorities.

121. Question: Is a request for operational increases to maintain structures given higher consideration for funding than a request for new or expanded programs?

Answer: While each request is examined on its merits using a variety of factors, maintenance requirements have been stressed in recent years over a number of other needs in the process of determining increase request priorities. After devoting so much attention and money to the facility infrastructure issue, the NPS wishes to protect its investment with the proper maintenance funding. However, the NPS has a myriad of operational requirements, far more than can be addressed in a single budget, and which do not all fall into the maintenance category. These requirements include law enforcement, resource protection, visitor services and program administration. All of these areas must be sufficiently funded if the Park System is to operate at the expected levels.

Often, as the NPS seeks to fit its needs within a constrained budgetary allowance, a new program offers a more effective means of addressing a problem. It is clear that Federal funding can not provide all of the answers to the Service's budget shortfall. Accordingly, alternative sources of funding, such as partnerships, volunteerism, donations and fees, are being examined more intensely. Consistent with this strategy, the new Cooperative Conservation Initiative included in this year's request will allow the Service to leverage additional money to address high priority natural resource issues.

NATIONAL PARK SERVICE
FISCAL YEAR 2003 BUDGET
APRIL 10, 2002

QUESTIONS FROM
CONGRESSMAN NORMAN DICKS

GENERAL BUDGET

1. Question: Ms. Mainella, the operations account is clearly the bright side of this budget with an increase of $107 million, or about 7 %. There is also a $55 million increase for the Administration's State conservation grants initiative. Unfortunately, these increases are financed by large reductions elsewhere in your budget. These include cuts of $45 million in land acquisition for the Parks, $65 million for construction, and $30 million from eliminating the Urban Parks program. In your view, are these reductions justified on their merits, or is it just not enough money?

Answer: Budgetary constraints require that the National Park Service review and reorder its priorities on an ongoing basis to determine those priorities where funding will be most effective. The elimination of Urban Park and Recreation Recovery program funding in FY 2003 is proposed in order to support higher priorities. While there is a decrease in line item construction funding, the program level remains sufficiently high to continue the progress made in addressing the deferred maintenance backlog. Some funds have been shifted toward cyclic maintenance and construction management by NPS Regions to support effective backlog reduction. Land acquisition funding was evaluated and the highest priority requirements were included in the budget request. The distribution of the request reflects our best judgement on how to maximize the funding available to address the widest variety of needs.

2. Question: Addressing the maintenance backlog was a campaign promise of the President's, which this Committee supports, and I am glad to see funds in the budget to address this. However, elsewhere in the President's budget, funding for Administration initiatives was added to the budget rather than financed with cutbacks in other important programs as seems the case here. The Park Service budget is a classic case of robbing Peter to pay Paul. Why was the Service required to absorb the cost of honoring the maintenance backlog campaign promise?

Answer: The National Park Service (NPS) is committed to reducing the maintenance backlog and recognizes the importance of this effort by requesting a slightly higher amount of funds for the effort in FY 2003 than was appropriated in FY 2002. Despite this emphasis on deferred maintenance reduction, the NPS request still includes increases for park operations ($15 million), U.S. Park Police security measures ($12.6 million), and the fourth year of the Natural Resource Challenge ($18 million).

3. Question: Many of the parks have land acquisitions not in the President's budget that have been ranked as high priority by Park personnel. I think we all know that the construction backlog is a critical problem as well. If Congress can find additional funds, as we hope to do with the help of Chairman Skeen and Chairman Young, do you believe that additional amounts for land acquisition and construction would be well spent?

Answer: The Land Resources Division of the National Park Service (NPS) maintains a list, derived from each park area's Land Protection Plan, of privately owned lands identified for acquisition and for which appropriated funds are not available. The list currently includes 1,855,608 privately owned acres valued at approximately $1.47 billion. Each year the NPS selects approximately 180 of the highest priority acquisitions from the backlog list, based on specific criteria. From this annual priority list the NPS

formulates its budget request for Federal land acquisition from the Land and Water Conservation Fund. Any additional funding that might be provided would be applied to the highest unfunded priorities on the current list.

In a similar manner, additional construction funds would be used to address the most critical outstanding needs. Any new funds will be applied to projects in order of priority.

4. Question: I want to ask you about your proposal to eliminate the urban parks program. Are we correct that all grants funded by this program are selected competitively and have been rated by the Park Service as high quality projects?

Answer: Urban Park and Recreation Recovery grants are selected through a national competition. Eligible jurisdictions submit pre-applications to the appropriate National Park Service (NPS) field office where they are reviewed and certified as to their eligibility. Certified pre-applications are then forwarded to the NPS Washington office where they are reviewed by teams comprised of NPS staff and prioritized against specific criteria set forth in the enabling legislation (16 USC 2504.) The prioritized list is then presented to a national panel that determines the recommendations that are forwarded to the Director. The Director makes the final selections, after which grant offers are then made to the successful jurisdictions. This process is consistent with published regulations found at 36 CFR 72.53.

5. Question: Ms. Mainella, the UPARR program has been very strongly supported by members of Congress on both sides of the aisle. Congressman George Miller is currently circulating a "Dear Colleague" letter in support of restoring funding which will have a very large number of signatures. This Subcommittee gets enormous numbers of requests to help with urban park and recreation projects and UPARR is the only federal program available to respond to this need. Why are the Members who support the program wrong about this?

Answer: The National Park Service (NPS) is aware of the many urban park and community needs and is currently in the process of reviewing and selecting UPARR projects to receive funding from the FY 2002 appropriation.

However, in an effort to maximize NPS support for local recreational opportunities within budget limitations, increased funding for the Land and Water Conservation Fund (LWCF) state grant assistance program for FY2003 is proposed. The LWCF program addresses many of the outdoor recreation needs of urban and inner city residents, by providing for the enjoyment of natural resources and wildlife habitat areas as well as acquisition and development of active outdoor recreation facilities.

6. Question: Your Budget proposes to use these savings to increase Stateside Conservation grants by another 40% to $200 million after almost doubling funding this year. Can you tell us how you are using the current funds and, in particular, what type of requirements the States have to meet when they get these formula grants? *(Note: $90 M in 2001; $144 M in 2002; and $200 M proposed for2003*)

Answer: The LWCF state grant funds are available to States and, through the States, to local units of government for the acquisition and development of public outdoor recreation areas and facilities. All grants need to be at least matched by non-Federal funds. Since FY 2000, approximately 770 grants have been awarded, including approximately 600 grants for local and county sponsors and 170 to State agencies. These funds have assisted in the acquisition of over 54,000 acres of land, and in the development of over 600 new facilities at new and existing recreation areas.

In addition to the uniform administrative rules, the primary requirement with which States must agree is that every recreation facility acquired or developed with assistance under this program must remain open

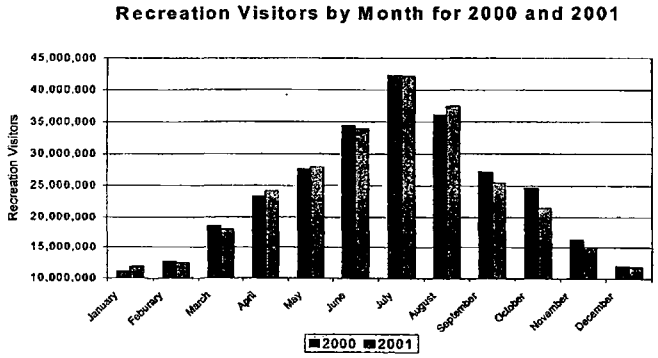
and available for public outdoor recreation use. No non-outdoor recreation use may be allowed to take place on Fund-assisted facilities unless the NPS approves such use on behalf of the Secretary of the Interior, and replacement property of equal recreation usefulness and fair market value is provided. This requirement is set forth in Section 6(f)(3) of the enabling legislation and satisfies one of the objectives of the legislators who crafted the original law -- to build a permanent recreation legacy for "present and future generations."

HOMELAND SECURITY

1. Question: The Smithsonian testified last month that it has had to let go a considerable number of employees because of the drop in visitation that resulted from the terrorist threat and general cutbacks in travel. Has the Park Service seen a similar drop in visitation?

Answer: Compared with calendar year 2000, visitation throughout the National Park System was up by 605,000 visitors (1.5%) at the end of August 2001. However, from September through December, visitation dropped by approximately 6 million visitors (8.6%) from the same period the year before resulting in a 2.1% decline of visitors in 2001 compared with 2000.

Parks closing either partially or entirely in response to security concerns raised by the September 11 attacks accounted for 3.5 million of the 6 million person decline in visitation after September 11. Four national parks – the Statue of Liberty (closed), Castle Clinton National Monument (relies on Statue of Liberty visitation), the White House (closed), and Boston National Historical Park (partially closed) – contributed the most to the decline with a net loss of approximately 3 million visits. Also noteworthy, Grand Canyon and Haleakala National Parks, and Lake Mead National Recreation Area, all of which remained open, experienced a combined decline of 634,000 visitors over this time, attributed mostly to the decline in tour bus entrances.



2. Question: Will the $23.8 million included in the budget for Washington Monument and Lincoln and Jefferson Memorial security upgrades fully fund these projects? *(Note: Last Fall we were told that the cost would be $41 million including $18 M in funds for a screening facility at the Washington Monument which is not in this request.)*

7. Question: Can you tell us how the additional $12.6 million requested by the Park Police for security requirements will be used and whether this amount fully funds the security needs identified last Fall after the 9/11 attacks?

Answer: The $12.6 million request is anticipated to be used as follows: (1) recruit, process, equip, train, and pay for 48 recruits ($2,600,000); (2) overtime at high risk sites; specialized enforcement, visible patrol, specialized operations ($6,753,000); (3) guard service at the White House Visitor Center and Washington Monument ($527,000); (4) equipment replacement such as personal protection gear, weapons, and vehicles ($600,000); (5) enhanced training ($200,000); (6) increased special law enforcement unit coverage at events ($1,120,000); (7) enhanced aviation activities: additional flight hours, fuel, maintenance ($300,000), and; (8) supplies and materials ($500,000).

These recurring funds requested in the FY 2003 budget, coupled with the supplemental anti-terrorism funding previously provided to the U.S. Park Police, will greatly enhance our ability to prevent a potential terrorist attack through proactive patrols. The funds will also improve our ability to respond to a potential incident with additional personnel who are better equipped than they would have been prior to September 11th.

There is a plan under way that will identify the requirements for the upgrade and narrow-band conversion of the existing USPP communications system. Once the plan has been completed and reviewed, we may request funding for this.

8. Question: What additional amounts are in your budget that specifically relate to responding to the terrorist attacks?

Answer: The FY 2003 budget request includes $42.5 million for physical security and response to terrorist attacks. This includes $6.098 million in park operations and $12.6 million for the U.S. Park Police to continue enhanced security that was provided by the FY 2002 supplemental appropriation. The line-item construction request includes three separate projects at National Capital Park-Central to improve security at the Lincoln Memorial, Jefferson Memorial and Washington Monument.

9. Question: Please supply to the Committee for the record all amounts related to homeland security within the Park Service in the FY 2003 request together with an analysis of the time urgency associated with each request.

Answer: The increases requested in the Operation of the National Park System (ONPS) appropriation ($6.098 million) and in the United States Park Police (USPP) appropriation ($12.6 million) are required in FY 2003 to continue anti-terrorism activity that has begun in FY 2002 with supplemental funding, and to fund similar operations at Mount Rushmore NM. The NPS FY 2003 Construction Line Item budget request includes $12.98 million for Phase I security work for the Washington Monument and $4.671 million for security work for the Jefferson Memorial, and $6.183 million for Lincoln Memorial security work. These projects are all of the highest priority.

Beyond amounts included in the base, the following increases have been requested for FY 2003:

Terrorism Funding – FY 2003 Request	($000)
ONPS	
Park Operations	
Boston NHP	1,200
Independence NHP	2,654
Jefferson Natl Expansion Mem	433
Mount Rushmore Nmem	370
Statue of Liberty NM/Ellis Island	1,357
USS Arizona Memorial	84
Subtotal, Park Operations	6,098
USPP	
Counter-Terrorism - Washington, D.C., New York, San Francisco	12,600
Construction	
Improve security around Washington Monument	12,980
Improve security around Lincoln Memorial	6,183
Improve security around Jefferson Memorial	4,671
Subtotal, Construction	23,834
TOTAL	$42,532

MAINTENANCE BACKLOG

1. Question: What is your current estimate of the extent of the maintenance backlog within the National Park System?

Answer: The exact parameters of the National Park Service (NPS) facility backlog will not be known until assessments of each facility's condition are completed at the end of FY 2003, the first time an objective assessment of deferred maintenance needs and priorities will have been achieved. The President is committed to the continuing reduction of the NPS backlog, and funds to complete facility condition assessments are fully supported in the $663 million request for maintenance backlog reduction in the NPS FY 2003 budget. Once the condition assessments are completed, the NPS would be better able to cite an estimate for the funds necessary to address the facility backlog issue as well as measuring its progress in doing so.

2. Question: This budget includes another $663 million for the backlog in 2003 on top of the $661 million provided in 2002. Could you explain to the Subcommittee how you are measuring success in your effort to eliminate the maintenance backlog? Have you set up specific milestones to measure progress and set those out publicly so that managers can be held accountable?

Answer: As of September, 2001, the new Facility Management Software System (FMSS) has been deployed in 123 sites representing 175 parks, and park staff have been trained in the use of the software. Both accountability and measurement will be better addressed with the full deployment of FMSS and the completion of initial park baseline condition assessments. As the asset inventories and deficiencies identified in the assessments are documented in FMSS, standardized cost estimating tools will provide the basis for determining the cost of maintenance or repair. With this information, each inventoried asset will be assigned a Facility Condition Index that quantifies its condition, enabling park managers to decide whether it is more cost effective to replace or repair that item. The changes in asset FCI will provide a direct measure of progress toward achieving maintenance goals. FMSS will also record actual costs and accomplishments so that a specific accounting for the use of funds will be possible.

3. Question: Will there be certain high priority Parks which will be completed ahead of the rest, or are you trying to deal with the entire system all at the same time? Frankly, this Committee has seen a lot of maintenance funding come and go and the problem only seems to get worse.

Answer: The facility management program is being implemented through a phased process. The parks in the first phase of implementation contain 70% of the total NPS assets, as identified in a desk audit conducted in March 2000. By the end of FY 2003, the Facility Management Software System (FMSS) will be in use at all parks, and initial baseline inventories and condition assessments are planned to be complete and documented in FMSS. The system will allow for cost estimating and local prioritization of projects. Park needs will be reflected in the centralized Project Management Information System for Servicewide review and selection. Funding will be directed not to high priority parks, but to the highest priority projects.

4. Question: Line item construction is reduced by $71 million under the President's 2003 request from $276 million to $205 million. Could you tell us how current funding for construction fits into preventing future maintenance backlogs? By short-funding construction, are we setting ourselves up for increased problems down the road?

Answer: In order to prevent its maintenance problems from increasing in the future, and to speed up the contracting for already appropriated line item construction project work, the National Park Service (NPS) FY 2003 budget request includes a more than doubling of its cyclic/preventive maintenance program and a request for $10 million for regional office staff to process the increased level of line item construction projects. This strategy allows the NPS to protect its recent infrastructure investments and to move future ones more efficiently to completion.

SNOWMOBILES

1. Question: The snowmobile policy has continued to be of great interest this year because of your posting of the Supplemental EIS on winter use at Yellowstone that was a result of a court settlement with the manufacturers. The SEIS includes 4 possible alternatives. Can you tell us briefly what these alternatives are and why you posted four choices without identifying a preferred alternative?

Answer: Alternative 1a would leave the existing regulations in place. In this case snowmobile use would be reduced by 50% in the winter use season 2002-2003 and be eliminated altogether in the winter use season 2003-2004. Alternative 1b delays the implementation of the existing regulations by one year each. Alternative 2 and Alternative 3 propose varying amounts of snowmobile use with requirements for guided tours, emissions standards and operating standards. No preferred alternative was identified because the NPS wanted to make this a truly public process. There was concern that indicating a preferred alternative might lead the public to conclude that the NPS had already chosen a course of action and that their input would not be contributing to the process.

2. Question: Most of these alternatives assume use of new technology snowmobiles, principally 4 stroke engines. These cut down on air pollution but do little about the noise. To what extent do you think that technology can really address these environmental concerns?

Answer: Two of the four alternatives (Alternatives 1a and 1b) in the Draft Supplemental Environmental Impact Statement (DSEIS) call for snowcoaches to be the primary means of visitor access to Yellowstone in the winter. The snowcoaches are to use best available pollution control technology, and sound would be limited to 75 dB.

Alternative 2 calls for allowing snowmobiles in limited numbers and requiring those snowmobiles to meet the proposed 2010 EPA standards for snowmobile emissions (a 50% reduction in carbon monoxide and hydrocarbons) and meet a sound limit of 75 dB (versus 78 today). These emission and sound standards were modeled in the analysis of impacts in the Draft SEIS.

Alternative 3 calls for allowing snowmobiles in limited numbers and requiring that they come into Yellowstone with a guide or outfitter. Under Alternative 3, snowmobiles would have to be the best available commercial technology for emissions and sound. The current best available commercial technology snowmobile is the Arctic Cat 4-stroke. The snowmobile industry provided emission and sound test results on one Arctic Cat 4-stroke snowmobile, and those results were used in the evaluation of impacts in the Draft SEIS. The Arctic Cat snowmobile achieved an 85% reduction in carbon monoxide and a 96% reduction in hydrocarbons. Sound results for the Arctic Cat snowmobile are similar to Alternative 2. Emission test results were not available for other 4-stroke snowmobiles during preparation of the Draft. An assumption under Alternative 3 is that snowmobile emission technology, which has seen rapid improvement in the last two years, would continue to improve and air quality in the park should benefit from those improvements. The requirement for best available technology would be met through concession contracts.

Neither Alternative 2 nor Alternative 3 requires 4-stroke snowmobiles. Both alternatives set standards without specifying the technology to meet those requirements.

3. Question: Could you talk about timing with respect to the final winter use reg, both in terms of when you are likely to make a final decision and when the new policy might be effective?

Answer: The NPS is required to finalize a Supplemental EIS on October 15, 2002 and publish a Record of Decision on November 15, 2002 in accordance with the settlement agreement. Any regulations issued in conjunction with the SEIS must also be finalized by November 15, 2002. The NPS will be working towards selecting an alternative during the summer of 2002.

4. Question: For the record, would you also update the Committee on the regulatory situation on personal watercraft use, use of the lease facilities at Stiltsville in Biscayne Bay, and on cruise ship traffic in Glacier Bay?

Answer: The current situation is summarized as follows:

Personal Watercraft Use

The NPS is currently undertaking rulemakings to propose continued personal watercraft use at 16 park units. An Environmental Analysis or Impact Statement and an economic report supplement each rulemaking. The rulemakings are at various stages from draft regulations and completed environmental assessments to just bringing contractors on board to begin the public scoping. Because of the magnitude of the areas and analysis it will likely be two years or more before all areas have special regulations in place.

Stiltsville

Biscayne National Park acquired the Stiltsville structures when the park boundary was expanded in 1980 and the bottomland of Biscayne Bay was transferred from the State of Florida to the Federal Government in 1985.

The leases for the Stiltsville structures put in place by the State of Florida expired on July 1, 1999. The former leaseholders have remained in the structures since then through a series of standstill agreements

and, more recently, a settlement agreement in response to a lawsuit and an extension of that settlement agreement.

The National Park Service is in the process of amending the 1983 General Management Plan for Stiltsville to identify the future use(s) of the remaining seven Stiltsville structures. The National Park Service has no authority to lease structures except through competition (36 CFR, Part 18 as amended by regulations published in the Federal register on December 27, 2001).

Cruise Ship Traffic in Glacier Bay

Vessel numbers and operating requirements have been in place for Glacier Bay since 1979. The 1996 Vessel Management Plan Environmental Assessment (VMP/EA) allowed for an immediate increase of vessel quotas above the 1985 levels for cruise ships, charter boats, and private boats. Although the limitation of 2 cruise ships per day was maintained, the cruise ship quotas for the season were increased by 30%, from 107 to 139 entries. The VMP/EA also allowed for an additional increase in cruise ship entries up to a maximum of 184 (an increase of 72% over 1985 quotas) based on research and monitoring indicating that the additional numbers of cruise ships would not have a negative impact on the endangered or threatened marine species that occur in Glacier Bay -- humpback whales and Stellar sea lions -- nor impair "the values and purposes of Glacier Bay National Park and Preserve".

The November 1996 Omnibus Act (P.L. 104-333) Section 703 prohibited the National Park Service (NPS) from imposing any VMP-described operating conditions on permittees in relation to air, water and oil pollution beyond those enforced by other agencies. In addition, noise abatement was prohibited unless scientific information supported a determination that such restrictions are necessary. The National Parks and Conservation Association (NPCA) filed a complaint in District Court, May 1997 (NPCA v. Babbitt) claiming that the NPS should have prepared an environmental impact statement (EIS) rather than an environmental assessment (EA) based on the level of uncertainty regarding potential effects of increased vessel quotas.

The District Court upheld the NPS VMP/EA in its August 1999 decision. NPCA appealed, and on February 23, 2001 the 9th Circuit Court of Appeals determined that the portion of the 1996 VMP/EA and the implementing regulations that authorized an increase in vessels into Glacier Bay violated NEPA because an EIS was not prepared. Accordingly, an injunction was issued by the District Court prohibiting further increases in cruise ship entries and returning all vessel traffic to its pre-1996 levels.

On November 5, 2001, Public Law 107-63 (155Stat 414) was signed into law. Section 130 of the act requires preparation of an EIS to identify and analyze the possible effects of the 1996 increases in the number of vessel entries issued for Glacier Bay National Park and Preserve. Section 103 further provides that the EIS be completed by January 1, 2004. On January 18, 2002 the District Court modified its previous injunction accordingly.

The NPS is committed to completing the EIS by the January 1, 2004 deadline. Funds have been reprogrammed to contract for EIS preparation, and an aggressive schedule has been developed to meet the legislated deadline. A project manager for the EIS has been hired and is on staff. A firm has been contracted to produce the EIS and has begun internal scoping in April.

BUSINESS PLANNING

1. Question: Ms. Mainella, as this Subcommittee has visited Parks around the country we have met a lot of very dedicated and skilled Superintendents. They frequently talk to us about their business plans. It is clear, however, that most Superintendents have come up through the natural resources stewardship track and have little professional and academic experience in business skills and business

planning. Frankly, it is worrisome when a Superintendent of a large Park says that his business plan for a $40 or $50 million enterprise with hundreds of employees was put together by a Business School Summer Student as was the case when we visited Yellowstone a couple of years ago. Given the complexity of these operations, should some of these business management functions be centralized or, as a minimum, should Superintendents be provided more direct oversight by your Office?

Answer: The business plan program was centralized in the Washington Office a number of years ago. The Office of the Comptroller has guided the development of these plans to ensure the consistency of analysis and comparability of final products. One of the reasons that we developed the business plan program was to make centralized resources available to parks, with the financial management expertise to perform this kind of work.

STATE HISTORIC PRESERVATION

1. Question: Ms. Mainella, we have all been visited by our State Historic Preservation offices who are concerned about further cuts in funding. In 2001 they received $46.5 million, then were reduced to $39 million in 2002. Now, you are proposing a further reduction to $34 million for 2003. I know some of last year's cut reflected one-time funding but why cut the State Preservation offices, which I think do great work, yet again?

Answer: The National Park Service understands the value and work of the State Historic Preservation program and recognizes that many worthwhile partnership programs exist. Priorities were carefully evaluated, and given there are more projects and needs than can be met within the budget allowances available, it was a reluctant decision to reduce funding for this program in order to focus on National Park System maintenance, resource protection, and homeland security issues.

MISCELLANEOUS

1. Question: The budget proposes to transfer the "Critical Ecosystem Studies Initiative to the U.S. Geological Survey. Can you tell the Committee the rationale for this transfer?

Answer: Wherever the Critical Ecosystem Studies Initiative (CESI) funds are administered, CESI funding would still be assigned to the appropriate agency or agent best suited to the task. The most important issue with CESI funds is that they be applied to the most immediate needs for science about the Everglades, in order to guide imminent management decisions. To ensure that science funds address the current top ecosystem restoration needs, the Department of the Interior has directed that a Memorandum of Understanding (MOU) between United States Geological Survey (USGS), the Fish and Wildlife Service and the National Park Service be developed for prioritizing both CESI and USGS funding. Currently, many of the most pressing needs are not for research but for applications of research in hands-on, science-based testing of alternatives and other resource management exercises such as monitoring. The MOU insures that the land management agencies would retain a prominent role in developing the priorities for the funds within USGS.

2. Question: The overall budget for the USGS is down about $50 million from the 2002 level in the president's request. Have funds been included within USGS to continue the Critical Ecosystems work at the current level?

Answer: Yes, $4 million has been requested to continue the Critical Ecosystems Studies within the USGS budget request, the same amount that was appropriated in FY 2002.

3. Question: The budget requests an additional 249 FTE's under your appropriations accounts but offsets this with a reduction of 100 FTEs under your reimbursable program. Would you review for the Committee what this budget means in terms of field staffing?

Answer: The 249 FTE increase is a net of adjustments contained primarily in three appropriations: Operation of National Park System (ONPS), United State Park Police, and Construction. There is a 149 FTE reduction associated with reimbursable funding, resulting in a net increase of 100 FTE in the FY 2003 budget.

One hundred ten of the FTE increases in ONPS (including those for homeland security) are for parks, and 79 are associated with the Natural Resource Challenge, with other minor adjustments bringing the net in that appropriation to 183. A total of 48 Park Police FTE are to increase their strength of sworn officers to patrol parks in the Washington D.C., New York and San Francisco areas. Only a small number of the proposed increase in FTE are for central offices, including 20 to accelerate the obligation of construction projects. Within these totals are included 6 FTE for the Secretary's new Cooperative Conservation Initiative, which will leverage additional dollars for natural resource projects in parks. Other appropriations account for an additional downward adjustment of 2 FTE. The reduction for reimbursable FTEs involve staff at the park, regional, and central offices who accomplish work using funding provided by other federal and state agencies.

NATIONAL PARK SERVICE
FISCAL YEAR 2003 BUDGET
APRIL 10, 2002

QUESTIONS FROM
CONGRESSMAN MAURICE HINCHEY

MAINTENANCE BACKLOG

1. Question: In the President's budget, it states that "in the future the proposed Royalties Conservation Fund would also provide funds to reduce the maintenance backlog in our national parks. Are you proposing to reduce the maintenance backlog of our national parks through revenue derived from oil and gas leasing receipts from the Arctic National Wildlife Refuge?

Answer: In the FY 2003 Budget, the Administration "encourages the establishment of a Royalties Conservation Fund to devote royalties from energy production to land conservation and the reduction of maintenance backlogs on public lands." The Fund is a part of the President's National Energy Policy as recommended by the National Energy Policy Development Group and is intended to provide funding to help reduce backlogs for national wildlife refuges, national parks and other public lands.

Assuming the sale of leases for oil and gas in the Arctic National Wildlife Refuge is approved, the first sale would not occur until 2004. Any revenue from these leases would not be expected for 10 years or 2014. The intention of the Department will be to use some portion of the revenue at that time to address Park Service maintenance needs.

2. Question: President Bush pledged to eliminate the backlog in the parks by pledging $4.9 billion over five-years. Is this $4.9 billion in additional funds over the FY 01 level or is it merely $4.9 billion in total spending?

Answer: The $4.9 billion represented total spending to be dedicated to the National Park Service (NPS) maintenance backlog. The NPS will be making progress against the facility portion of the backlog with the funds appropriated in FY 2002 and those requested for FY 2003. The road portion of the backlog will be addressed in the Administration's request to renew funding for the Park Roads and Parkways Program through reauthorization of the Highway Trust Fund in FY 2004.

3. Question: How much of an increase is proposed from FY '01 to FY '02 for maintenance backlog funding?

Answer: The FY 2002 appropriation for backlog maintenance was $661 million, over $32 million more than was appropriated in FY 2001. This amount included increases for line item construction, housing replacement, dam safety, repair and rehabilitation projects, condition assessments, and implementation of the Facility Management Software System.

4. Question: How much of an increase is proposed from FY '02 to FY '03 for maintenance backlog funding?

Answer: In FY 2003, the proposed funding is $663 million, not counting the Administration's legislative proposal for CSRS/FEHBP, an increase of $2 million over FY 2002.

RECREATIONAL FEE DEMONSTRATION PROGRAM

1. Question: In FY 02 NPS estimates that 60% of fee revenue will be directed toward deferred maintenance. Please provide a breakdown by percentage of how the remaining 40% of the fees will be directed.

Answer: Fee collection costs will equal about 20% of receipts. The remaining 20% of receipts are committed to visitor service and resource protection projects. Examples of non-deferred maintenance projects are trail construction, wayside exhibits, a survey of fossil resources in peril, and the installation of a new fire suppression system for a museum collection room.

2. Question: What percentage of these fees was directed toward deferred maintenance in FY 01? Please provide a breakdown by percentage of how the remaining fees were directed.

Answer: In FY 2001, 69% of the fee revenue obligations were for deferred maintenance projects, with the remainder obligated as the costs of collection (20%) and for visitor service and resource protection projects (11%).

3. Question: What percentage of these fees do you anticipate will be directed towards deferred maintenance in FY 03?

Answer: In FY 2003, we anticipate 60% of the fee revenue obligations will be for deferred maintenance projects.

4. Question: If the percentage of fee revenue being directed toward deferred maintenance will be increased, then which eligible uses will be reduced?

Answer: We do not anticipate a change in the percentage of fee revenue being directed toward deferred maintenance. From the inception of the Fee Demo Program, the National Park Service has directed a high percentage of revenue to deferred maintenance.

THURSDAY, APRIL 11, 2002.

U.S. FISH AND WILDLIFE SERVICE

WITNESSES

STEVEN WILLIAMS, DIRECTOR
MARSHALL JONES, DEPUTY DIRECTOR
STEPHEN GUERTIN, BUDGET OFFICER
JOHN D. TREZISE, DIRECTOR OF BUDGET, DEPARTMENT OF THE INTERIOR
DENISE SHEEHAN, ASSISTANT DIRECTOR, BUDGET, PLANNING AND HUMAN RESOURCES
DAN ASHE, CHIEF, NATIONAL WILDLIFE REFUGE SYSTEM
TOM MELIUS, ASSISTANT DIRECTOR, MIGRATORY BIRDS AND STATE PARTNERSHIPS
WILLIAM KNAPP, DEPUTY ASSISTANT DIRECTOR, FISHERS AND HABITAT CONSERVATION
GARY FRAZER, ASSISTANT DIRECTOR, ENDANGERED SPECIES
TEIKO SAITO, DEPUTY ASSISTANT DIRECTOR, INTERNATIONAL AFFAIRS
KEVIN ADAMS, ASSISTANT DIRECTOR, LAW ENFORCEMENT
ROBYN THORSON, ASSISTANT DIRECTOR, EXTERNAL AFFAIRS
PAUL HENNE, ASSISTANT DIRECTOR, BUSINESS MANAGEMENT AND OPERATIONS

OPENING REMARKS OF CHAIRMAN SKEEN

Mr. SKEEN. Today we have the new director of the Fish and Wildlife Service, Steve Williams, here to testify on the Service's 2003 budget request. Welcome, Mr. Williams.

Mr. WILLIAMS. Thank you very much, Mr. Chairman. I appreciate the opportunity to appear today.

Mr. SKEEN. I know that 2003 marks the 100th birthday of the National Wildlife Refuge System. That's quite an honor, and I look forward to hearing about the preparations for the Refuge centennial.

Your full statement will be made a part of the record, and I'll ask that you summarize your testimony. But first let me turn to Mr. Dicks, the Ranking Minority Member.

OPENING REMARKS OF MR. DICKS

Mr. DICKS. Thank you, Mr. Chairman. And welcome, Director Williams.

The fiscal year 2003 budget for the Fish and Wildlife Service contains some very positive proposals, namely the significant increase of 18 percent for our Nation's refuge system, to coincide with the 100th anniversary, as the Chairman has mentioned, of the Refuge system next year. However, a closer look at the details of the budget for this agency shows that the increase, while laudable, comes

at the expense of other programs, in some cases from programs that also support the refuge system. This budgeting tactic has been used for other agencies under the jurisdiction of this Subcommittee. And I must admit that I am troubled by it. If a program is important, we ought to pay for it.

The budget also makes several reductions for programs that were added by this Subcommittee. While I understand the Administration's right to propose its own priorities, I was disappointed to see that a number of reductions had tremendous agency support. In some instances, programs were eliminated from the base budgets of an agency after having started as a Congressional priority.

I also hope to discuss the State Wildlife Grant program at greater length today, so that the Subcommittee can get a better understanding of where the agency is going with this program. Having spent an enormous amount of time on this topic, I am still troubled by how the agency has proceeded with this program since it was created two years ago. I am pleased that the Administration did not propose the significant cut to the Fish and Wildlife Service that we saw last year.

Coming from a region of the country faced with tremendous ESA related pressure, I am keenly aware of how important it is to adequately fund these programs and staff this agency. While I would advocate for agency increase, I'm relieved to see the Administration's proposed level funding instead of a reduction.

So thank you, Mr. Chairman, I look forward to the testimony of Director Williams.

Mr. SKEEN. Director Williams, would you please introduce your companions and then summarize your testimony.

OPENING STATEMENT OF STEVEN WILLIAMS

Mr. WILLIAMS. Thank you, Mr. Chairman. I'd like to introduce first, to my left, your right, Marshall Jones, the Deputy Director. To my right, Steve Guertin, our Chief of Budget.

Mr. SKEEN. We're glad to see you.

Mr. WILLIAMS. And I have assistant directors behind me that, with your permission as we go through questioning, I'd like to refer some of the questions to them for answering, if that's okay with you, Mr. Chairman. I'm still scurrying to learn the budget and learn the issues that confront the Fish and Wildlife Service.

It is a pleasure to appear here today to present the President's fiscal year 2003 budget request. As you mentioned, I have prepared remarks. I'll just highlight a few of those remarks.

This is my first appearance before this Subcommittee, but I am told and I am aware of how this Subcommittee has championed in particular the National Wildlife Refuge System by advocating increased use of those lands, cooperative partnership efforts and carrying out the Service's responsibility. I am pleased and honored to be sitting in this chair as we prepare for the 100th anniversary of the National Wildlife Refuge System.

Our 2003 budget request totals nearly $2 billion, which is the largest ever. It provides direct financial and technical assistance to States, local communities, land owners and conservation groups, including the new cooperative conservation initiative. And it pro-

vides a major increase for the operation and maintenance of the refuge system.

At this time, I'd like to begin some of the major items in the budget. We are requesting nearly $377 million for refuge system operations and maintenance, which is an increase of almost $57 million above fiscal year 2002 and $76 million above the fiscal year 2001 budget. Our request includes a $12 million increase for refuge operations, a minimum of $5 million increase for the highly successful cost share program, $2 million for a new initiative on visitor facilities, $1 million to complete CCP's, and an increase of approximately $31 million to reduce the number of deferred maintenance projects.

As I said, I want to acknowledge and express my appreciation for the support of this Committee that you have all provided through the years for the refuge system under both you, Chairman Skeen, and former Chairman Regula. Your efforts have certainly laid the groundwork for these proposals to advance the refuge system.

Our budget request also includes $283.9 million for programs assisting States, tribes and local communities and land owners. That amount includes $50 million for the Landowner Incentive grant program, $10 million for the Private Stewardship Grants program, $91 million for the Cooperative Endangered Species Conservation Fund, $43.6 million for the North American Wetlands Conservation Fund, $60 million for State and Tribal Wildlife Grants, and approximately $29.3 million for the Partners for Fish and Wildlife program.

Also included in the Department's request is a proposal for $100 million for new flexible, incentive based programs to implement the Secretary's goal of conservation through cooperation, consultation and communication. Of that $100 million, $50 million would be allocated to the States through the National Park Service's Land and Water Conservation Fund. The other $50 million would be available to the Service and to other Interior agencies for projects benefiting Federal lands and resources.

We are requesting $18 million to implement this initiative. A minimum of $5 million would be directed toward the refuge system challenge cost share program and the remaining $13 million would be available competitively to nearly all the Service programs, including refuges. We're requesting a total of about $126 million for the Endangered Species programs. This includes the $1.1 million increase for candidate conservation efforts, $2.3 million for consultations, technical assistance and habitat conservation plan efforts.

For recovery of listed species, we enter into a bit of budget speak. The request shows up as a decrease of $3.4 million from the enacted level. This is primarily due, however, to the proposed discontinuation of earmarks. If Congress accepts this, we would actually result in a $2.5 million general increase in funding for Service priorities.

We are asking for an overall increase of $1.5 million for our law enforcement programs. This money is much needed to continue our efforts to strengthen our law enforcement program by providing funds to support enforcement activities of onboard staff.

We are requesting $94.8 million for the Fisheries program, which is a net decrease of $9.1 million below the 2002 enacted level. An issue of concern, I'm sure, to many members, includes a net decrease of $1 million from the hatchery programs, in order to implement the Administration's management reform initiatives.

I want to stress at this point our continued commitment to work with Congress and all other stakeholders to determine how to eventually apply this reduction, and more importantly, or as importantly to address the future of our hatcheries system and Fisheries program.

The land acquisition request totals about $71 million. We request $5 million for the Multi-national Species Conservation Fund. I would conclude by saying that although this budget development and budget request was finalized prior to my confirmation, it's one that I'm proud to recommend to you. There are significant increases for important priorities and I would urge the Subcommittee to support the budget request.

As I said, I have Marshall Jones with me, and Steve Guertin, head of our Budget Office and numerous assistant directors that sit behind me.

[The written statement of Mr. Williams follows:]

STATEMENT FOR THE RECORD

STEVEN A. WILLIAMS, DIRECTOR
U.S. FISH AND WILDLIFE SERVICE
for the

HOUSE APPROPRIATION SUBCOMMITTEE
ON INTERIOR AND RELATED AGENCIES

April 11, 2002

I would like to take this opportunity to present the President's Fiscal Year 2003 Budget Request for the U.S. Fish and Wildlife Service to the House Appropriations Subcommittee on Interior and Related Agencies.

The Service's FY 2003 budget requests a total of $1.976 billion, consisting of $1.316 billion in current appropriations and $660.1 million in permanent appropriations, and including $32.8 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the Federal employee health benefits program. Excluding the legislative proposal, the FY 2003 budget for current appropriations is $1.283 billion, $6.9 million above the FY 2002 enacted level. The 2003 request for the Resource Management account totals $903.6 million, $53.0 million above the FY 2002 enacted level. Federal acquisition of land and easements from willing sellers is funded at $70.4 million, a decrease of $28.8 million below FY 2002, which reflects a focus on existing lands and facilities and a transfer of the land acquisition planning function to refuge operations. The Construction account is funded at $35.4 million in accordance with the Department's five-year plans for construction and maintenance.

The proposal to transfer to agencies the full costs of the Civil Service Retirement System and Federal Employees Health Benefits program will more nearly show the true costs of federal programs, allowing managers to make decisions based on better cost information. This reform adds $32.8 million to the Service's 2003 current appropriation request. For comparability, the Service has estimated the amounts that this change would have added to the budget in 2001 (+$29.1 million) and 2002 (+$31.9 million).

The President's budget highlights programs that exclusively provide direct financial and technical assistance to states, local communities, landowners, and conservation groups, as well as three multi-bureau cross-cutting initiatives: the new Cooperative Conservation Initiative, and continued support for Pacific Northwest salmonid conservation and Everglades restoration.

Financial and Technical Assistance to States, Tribes, Local Communities and Conservation Groups

The request includes $283.9 million in programs that exclusively provide direct financial assistance to states, tribes, local communities, landowners, and conservation groups, including $50.0 million for the Landowner Incentive grant program; $10.0 million for the Private

Stewardship Grant program; $91.0 million for the Cooperative Endangered Species Conservation Fund; $43.6 million for the North American Wetlands Conservation Fund; $60.0 million for State and Tribal Wildlife grants; and $29.3 million for the Partners for Fish and Wildlife Program, funded within the Resource Management account.

Cooperative Conservation Initiative

This will be a flexible, incentive-based program to implement the Secretary's goal of conservation through cooperation, consultation and communication. It will fund cooperative conservation challenge projects that seek to achieve the actual restoration of natural resources through innovative means or practices; the establishment or expansion of habitat for wildlife; or the collection of information which has as its purpose the conservation of natural resources or protection of wildlife. Half of the funds will be available to the Bureau of Land Management, the Fish and Wildlife Service, and the National Park Service for projects of benefit to federal lands and resources. The other half will be allocated to states through the National Park Service's Land and Water Conservation Fund State Grants program.

The Service is requesting $18.0 million to implement this initiative. A minimum of $5.0 million will be directed toward the National Wildlife Refuge System (which will build on its ongoing Challenge Cost Share program to prioritize proposals). The remaining $13.0 million is available to nearly all Resource Management programs.

The Service, using its conservation grant program management experience and capability, will reach out to new constituencies and encourage innovative new conservation proposals under the CCI program. The CCI program will focus on citizen-centered natural resource stewardship and recognize innovative new ideas and expansion and replication of existing successful activities.

Pacific Northwest Salmonid Conservation

The Service requests an additional $3.7 million in our Resource Management account to carry out the Service's requirements for implementing the Reasonable and Prudent Alternatives for several biological opinions in the Columbia River Basin to address declining species such as bull trout, Kootenai white sturgeon, 12 salmon and steelhead populations, and others. The Service will continue to work with states, federal agencies, tribes, and other stakeholders in the Pacific Northwest.

This request will implement a broad range of activities, including instream flows, estuary protection and restoration, passage and habitat for bull trout, evaluation of hatchery reform plans, and completion of Section 7 consultations on many federal actions. In total, $9.7 million will be available to implement the Service's responsibilities under the biological opinions.

Comprehensive Everglades Restoration Plan

The Service requests a total of $6.3 million to acquire lands at J.N. "Ding" Darling, National Key Deer, and Pelican Island National Wildlife Refuges to support the Comprehensive Everglades Restoration Plan (CERP), the most far-reaching and ambitious ecosystem restoration project ever undertaken in the U.S. The 30-year restoration effort is designed to restore the Everglades' hydrological and ecological functions, which have been seriously degraded by 50 years of flood control and drainage projects. We will work with the Corps of Engineers and

other interagency partners to ensure ecosystem benefits consistent with long-term CERP project goals. These efforts, a major Service focus in South Florida, will restore habitat for wetland-dependent and other aquatic species; restore native aquatic species, recreational and commercial fisheries, and other aquatic resources. In addition, the Service's budget includes $3.4 million for CERP implementation and operating costs.

Summary of Request

Resource Management

The FY 2003 budget request for current appropriations totals $934.7 million including $31.1 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the federal employee health benefits program for current employees. Without the legislative proposal, the request is $903.6 million a net increase of $53.0 million.

Ecological Services -- The Service requests a total of $211.1 million, a net decrease of $8.6 million below the FY 2002 enacted level (primarily due to elimination of one-time projects), but an increase of $1.3 million above FY 2001, for Ecological Services programs:

Endangered Species – The Service requests a total of $125.7 million, $6,000 above the FY 2002 enacted level and $4.8 million above FY 2001. The program funding will support operations that enhance implementation of the *Endangered Species Act*, including:

Candidate Conservation – The Service requests $8.7 million, a $1.1 million increase over the FY 2002 level. The request includes a $1.5 million program increase to support an additional 38 Candidate Conservation Agreements (CCAs) with private landowners, states and local governments, which will keep at least three species from being listed. These agreements help better manage threats to species and their habitat before they become critically imperiled. Eighty-one CCAs have been completed and signed as of December 31, 2001.

Listing – The Service requests $9.1 million, which includes a $77,000 increase for uncontrollable costs. This program determines whether to list wildlife and plant species. If listed, a species is protected under the *ESA*, including prohibitions on taking the (e.g. killing or harming) species. The budget continues the listing cap language and the critical habitat sub-cap language as enacted in the 2002 appropriations act. In the 2003 proposal, funding for critical habitat is set at $5.0 million, $1.0 million below FY 2002, to ensure additional resources are available for new listings, critical habitat designations, and responding to citizen petitions.

Consultation/HCP – The Service requests $47.8 million, an increase of $2.3 million above the FY 2002 enacted level, to respond to the greatly increasing demand for consultations, technical assistance, and habitat conservation plan (HCP) permits.

A $2.0 million program increase will allow the Service to review an estimated additional 2,000 actions for a total of more than 77,000 actions. In addition, the Service will finalize 75 new HCPs in FY 2003. The President's energy plan is expected to increase the consultation and HCP workload as coal, natural gas, and oil resources are developed. Also, in the section 7 program, the Bureau of Land Management has identified approximately 70 management units that require consultations on their Resource Management Plans due to newly listed species, critical habitat designations, or outdated plans. The Service is also providing technical support in the development of about 200 new HCPs as well as oversight and implementation assistance for roughly 400 approved HCPs.

In addition, as part of the $3.7 million Service-wide increase for Pacific Northwest salmonid, the Service requests $0.8 million to address consultation needs from a variety of customers and ensure that the Service and other federal agencies are in compliance with Federal Columbia River Power System Biological Opinions.

Recovery – The Service requests $60.2 million, a decrease of $3.4 million below the FY 2002 enacted level, primarily due to discontinuance of one-time projects. The request includes a $2.5 million program increase for direct actions to stabilize at least 40 critically endangered species that are on the brink of extinction, delist or downlist 8 species whose status has improved, increase work with partners to recover listed species, and complete the recovery planning process for at least 50 species that lack recovery plans.

Actions that will stabilize these species and prevent their extinction will be a priority. The emergency-listed Columbia Basin pygmy rabbit has fewer than 50 individuals in the wild in Douglas County, Washington. Preventing the extinction of this species will require addressing threats posed by disease, predation, loss of genetic diversity, and loss of its sagebrush habitat. Another species on the brink of extinction is the Mississippi gopher frog, once found throughout the Lower Coastal Plain from Louisiana to Florida, but currently only known from one pond in Mississippi. Preventing the extinction of this unique frog will require the restoration of ponds and surrounding habitats and the reintroduction of frogs from the one remaining population.

In addition, as part of the $3.7 million increase for Pacific Northwest salmonid, a $0.6 million program increase will help the Service meet its obligations as set forth by the Federal Columbia River Power System Biological Opinions. These actions will further the recovery of bull trout and Kootenai white sturgeon.

Habitat Conservation – The Service requests a total of $74.6 million for Habitat Conservation programs, $8.8 million below the FY 2002 enacted level, and $3.7 million below FY 2001, primarily due to the elimination of one-time projects.

Partners for Fish and Wildlife – The Service requests $29.3 million, a net decrease of $7.3 million (primarily due to the elimination of one-time projects) to continue this highly effective program for voluntary habitat restoration on private lands. The 16-year-old Partners program has quietly worked with 27,000 private landowners through voluntary partnerships to implement on-the-ground habitat restoration projects across the country. The program provides cost-sharing and one-to-one restoration expertise to assist restoration of wetlands, grasslands, streams and other habitats important to migratory birds, anadromous (migratory) fish, and declining species. These habitat restoration projects will enhance habitat for fish and wildlife while recognizing the need to maintain profitable agriculture, sustainable communities, and the nation's overall quality of life.

Project Planning – The Service requests $30.9 million, a net increase of $125,000 over the FY 2002 enacted level and $3.1 million above FY 2001. The request includes a $180,000 program increase to help facilitate hydropower licensing activities in the Columbia River basin while addressing the need to protect and conserve Pacific Northwest salmonid species as part of the $3.7 million Service-wide increase for Pacific Northwest salmonid. The Service will only have this unique opportunity to participate in the FERC relicensing of 45 dams in the Columbia River Basin over the next several years and include conservation measures in these relicensing actions that will have an impact on the area for the next 30 to 50 years.

Coastal Program – The Service requests $9.7 million, a decrease of $1.6 million below the FY 2002 enacted level (primarily due to the elimination of one-time projects), but $0.3 million above FY 2001, to work with partners to protect public and private coastal lands in 15 high-priority coastal watersheds. Maps, habitat surveys, and grant application assistance are helping communities plan and implement projects that balance economic development and the protection of coastal resources that make these communities desirable places to live and work.

The request includes a $180,000 program increase as part of the $3.7 million Service-wide increase for Pacific Northwest salmonid. The increase will be used to implement actions in the Columbia River estuary identified in the National Marine Fisheries Service Federal Columbia River Estuary program, will restore tidal wetlands and improve water quality to aid in rebuilding native aquatic species populations in the lower 46 miles of the Columbia River.

National Wetlands Inventory – The Service requests $4.7 million, a net increase of $18,000 over the FY 2002 enacted level and $85,000 above FY 2001, to continue strategically producing maps and updated digital resource information. Emphasis will be on areas of the nation experiencing substantial developmental growth and change. Contemporary habitat maps in digital format will also assist in the planning for needed energy and infrastructure development projects in a way that avoids potential adverse effects on fish and wildlife trust resources.

Environmental Contaminants – The Service requests $10.8 million a net increase of $201,000 above the FY2002 enacted level, and $135,000 above FY 2001. The request includes an additional $120,000 as part of the $3.7 million Service-wide increase for Pacific Northwest salmonid. The increase will be used to address requirements of the Service and National Marine Fisheries Service Biological Opinions on Operation of the Federal Columbia River Power System.

National Wildlife Refuge System: Fulfilling the Promise – The Service requests $376.5 million for National Wildlife Refuge System operations and maintenance, a net increase of $56.5 million above the FY 2002 enacted level and $75.8 million above FY 2001. This increase will direct new resources toward enhancing wildlife protection and public use opportunities at our National Wildlife Refuges and address the Secretary's commitment to reducing maintenance backlogs as the system approaches its Centennial anniversary.

Refuge Operations – The request includes a $12.0 million program increase for 96 refuge operations projects, including base start-up costs on 13 recently established or expanded refuges (refuges added to the system after the refuge operations needs database was prioritized in 1999). The Service's priority operating needs define wildlife and habitat management critical to fulfilling the system's conservation mission. Operations priorities also reflect a commitment to provide the highest quality visitor programs called for in the *National Wildlife Refuge System Improvement Act of 1997*. Refuge operations include numerous activities that foster resource stewardship, visitor services, refuge planning and support throughout the system.

Visitor Facility Enhancement – The Service requests $2.0 million for a new initiative to reinforce our commitment to refuge visitors through enhanced access to and quality of outdoor experiences. Enhancements include construction and maintenance of boat launches, observation decks, hunting and photography blinds, trails, boardwalks and overlooks, fishing piers, and informational signs and kiosks. All facilities would be accessible to persons with disabilities.

Comprehensive Conservation Plans – As mentioned above, the Service requests a $1.0 million program increase to complete CCPs at 11 stations and initiate CCPs at 6 stations. *The National Wildlife Refuge System Improvement Act of 1997* requires the Service to complete a Comprehensive Conservation Plan (CCP) to cover every unit of the National Wildlife Refuge System within 15 years of its passage (2012). To date, we have worked with the states and local communities to complete 28 CCPs, covering 35 stations. Another 85, covering 166 stations, are currently underway. In FY 2002, we expect to complete 32 CCPs, covering 68 stations.

Cooperative Conservation Initiative -- The Service requests a $5.0 million program increase to allow the National Wildlife Refuge System to build on its highly successful Challenge Cost Share program through projects to further strengthen refuge management by completing projects that benefit refuge lands with state and local partners. In addition, the refuge system is eligible to compete for the $13.0 million in CCI funds requested within General Operations.

Acquisition Planning – In FY 2002, the Service will transfer $3.7 million from the Land Acquisition Management Account to the Resource Management Account for land acquisition planning. Of this amount, $0.5 million is for estimated cost allocation methodology (CAM) charges and $3.2 million is for staffing and related costs.

Refuge System Centennial Maintenance – The Service requests a $30.7 million program increase to reduce the number of deferred maintenance projects and fund other maintenance needs in order to ensure safe visits, protect wildlife, enhance habitats. Over a four year period, the Service would retire an estimated $100.0 million in deferred maintenance projects. This historically significant effort is the first major step for the refuge system Centennial.

The refuge system requests funding for several bold, innovative programs that will provide savings to the government, greater accountability, economic benefits to local communities, and improved refuge facilities.

Annual Preventative Maintenance – The Service requests a $0.5 million program increase for annual preventive maintenance to prevent small maintenance problems from becoming deferred maintenance projects; and a $2.0 million program increase to ensure proper and efficient implementation of preventive maintenance projects for those refuges piloting the Service Asset and Maintenance Management System and Maximo software.

Improved Equipment Management – The Service requests a $0.5 million program increase in the refuge system's new Equipment Rental and Leasing Fund to preclude the purchase of costly heavy equipment and benefit local economies, and a $0.5 million program increase for a new Alternatively Fueled Vehicle Fund to provide an incentive for refuge managers to purchase fuel-efficient vehicles.

Deferred Maintenance – The Service requests a $25.3 million program increase to reduce the number of deferred maintenance projects and improve our facilities and infrastructure, including visitor centers, historically significant buildings and on-site staff housing. The Service plans to complete over $20.0 million in projects (i.e., fixing broken boardwalks, repairing parking areas and roads, and providing trails) that directly contribute to visitor access and enjoyment of refuges.

Migratory Bird Management – The Service requests $28.3 million for migratory bird management, a net decrease of $0.3 million below the FY 2002 enacted level, but $2.6 million above FY 2001. Program increases are primarily offset by the elimination of one-time projects.

Conservation and Monitoring – The request includes a $0.6 million program increase to determine band reporting and harvest rates of waterfowl. Estimation of survival, harvest rates, and reproduction rates is critical to the sound management of waterfowl populations, and the estimate of band-reporting rates allows direct estimation of waterfowl harvest rates in support of hunting programs. When actual harvest rates are

unknown or poorly estimated, a more conservative decision-making process occurs and consequently more restrictive regulations are used than would be necessary if accurate harvest-rate estimates were available.

Partnerships in Action: The North American Waterfowl Management Plan – The Service requests a $0.4 million program increase for the Joint Venture program. This successful program protects and restores critical habitats for diverse migratory bird species across all of North America, both on and to a greater extent off Service lands. As of December 2001, Plan partners have contributed approximately $1.5 billion to protect, restore, or enhance almost six million acres of U.S. wetlands, grasslands, forests, and riparian habitat, more than one-third of the 17 million acres of U.S. habitat objectives under the Plan. The Service and more than a thousand communities, governments, nonprofit organizations, ordinary citizens, federal agencies in 49 states, and academia have participated in this program to date.

Law Enforcement – The Service requests $51.9 million, an increase of $1.5 million over the FY 2002 enacted level and $2.3 million above FY 2001. The request includes a $1.0 million program increase to provide additional core law enforcement capability for this program (refuge law enforcement is addressed within the National Wildlife Refuge System activity). The Service is actively strengthening the Law Enforcement program by filling current agent vacancies and providing funds to support baseline enforcement activities of on-board staff. This increase would enhance agent mobility through additional funding for investigative travel and vehicle operation essential to detecting, documenting, and deterring wildlife crime. The program continues to protect imperiled species worldwide by addressing a growing docket of wildlife crimes.

Fisheries – The Service requests $94.8 million, a net decrease of $9.1 million below the FY 2002 enacted level and $2.7 million above FY 2001, to continue supporting activities that restore the nation's waterways, native aquatic species, and habitats. Program increases are offset primarily by the hatchery reform reduction and reductions to non-recurring projects.

National Fish Hatchery System – The Service requests $50.0 million, a net decrease of $5.4 million below the FY 2002 enacted level.

The request includes a $1.0 million program decrease to the Hatchery Operations program in order to implement needed reforms to the system to help focus on the priority restoration and recovery efforts. The reduction is consistent with the Administration's management reform initiatives. The Service will work with stakeholders to determine how to apply this reduction.

In addition, the Service requests a $0.7 million program increase as part of a $3.72 million Service-wide increase for Pacific Northwest salmonid. As an action agency under the National Marine Fisheries Service draft Artificial Propagation Biological Opinions, the Service will improve fish propagation strategies for 12 species of salmon and steelhead reared in hatcheries in the Columbia River Basin.

Fish and Wildlife Management – The Service requests $44.8 million, a net decrease of $3.7 million below the FY 2002 enacted level, primarily due to the elimination of one-time projects.

The request includes a $1.1 million program increase as part of the $3.7 million Service-wide increase for Pacific Northwest salmonid. This funding will be used to restore and recover aquatic species, increase efforts to enhance instream flows and passage, restore habitat, and improve water quality in the Columbia River Basin. The additional funds will be used to monitor and evaluate salmon produced at National Fish Hatcheries in the Basin to facilitate reforms required under the National Marine Fisheries Service draft Biological Opinions on Artificial Propagation.

General Operations – The Service requests $141.0 million, a net increase of $13.0 million above the FY 2002 enacted level and $12.0 million above FY 2001, for Central Office Operations, Regional Office Operations, Servicewide Administrative Support, National Fish and Wildlife Foundation, National Conservation Training Center, and International Affairs. The request includes a $13.0 million program increase to implement the Secretary's Cooperative Conservation Initiative as discussed above.

International Affairs – Within General Operations, the Service requests $8.2 million for the International Affairs program, $37,000 above the FY 2002 enacted level and $33,000 above FY 2001. The International Affairs program will continue working with others to protect, restore, and enhance the world's diverse wildlife.

Streamlining – The Service will implement $3.4 million in across-the-board travel and moving cost reductions. Other streamlining reductions include $0.8 million for elimination of regional ecosystem coordinator positions and $0.45 million for elimination of headquarters ecosystem coordinator positions and consolidation of the Division of Civil Rights into the Division of Human Resources.

Construction

The FY 2003 request for current appropriations totals $36.2 million, including $0.8 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the federal employee health benefits program for current employees. Without the legislative proposal, the request is $35.4 million, a net decrease of $20.1 million below 2002.

Construction Projects – The request includes $25.2 million for 15 dam safety, road and bridge safety, and other priority projects at national wildlife refuges, fish hatcheries, and law enforcement facilities, including dam and bridge safety inspections. Rehabilitation and replacement projects will address the most critical health, safety, and resource protection needs in the Service's Five-Year Construction Plan.

Nationwide Engineering Services – The Service requests $7.2 million to support the Nationwide Engineering, Seismic Safety, and Environmental Compliance programs.

The request includes a $1.0 million program decrease for elimination of the Demolition Fund.

Land Acquisition

The FY 2003 request for current appropriations totals $71.1 million, including $0.7 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the federal employee health benefits program for current employees. Without the legislative proposal, the request is $70.4 million, a net decrease of $28.8 million below 2002. This request would acquire approximately 49,347 acres of fee and easement interests. Major focus areas for 2003 include the Everglades ecosytem (J.N. "Ding" Darling, National Key Deer and Pelican Island NWRs in FL) and Baca Ranch (CO).

Cooperative Endangered Species Conservation Fund

The Service requests $91,000,000 for the Cooperative Endangered Species Conservation Fund, $5,235,000 below the FY 2002 enacted level. The proposed funding level would provide $56,471,000 to support Habitat Conservation Plan Land Acquisition; $17,759,000 for Recovery Land Acquisition grants to help implement approved species recovery plans; $7,520,000 for traditional grants to states; and$6,650,000 for HCP planning assistance to states.

North American Wetlands Conservation Fund

The Service requests $43.6 million for the North American Wetlands Conservation Fund, $60,000 above the FY 2002 enacted level. This Fund protects and restores wetland ecosystems that serve as habitat and resting areas for migratory game and non-game birds, and supports non-regulatory private-public investments in the U.S., Canada, and Mexico.

To date, nearly 1,750 partners have worked together on nearly 976 projects in 48 states, the U.S. Virgin Islands, 13 Canadian provinces, and 24 Mexican states to protect, restore and enhance more than 8.7 million acres of wetlands and associated uplands in the U.S. and Canada and benefit vital habitat on more than 25 million acres within Mexico's large biosphere reserves. This request is expected to generate approximately $295.0 million in total partner funds and resources and protect and enhance 953,500 acres of wetland and upland habitat.

Multinational Species Conservation Fund

The Service requests $5.0 million for the Multinational Species Conservation Fund (MSCF), $1.0 million above the FY 2002 enacted level. The Service requests a $1.0 million program increase for technical and cost-sharing assistance for neotropical migratory bird conservation under the MSCF. The Service will continue providing technical and cost-sharing grant assistance to African and Asian nations for conserving elephants, rhinoceros, tigers, great apes, and their habitats; and, begin providing funding to Western Hemisphere nations for neotropical migratory bird conservation.

Many neotropical migratory birds, as well as African elephants, Asian elephants, rhinoceroses, tigers and great apes, are endangered species protected from take and trade by CITES and U.S. laws. The Fund provides successful, on-the-ground support to range countries for protecting at-risk populations, habitat and ecosystem conservation and management, applied research that includes surveys and monitoring, conservation education, protected area management,

developing conservation action plans, and decreasing human-wildlife conflicts. The Fund also generates local matching resources from partners.

National Wildlife Refuge Fund

The FY 2003 request for current appropriations totals $14.6 million, including $144,000 for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the federal employee health benefits program for current employees. Without the legislative proposal, the request is $14.4 million, level with 2002.

There are no net increases above the enacted level for receipts from the sale of products, other privileges, and leases for public accommodations or facilities on the refuges. The FY 2003 estimate for payments to counties is $18.1 million. The Service estimates that refuge visitors contribute more than $400.0 million to local economies each year. These benefits will continue to grow with projected increases in visitation.

State and Tribal Wildlife Grants

The Service requests $60.0 million (including a $5.0 million tribal set-aside) for State and Tribal Wildlife Grants, the same as the FY 2002 enacted level (the FY 2002 budget provided new appropriations of $85.0 million, but rescinded $25.0 million in carryover balances for a net level of $60.0 million).

Permanent Appropriations

In FY 2003, receipts into the Service's permanent appropriations are projected to total $660.1 million, a combined $7.8 million decrease from FY 2002 deposits, to the following accounts: National Wildlife Refuge Fund, North American Wetlands Conservation Fund, Cooperative Endangered Species Conservation Fund, Recreational Fee Demonstration program, Migratory Bird Conservation Account, Sport Fish Restoration Account, Federal Aid in Wildlife Restoration Account, Miscellaneous Permanent Appropriations, and Contributed Funds. The major changes are:

- Sport Fish Restoration Account – Receipts are expected to decrease by $18.6 million due to lower receipts from gasoline excise taxes on motor boats and small engine fuels and anticipated decreased interest on invested tax collections. Tax receipts and interest earned are available for obligation in the year following deposit into the Aquatic Resources Trust Fund.
- Federal Aid in Wildlife Restoration Account – Tax receipts available in FY 2003 for Wildlife Restoration projects are expected to slightly increase by $9,300,000 above FY 2002 levels, and due to increased interest rates, interest earned is estimated to increase by $4.0 million. Tax receipts become available for obligation in the year following their deposit to the U.S. Treasury, although interest earned in the current year is available during the year in which it is earned.

U.S. Fish and Wildlife Service Management Reforms and Activities to Implement the President's Management Agenda

In August of 2001, the President released his Management Agenda to help rethink and reform the federal government. The President's vision for reform is guided by three principles: it should be citizen-centered, not bureaucracy-centered; results-oriented; and market based. The President identified five government-wide initiatives to help achieve this vision:

- Strategic Management of Human Capital;
- Competitive Sourcing;
- Improved Financial Performance;
- Expanded Electronic Government; and
- Budget and Performance Integration.

The Service supports the President's Management Agenda and continues to create a citizen-centered organization by evaluating and implementing strategies to integrate budget and performance management, conduct workforce planning, competitively out-source with the private sector, and provide greater accountability to the American people. Approximately 8,736 full time permanent staff, supported by a volunteer force of 36,000, will work with others to conserve and protect fish, wildlife, plants and their habitats for the continuing benefit of the American people.

Strategic Management of Human Capital

Agency Restructuring – Although the Service's headquarters are in the Washington, D.C. area, more than 80% of the workforce is located in local communities across the nation at approximately 700 field stations (75% employ fewer than 10 employees) supported by seven regional offices. The Service continues to evaluate potential restructuring options to provide better decision making and have more front line staff in direct contact with the public. Specific actions included in this budget request include a workforce planning study, a regional and Washington office study, and divisional consolidations.

Workforce Planning – The Service will address strategic management of human capital through a comprehensive process that provides managers a framework for making staffing decisions based on our mission, strategic plan, budgetary resources, and desired workforce competencies. A study is currently underway to help develop this process.

Regional and Washington Office Study – The Service is analyzing various aspects of its organization, including functions, internal work processes and responsibilities. The focus is on issues, problems and needs rather than a comprehensive classical organizational assessment. This study involves a review of Washington operations as well, with a particular focus on the relationship to regional office issues.

Streamlining Consolidations – The Service has consolidated the Division of Diversity and Civil Rights into the Division of Human Resources to improve coordination and communication on human resource issues of common interest to the offices, such as diversity, recruitment, retention, student employment, and

workforce planning, and will achieve $250,000 in savings, beginning in FY 2003, from this move. In addition, the Service will save $1.0 million through the elimination of ecosystem coordinator positions. And, in ongoing efforts to provide better service and have more staff in direct contact with the public, the Service has already consolidated the Juneau, Alaska, fish and wildlife office, the Panama City, Florida, field office and the Klamath Falls, California, fish and wildlife office and is preparing to consolidate two offices in Fairbanks, Alaska.

Comprehensive Human Capital Investment Strategy – The Service will implement a comprehensive Human Capital Investment Strategy to assess the current and future workforce skills needed to deliver the Service mission.

Competitive Sourcing – The Service has contracted with a GSA-approved firm, Management Systems International, to review, evaluate, and make recommendations for the most appropriate delineations of Service positions with respect to those that are "inherently governmental" and those that could be considered commercial activities. It will include a listing that clearly shows the commercial activities positions in the Service, is consistent among regions regarding similar positions, and is versatile enough to apply to current OMB codes.

Improved Financial Performance – The Service continues to strengthen its financial performance through the improvement of financial management processes, particularly financial transaction, cost recovery, and cost allocation processes. In addition, the Service is ensuring similar progress on electronic funds transfer payments and credit card payments. In FY 2001, the Service made 84% of its payments via electronic funds transfer, an 8% increase over FY 2000. The Service has achieved one of the highest on-time credit card payment records in the Department and the federal government as a whole.

Budget and Performance Integration – The Service has been making continuous progress in linking performance goals to program activities in our budget requests. As an initial step to integrate the Service's performance structure with the budget in FY 2001, we adopted a strategy of consolidating, aggregating or disaggregating the budget program activities into component parts and applying performance goals and indicators to those parts. The second step to better link plans and budgets can be seen in our efforts to show the performance consequences of requested levels of incremental funding for each of the annual performance goals accompanying the budget requests. Finally, important for the linkage of budgetary resources to results to occur is the connection with the base line of Service operations.

This concludes my testimony. I will be pleased to answer your questions.

WITNESS BIOGRAPHY

STEVEN A. WILLIAMS, DIRECTOR
U.S. FISH AND WILDLIFE SERVICE

HOUSE APPROPRIATION SUBCOMMITTEE
ON INTERIOR AND RELATED AGENCIES

April 11, 2002

Steven A. Williams was confirmed by the Senate as Director of the U.S. Fish and Wildlife Service on January 30, 2002 and was formally sworn in by the Secretary of the Interior Gail Norton on February 21, 2002. As Director, Williams oversees the operations of the nation's primary wildlife conservation agency with more than 8,000 employees and a 2002 budget of $1.94 billion.

Previously, Williams served as secretary of the Kansas Department of Wildlife and Parks from 1995. His other former positions include Deputy Executive Director of the Pennsylvania Game Commission from 1992-1995; Assistant Director for Wildlife for the Massachusetts Division of Fisheries and Wildlife from 1989-1992; and a wildlife biologist specializing in research and management for white-tailed deer for the Massachusetts Division of Fisheries and Wildlife from 1985-1989. He served as a graduate teaching assistant at the Pennsylvania State University from 1981-1985, working on wildlife habitat analysis, and also worked as a graduate teaching assistant at the University of North Dakota from 1979-1981.

Williams earned a doctorate in forest resources at the Pennsylvania State University, University Park; a master of science degree from the University of North Dakota at Grand Forks; and a bachelor's degree in environmental resource management, also from the Pennsylvania State University. He is a member of the International Association of Fish and Wildlife Agencies, the Wildlife Society, and other professional and conservation organizations.

Williams, 44, and his wife Beth, have two children. He was born in Bellows Falls, Vermont, and grew up in the rural Northeast.

The U.S. Fish and Wildlife Service is the principal Federal agency responsible for conserving, protecting, and enhancing fish, wildlife, and plants and their habitats for the continuing benefit of the American people. The Service manages the 94-million acre National Wildlife Refuge System and enforces Federal wildlife laws, administers the Endangered Species Act, manages migratory bird populations, restores nationally significant fisheries, conserves and restores wildlife habitat, and helps foreign governments with their conservation efforts. It also oversees the Federal Aid program that distributes hundreds of millions of dollars in excise taxes of fishing and hunting equipment to state fish and wildlife agencies.

REFUGE EXPANSION

Mr. SKEEN. What are you doing to control the number of new refuges that are added to the National Wildlife Refuge System, and what are you doing to control expansion of the existing refuge?

Mr. WILLIAMS. That's a good question, Mr. Chairman. There are a variety of efforts that have been undertaken prior to my confirmation. Starting with a new project idea that deals with preliminary project proposals, these proposals are drafted at the regional level, and at the local level. The proposal presents an idea that goes before the regional management team. That team evaluates the fitness of a potential unit or potential property to be acquired. That starts the process for consideration of future expansion or new areas being brought into the refuge system. We can provide additional information for you in our prepared remarks.

[The information follows:]

NEW AND EXPANDED REFUGE PROPOSAL PROCESS

Refuges can be created or expanded legislatively by Congress or by the Service under several legislative authorities such as *The Fish and Wildlife Act of 1956* and *The National Wildlife Refuge System Administration Act of 1966.*

Within the FWS, only the Director can approve the establishment of a new unit, or the significant expansion of an existing unit, of the refuge system. Regional Directors retain authority to approve size expansions up to 10 percent or 40 acres, whichever is greater. Decisions to expand an existing refuge are based upon that refuge's need to achieve its purposes or the system mission. The Service acquires varying degrees of property rights including full fee acquisition and easements within or adjacent to an existing refuge based on biological significance or to support administration and management of the refuge and visitor services.

Most regions have a process which develops proposals from within the refuge system, other Service programs, state/local governments or non-governmental organizations into Preliminary Project Proposals (PPPs). Prioritization systems rely primarily on biological factors, but may also include non-biological factors. Oftentimes, Service proposals for new refuges and expansions are developed when our partners recommend land necessary to meet landscape protection needs. A member of the public may promote expansion of a refuge during the scoping portion of the comprehensive conservation plan development for the refuge.

The process begins by bringing a proposal before the regional management team to evaluate its fitness as a unit of the refuge system. Anyone with an interest in land protection can bring a proposal before the regional management team to evaluate its fitness as a unit of the refuge system. However, most proposals are generated by a Fish and Wildlife Service staff member or a representative of a non-governmental organization. If the team decides that the proposal meets their criteria, a PPP is prepared, signed by the Regional Director (RD), and submitted to Headquarters requesting the Director's permission to begin detailed planning. If the Director approves the PPP, the region begins detailed planning, which includes compliance with NEPA and other laws and preparing a Land Protection Plan (LPP). A LPP provides information about resource protection needs, protection alternatives, and details about the proposed action including land description, ownerships, priorities, and the minimum interest required to achieve resource protection. It is the primary document that informs the public about the land protection proposal. The public, state and non-governmental partners provide comments during the draft Environmental Assessment, or Environmental Impact Statement, and the draft LPP process.

Upon completion of the detailed planning process, a decision is made whether or not to proceed with establishment of the proposed unit. Some of the factors considered include the size of the proposal, the relationship of the proposal to the purposes of the refuge and the refuge system mission, the relationship to existing refuges, potential operations and maintenance costs, and the relationship to habitat and species conservation plans. If the decision supports the proposed unit, a Decision Document is prepared, signed by the RD, and forwarded to the Director for concurrence.

The Director will only consider new refuges and major expansions of existing refuges when the

request includes the total cost of purchasing, staffing, operating, and maintaining the proposed new or expanded national wildlife refuge at full purchase acreage. RDs will also be required to identify the source of funding for the operational costs of these new units and identify likely future Refuge Operating Needs System (RONS) projects and Maintenance Management System (MMS) projects. After Director's approval, the unit is authorized, and the public notified.

I would like to bring to your attention a new effort that I intend to undertake and actually have initiated in discussions with our chief of the refuge system, Dan Ashe. Dan and I have discussed the need for the development of priorities and guidelines for future land acquisition, future refuge expansion, that would provide a greater direction and focus for future land acquisition efforts by providing a national priority, if you would.

The intent here is a number of intentions. One is to help folks in the field understand what the priorities of the Service are from a national perspective. Two is to filter land acquisition requests that come in from the field through this priority and guidance document, so that we limit the number of requests, the acreage that would be requested to be added to our refuge system, and focus our efforts on those highly exceptional land areas that provide, for instance, critical habitat for threatened and endangered species, perhaps critical wetland values and a variety of other characteristics that an internal group of employees within the Service will be developing hopefully within the next few weeks.

Mr. SKEEN. How do you factor in operating costs when making a decision on a new refuge?

Mr. WILLIAMS. My understanding is that's a relatively recent development in the Service as we plan for the future, and it's one that I am very supportive of. I also understand that a lot of impetus for that came through this Subcommittee.

When proposals are sent through the chain of command, if you will, we have requested that those making proposals for expansions or new lands provide their best estimates of out-year costs for operation and maintenance. We take that into account when it moves through various levels of approval and ultimately now those approvals are made not at the regional level, but at the Washington level, in fact, at the Director's level. When any of those proposals come forward, I can assure you that I will be asking perhaps similar questions to what this Committee would ask in terms of, what are the out-year costs, the ongoing operations and maintenance costs.

I believe strongly taking care of what it is that we own now, not to the exclusion of additional acreage, needs to be factored into our considerations or our decisions before we take on new properties. This includes what it is costing us to operate currently, what are the deferred maintenance costs that are out there, and what future O&M would we have to take under, or what future O&M costs we would have with any additional properties.

Mr. SKEEN. Mr. Dicks.

Mr. DICKS. Thank you, Mr. Chairman.

DIRECTOR WILLIAMS' EXPERIENCES

Dr. Williams, you have spent the last seven years in Kansas as Director of the Wildlife and Parks. Prior to that, spent considerable time in both Massachusetts and Pennsylvania working with State wildlife agencies.

What did your experience out in the field teach you about what was and what wasn't working at the U.S. Fish and Wildlife Service?

Mr. WILLIAMS. One of my primary goals for the Service, based on my 16 years of experience in State agencies, was to strengthen the relationship between the Fish and Wildlife Service and State agencies. By that I mean, to bring State agencies to the table on a variety of issues, whether they be endangered species issues, refuge issues, fisheries issues, law enforcement and so on, all programs of the Service, to bring State agencies to the table to look for ways that we could assist them in their conservation mission and they could assist us.

That's not to say that there aren't wonderful partnerships that exist, because there are. I have had the pleasure of working with, in my capacity as a state employee, many Fish and Wildlife Service employees on projects on the ground that have been, in my opinion, very successful and advanced fish and wildlife conservation. I think we can do a better job as a Federal agency in reaching out to the States and working with our employees to, as I said, advance conservation.

Another part of that equation deals with partnerships. I think the Service can improve and strengthen its relationship with other partners. By that I mean non-governmental conservation organizations. We can improve our relationship and partnerships with the hunting and fishing and other wildlife oriented industry groups that promote fish and wildlife conservation.

And last, my experience at the State level, and its first-hand experience in working with sportsmen and women and three different States is, I think the Service can take steps to further improve our working relationship with the sportsmen and women in this country, and as far as that goes, with all members of the public in this Nation. But particularly those that are interested in wildlife dependent or wildlife related outdoor recreation.

Mr. DICKS. Let me ask you, there have been several major controversies this year that go over the last several years. One is on the Canadian lynx, and the other on the Klamath Basin controversy, which we have previously attested to the Secretary, these have caused great controversy and considerable damage to the reputation of the Service. The conclusions to the National Academy Review regarding water in the Klamath Basin were particularly troublesome.

In your view, what do these episodes tell you as a new Director about the quality of the science and the ethical standards within the Service?

KLAMATH BASIN

Mr. WILLIAMS. If I could, I'd address the Klamath situation and the lynx situation separately.

Mr. DICKS. That would be fine with me.

Mr. WILLIAMS. I think it's important that we separate those two issues, because they need to be addressed. Some of the things we need to do to address both of those I can discuss at the same time. But they are separate issues.

In terms of the National Academy of Science's review of our biological opinion at Klamath, I would point out that there were a number of conclusions that were reached during our biological opinion or in the biological opinion document that were strongly

supported by the National Academy of Science. However, the perhaps most significant in some perspectives was a conclusion we reached that water levels, maintaining a certain water level, was important for the survival of the fish species in Klamath.

I believe that our employees on the ground used the best information they had available. I would say that that information, even they would agree, I'm sure, was not the best that they would have liked to have available, but it was the best available at the time. From their analysis they drew conclusions based on their professional judgment. The conclusion that they drew, in essence, was if nutrient loading was a concern and is a concern for the survival of the sucker species in question, that higher volumes of water, higher lake levels, I think is an intuitive conclusion and judgment you might come to. If we had higher lake levels, we might expect better survival of the fish.

Unfortunately, when the National Academy of Science reviewed our opinion and our judgment, they didn't concur. Looking back, with the benefit of further review, we would agree that the science that we had, the data that we had, were not conclusive, did not support our opinion that we needed to maintain those higher lake levels, based on the information we had.

The lessons I've learned there certainly, well, there are a number. One is, that we need to strive to get the resources to monitor, survey and collect the information we need for all of our decisions. And honestly, we don't have or neither does any State fish or wildlife agency, have all the information they would like to have to make the best decision. So we're taking a look at that, how do we best apply our finite resources to those areas where we're going to have to make decisions, particularly controversial decisions and particularly decisions that are going to have the type of impact that we saw in the Klamath Basin area.

So the use of best science is something that we continue to be very committed to.

We were going to talk about peer review of science, but before I do that, I would point out that our opinion did go through some peer review prior to being published. But we are committed to searching out ways to bring peer review to all of the science, all the decisions that were involved and as appropriate, recognizing that there are time commitments, there is statutory time commitments, there is sometimes a reluctance to have folks peer review data, conclusions, scientific research. But we're committed to involving peer review, outside peer review, as much as possible.

Mr. DICKS. When do you expect to receive the final recommendations from the Academy, and what will you do in the interim?

Mr. WILLIAMS. I believe the final recommendations are due in March of 2003. In the interim, we are incorporating the conclusions of the NAS study as we speak in the development of the ten year biological opinion for Klamath. That's going on right now as we develop that biological opinion. So we're looking at information presented there, using that as additional information to help guide our opinion.

So the lesson there in a nutshell is, we need to get the best science we can, better science if we can, and we need to incorporate peer review when and where possible. And it also has driven the

agency to involve other folks within the agency with certain areas of expertise that may not be available at the local level where those decisions are made. So that's kind of my thinking on Klamath.

CANADA LYNX

The lynx case is a bit of a different issue to try to tackle. I would start out by pointing out to this group that in my opinion, and it's my strong opinion, the incident surrounding the submission of fur from a captive lynx to a lab for identification involved bad judgment by those individuals involved. Not bad science by this agency. We need to put responsibility where the responsibility is. That responsibility, in my mind, lies with those individuals that were involved.

I'd like to take a second to provide a little more information on the lynx survey issue, because I'm disappointed in some of the accounts I've read in the newspaper about what it was that happened. I'd just take a couple of minutes if I could to just kind of lay that out as I understand it, based on my reading of the GAO report and the Department of Interior's Office of Inspector General's report.

With regard to the Fish and Wildlife Service employees, and that's the only two that I'll speak to, what occurred there was two individuals had apparently discussed concerns about the lab's ability to correctly identify samples that were sent in. That led one of the individuals to procure some lynx hair from a captive lynx, provide it to the second Service employee, and that Service employee sent it in to the lab for identification. There were notes made on his data sheets that were sent in, indicating that that sample was in essence, in his mind, a test sample. Once it came to light the Forest Service, Fish and Wildlife Service and Washington State employees had taken these steps, the lab stopped all examination of samples sent in and those samples were eventually weeded out from what was sent.

Now, having said that, I don't say that as an excuse. I don't say that in defense of those employee's actions. It exhibit poor judgment at best. I think it was certainly ill-advised, perhaps unethical. What happened was, two employees who took it upon themselves, perhaps for good intentions in their minds, but took it upon themselves to go outside of the scientific protocol that was established. That in and of itself is an unprofessional activity.

It was not, as some newspaper reports claim, fur planted in the forest. It was fur that never, to my knowledge, again based on the reports, not fur that was planted in the forests. It was fur that was taken from a captive lynx and submitted as a sample.

Steps that we've taken to deal with that are numerous. I'd just to go through a few of those. One is that we have developed through Director's order personnel standards which specify disciplinary consequences for inappropriate or unacceptable behavior related to science entitled Disciplinary Action for Unauthorized Activities in the Course of Scientific Studies or Investigations.

Some of the key components of this order include requiring all employees that are involved in scientific studies or investigations to adhere strictly to established survey and scientific protocols; requiring any employee who questions the scientific methods, which

seem to be the case in the lynx issue, any employee who questions scientific methods being used in the study, including quality assurance and quality control procedures, must use appropriate channels to address these concerns. They cannot take it upon themselves to address those concerns.

It states that any measures taken outside of established study protocols to "test" any aspect of the study without the knowledge and consent of the principal investigator is always unacceptable and we inform employees that acting outside of these aforementioned established protocols would be grounds for disciplinary action, up to and including removal from the Service. That deals with performance and conduct.

Further, I've taken steps that I categorize under leadership steps. I've met with regional field managers in three of our southern regions, next two weeks from now I'll be in the fourth and plan to conclude all of our seven regions, stressing the importance of scientific rigor and scientific integrity as the Director of the Fish and Wildlife Service.

We will attempt to optimize external resources, bringing support from individuals and organizations outside of the Service to cooperate with us in looking at how we conduct research, how we analyze that research and the decisions made on that research. And finally, in terms of training for current and future employees, we've employed the National Conservation Training Center, which is a component of the Fish and Wildlife Service, in the full range of its instructional programs, to stress the importance of scientific rigor, scientific integrity and ethics. So we're trying to cover as many bases or all bases in getting through to all employees the importance of professional, ethical behavior and the importance of scientific integrity.

Mr. DICKS. Just one final comment. Because I know we want to get to the other members.

What happened to the employees? Were any of these people fired? Or were they just counseled and reassigned to other jobs?

Mr. WILLIAMS. Again, my understanding is that when this came to light, the two Service employees in question were counseled. Immediately upon receipt of the knowledge that this had gone on, Secretary Norton requested an OIG audit. That audit came to us some time in March. We are reviewing the OIG findings and any appropriate disciplinary action will be taken.

Mr. DICKS. I just would say, things like this, when we have to make these hard decisions about the enforcement of the Endangered Species Act, and the credibility of the agency is absolutely crucial. I do strongly support the idea of trying to bring peer review to bear on some of these controversial decisions, because of people having questions about the adequacy of the science.

Thank you, Mr. Chairman.

Mr. SKEEN. Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Chairman.

REFUGE LAND ACQUISITION

Mr. Williams, you state that you are going to acquire approximately 50,000 acres between fee lands and easement interest in this budget. Could you break down just the general percentage, is

it 50-50, 35 fee and 75 easements? Or if you don't have that now, I'd like to have that if you don't mind, before the record closes.

Mr. WILLIAMS. Yes, sir. We'll get that for you. I don't have it immediately available.

[The information follows:]

EASEMENT ACQUISITION

In the FY 2003 Land and Water Conservation Fund (LWCF) request, the Service has roughly estimated 11,000 acres of easements to be acquired which corresponds to 22 percent of the request. The Service pursues less than fee acquisitions (easements) from willing sellers whenever practical. Since 1997, the Service has established four new refuges, Dakota Tallgrass Wildlife Management Area (WMA), North Dakota WMA, Northern Tallgrass Prairie National Wildlife Refuge (NWR), and Western Montana NWR/Blackfoot Valley, that focus primarily on Easement acquisitions.

Mr. TAYLOR. In your studying the acquisitions of land, do you ever study the elimination of land from Federal ownership that have little or no use in the major focus of the Fish and Wildlife Service?

Mr. WILLIAMS. If I could, Mr. Chairman, I'd like to turn to Dan Ashe, of the Wildlife Refuge System, if that would be okay, to respond to that.

Mr. SKEEN. Absolutely.

Mr. ASHE. Mr. Taylor, we don't do any regular comprehensive review on the status of lands in the National Wildlife Refuge System for the purpose of surplusing lands, anything similar to the base closure process or anything like that. We have in the past from time to time looked at specific refuges and recommended deletions, minor deletions that are necessary.

We did one I think last year in the State of Washington where we had a small parcel of property that we had acquired at one point for an administrative site. We weren't using it, we had never constructed the visitor's site. So we encouraged a piece of legislation to transfer that piece of property to the local government, because they had a use for it.

We are currently looking at a couple of refuges, John Hay in New Hampshire, and evaluating whether that refuge is necessary any longer, because it's primarily an historical piece of property. So from time to time we do look at individual pieces as issues arise. We do evaluate whether or not we need those refuges to accomplish some specific mission requirement.

Mr. TAYLOR. I appreciate it. I just want to call to your attention that there's nothing in the Constitution or the Ten Commandments that says the United States Government ought to own the whole United States. We are gradually getting close to 40 percent. While I share the idea of acquiring lands that are favorable and you want to focus especially in the area of the Everglades where damage has been done. I've served in State House and State Senate and as chairman of the Parks and Recreation Council of North Carolina and the North Carolina Conservation Board.

We all know we have a lot of land thrust upon us that is not necessarily in areas we can use. I remember North Carolina got a lot of landfills given as parks, because about cleanup time, they all came in with parks, and of course, the millions of dollars we had to fork over for cleaning it up. But I just mention that.

FOREST SERVICE COOPERATION

I'd like to also ask you, Mr. Williams, you're working with cooperative and consultation, does that include the U.S. Forest Service? I'd like to tell you that the multitude of wildlife organizations in my district, and there are a number, because I have 15 rural counties with about a million and half acres of park, forest, U.S. Forest Service and so forth.

And I'll also say that in my 36 years of public service, I feel the sportsmen's organizations, the sportsmen and women of the country have done more to make a difference in wildlife than any Government agency, although we appreciate the State services and the Federal services. But the multitude of funds that they provide and the consistent means of people involved with it, fowl or fish or big game. It's made a real difference.

Those organizations are now very puzzled with the failure of modern silviculture in our Forest Service, which is supported by our best universities. Their idea that Federal, State research organizations and most wildlife organizations, they realize that modern silviculture, including harvests, are needed for us to increase and diversify the quality of wildlife programs for the Nation. While your $600 million and so forth is a help, how we manage our other lands is also very important. There's sort of a Luddite approach now that, never harvest a tree, even though the failure to administer salvage is costing us tens of millions of acres in fire damage and insects and wildlife or disease.

It also isn't consistent with a diversity of wildlife harvest. Have you gotten into that? Because the low grouse, game, small birds, that sort of thing, cannot stand an old growth forest that's consistent, that's all there is, non-managed forest. If we could focus in that area, we could do a great deal in increasing wildlife on public lands.

Mr. WILLIAMS. Yes. Thank you, Mr. Taylor. I would love to talk about that just for a couple of minutes. Your first question was, do we cooperate and work with the U.S. Forest Service. And in the past, the Service has, and we certainly will continue.

But I think you'll see, I hope you'll see that under the direction of this Administration there needs to be closer working relationships. I've had a couple of meetings with Mark Ray in USDA and Dale Bosworth, the Chief of the Forest Service. We've scheduled additional meetings to try to better bring together the expertise that we have as a fish and wildlife conservation agency and the expertise Forest Service has in terms of land management.

So the proof will certainly be in the pudding. But we are doing our best to work more cooperatively together on many issues, including timber harvest, wildfire protection and so on.

I would also agree with your comments that the sportsmen and women have provided the bulk of the financial contribution to much of the fish and wildlife conservation successes in this country. Relative to timber harvest, I spent a fair amount of my educational career and professional career working in the northeastern part of the country. My Ph.D work was on rough grouse habitat. Ruffed grouse, woodcock and numerous songbirds and numerous other species of birds and animals are dependent upon early suc-

cessional stage forests, or young forests. It's disconcerting as we see in some areas woodcock populations, grouse populations, perhaps declining because of or at least the best professional judgment is, because of aging timber stands in the northeast.

Like so many other things that we do in natural resource management, I think we need to find a balance between old growth and young stands between timber harvest of some areas and protection of forest from harvest and other areas. But I view timber harvesting, if done appropriately in the right areas, as a wildlife management tool, as do most wildlife management professionals. So I can assure you that when it's appropriate, I would be personally supportive of it and work with, or as an agency, work with the Forest Service, State forest organizations, to provide some technical expertise in order to bring off timber harvest in those areas.

I'm not opposed to the appropriate use, multiple use of our forests.

Mr. TAYLOR. I'm glad to hear it, because it's been in the last few years, almost ceased in the southeast, and I'm not that much familiar with the northwest, but I understand that's true there. But we appreciate that, without getting into any debate about any particular forest or any particular stand that's being brought forth, the concept of multiple use has been successful in years past. I think it can be again.

Thank you. Thank you, Mr. Chairman.

Mr. SKEEN. Mr. Nethercutt.

Mr. NETHERCUTT. Thank you, Mr. Chairman. Welcome, gentlemen.

Mr. Williams, have you visited the State of Washington, or the northwest, since you've been appointed to your position?

Mr. WILLIAMS. I have not, sir. I am planning on going to Portland, Oregon, at the end of this month for a few days. I look forward to that.

Mr. NETHERCUTT. I urge you to come to Washington State.

Mr. DICKS. It's just across the river. [Laughter.]

EMPLOYEE JUDGMENT

Mr. NETHERCUTT. An easy trip. It is a big river, though.

Let me tell you, I find your answers on the lynx issue to be equivocal. I heard you say bad judgment of individuals, that these individuals questioned the lab's ability to conduct testing. I don't know where they got the ability to do that or make that judgment.

I heard you say unprofessional. I heard you say unacceptable. I heard you say perhaps unethical, which I think you ought to strike the perhaps, with all due respect. And I do respect you and your agency.

That they'd been counseled, these employees. That doesn't mean much to me, in the world of equivocation that surrounds that verb. And that they would be given appropriate disciplinary action, which is also equivocal.

If, if these people had faked it the other way and said, there's no lynx in the area, I would argue that you would be absolutely inundated with outrage from those who have the greatest respect for the Endangered Species Act, as I do and I think everybody else at this table does. I think your answer would be completely different,

with all due respect. I think you'd say, goodbye, you tried to fake the idea that there isn't a species in this area, as opposed to fake that there is.

So can you help me understand whether you care at all about this or is this going to be sort of unimportant as it relates to the argument that can be made that the science in your agency is flawed across the board, and that you ought to have an obligation, it seems to me, perhaps, to go back and check every bit of science that's been done on species issues that comes before your agency, based on this example. I can make a powerful argument that you ought to do that, that in a new Administration, that perhaps policy and philosophy and politics maybe supplanted the law and fair and reasonable policy as it relates to the requirement that your agency have integrity.

You talk about peer review, I agree with you. But if everybody's questioning your science based on the way you treat the employees who breached ethics, as you say, professionalism, unacceptable behavior, bad judgment, why are you keeping them? Make them an example, it seems to me. Assuming that what you say is correct about these adjectives that go with their conduct, seriously. And I'm a Republican. I support your Administration.

But my gosh, I think that's—for us in the west, this is a big issue, just because we get whacked with Endangered Species Act issues all the time. And it costs us tens and hundreds of millions of dollars. I'd appreciate your answer.

Mr. WILLIAMS. There's a lot of things to cover there. I'll try to start at the beginning.

As I sit here, and again, first time appearing before the Committee, I don't know that I've ever been known to be extremely politically correct, but I am trying to choose my words carefully. I said perhaps unethical. I would strike the word, as I view it, perhaps, and call it unethical. How others view that word, what that word means, I don't know. So that's why, again perhaps, I put that qualifier in there.

Mr. NETHERCUTT. It isn't a positive adjective, it's negative. As the other ones are as well.

Mr. WILLIAMS. As far as the actions the agency took at the time, I can't speak to that first-hand, because obviously I wasn't here. But I do know that from my experience at the State level, there are regulations, there are policies that guide the actions taken, both in investigating an incident and then deciding upon the appropriate discipline and level of discipline.

The full investigation really didn't come out until the IG's report came out.

Mr. NETHERCUTT. I understand.

Mr. WILLIAMS. As we decide what disciplinary action is appropriate, we need to make sure we're following established regulations, policies, whatever exists regarding personnel actions.

Mr. NETHERCUTT. The policy ought to be, if it's unethical, unprofessional, bad judgment, and what were the others? Maybe that's enough. It seems to me that ought to be——

Mr. WILLIAMS. I need to work obviously with what's there, and deal with that.

CULVERTS/FISH PASSAGE

Mr. NETHERCUTT. That's fine. I appreciate it. As long as you're going to pay attention. I just think you've got a great agency, and this is a big smear on you that's self-inflicted. We heard testimony yesterday at a hearing that U.S. Fish and Wildlife Service has big problems with culverts. The ability of fish to pass from upstream to downstream and downstream to upstream, it's a huge backlog issue. Mr. Dicks raised the issue and I pursued it with respect to the question of whether you're following, your agency is not legally exposed for not enforcing the Endangered Species Act by not doing the culvert work to allow safe passage of these fish. I think that's a big problem.

I just saw a report yesterday by a fellow by the name of Howard Shawler, U.S. Fish and Wildlife Service, are you familiar with his report on the mortality on fish in dams?

Mr. WILLIAMS. No, sir.

Mr. NETHERCUTT. Well, he's out there on a limb making statements about the transportation of fish, Snake River dams, big issue in the northwest. I urge you to come and see us. He's out there with respect to somebody else making judgments about this whole issue. I've got a situation, last year in our fiscal year 2002 Interior Appropriations Conference Report, your agency was obligated to provide information about the presence of bull trout in the State of Washington. Before—excuse me, you're right, Forest Service and BLM. Forgive me on the culverts.

Mr. DICKS. But they have the enforcement.

Mr. NETHERCUTT. I know.

Mr. DICKS. Through the National Marine Fisheries Service, Endangered Species Act.

Mr. NETHERCUTT. That's right.

BULL TROUT REPORT

The Fish and Wildlife Service was to provide this Committee, the Congress, with a report on bull trout, just distribution maps and time lines for completion of such maps, by January 31st, 10 weeks overdue. I haven't had it. You're coming in and asking for more money for bull trout assistance. You want us to put the money in the bank? Where's the report? When can we get it?

BOX CANYON RELICENSING

Mr. NETHERCUTT. Finally, I know I'm abusing my time here, we've got a little 60 megawatt dam up in Box Canyon, Washington, Pend Oreille County, the poorest county in the State. Double digit unemployment, 7,500 residents. A little relicensing, literally a small dam, 60 megawatts. Fish and Wildlife Service, we calculate, is asking for requirements for relicensing with other agencies, including BIA, the total we expect, $500 million to relicense a 60 megawatt dam. Your agency keeps putting on requirements that cost a tremendous amount of money of a county, probably they'll say to heck with it. That's going to mean a loss of a big business, a big paper company and loss of hundreds of jobs.

So again, I'm here to tell you, I love your agency, it's a fine agency. However, the four or five examples that I've given here make

me have deep questions. And maybe it's too big a job to try to straighten out.

Mr. WILLIAMS. I don't think it's too big a job or I wouldn't be here. Honestly.

Let me just comment on a couple of those items. I want to go back to something you said earlier, and not let that pass. I say this very respectfully. I disagree with an observation that the activities of the two individuals involved in the lynx case, and I don't want to put words in your mouth, but I'll put it this way, paints the entire Fish and Wildlife Service with a broad brush of unethical, well, I say perhaps again, unprofessional.

Mr. NETHERCUTT. Thank you.

Mr. WILLIAMS. And an agency that does not conduct the best research, that does not do the best analysis and come up with the best conclusions with the information that's available. I don't accept that. I think the Fish and Wildlife Service, I know the Fish and Wildlife Service has a stellar reputation. Have we made mistakes? Absolutely. Do we need to be held accountable? Absolutely.

But I don't think it's fair to use that one example and if I'm overextending your remarks, I apologize.

Mr. NETHERCUTT. I don't. I think you ought to come to my district. You'll hear 200 farmers get up and say, what in the world is going on? This is what we suspected, that there's something more than science driving this. And it hits us right in our pocketbook and our livelihood in a natural resources based economy.

Mr. WILLIAMS. And I appreciate that deeply. I spent the last seven years working in Kansas where the agriculture community is a major part of that economy and a major part of the State. And I've heard those same criticisms leveled at my agency. I'll tell you the same thing I told them, that we're making the best decisions, the best recommendations in some cases, that we can with the information that's available. We need to be held accountable if those decisions are later proven to be inappropriate. That doesn't change at any level of government.

I'll just touch on a couple of things. The bull trout report, I apologize for the delay in that. In fact, I signed that today and sent it up the chain in Interior. I hope you will receive that very shortly.

Mr. NETHERCUTT. Shortly meaning?

Mr. WILLIAMS. As soon as I can get it through the correspondence control unit there within Interior.

Mr. NETHERCUTT. Within two weeks? Is that reasonable?

Mr. WILLIAMS. I don't know if I can commit for the Secretary's office. But I will take the message back that you deserve it and would like to see it as soon as possible.

The issue regarding the dam, Deputy Director Jones, I understand, has met with some folks there. Again, with your permission, maybe he could address your concerns.

Mr. JONES. Thank you, yes, Mr. Nethercutt. I met with representatives from Pend Oreille County yesterday morning. We had a very good discussion. They educated me about the situation in the county, 11,000 inhabitants, a rural economic base, the importance of power to the pulp mill, which is one of the major suppliers of jobs for the county. We had a very good discussion, Mr. Nethercutt.

It was my understanding from the county that they have concerns about the overall relicensing of the project. Those concerns are not primarily with the Fish and Wildlife Service, and they were very complimentary of our staff in the field who have worked cooperatively with them. They asked that we continue that dialogue, which I pledged we would. I have talked to Director Williams about that. I have talked to our Regional Director Anne Badgeley, who is here in Washington, about the importance of her personally ensuring that that dialogue continues.

And then we said that we would also encourage the other agencies involved, where apparently the dialogue is not as good, to join with us to have that kind of dialogue so that we can work together to ensure that our trust resources are protected for the benefit of the people in the county in a way that also does not adversely impact economic development.

Mr. NETHERCUTT. I appreciate that. I appreciate my colleagues' indulgence and the Chairman's indulgence in this line of questioning. Thank you.

Mr. SKEEN. Mr. Kingston.

TOTAL LAND ACQUISITION PLANS

Mr. KINGSTON. Thank you, Mr. Chairman.

Mr. Williams, in terms of expansions and new acquisitions, was it 13 last year, the last couple of years? Something like that. It doesn't really matter. I think it was in your report I saw the number 13.

My question is a lot broader than that. My concern is that every year we hear from Fish and Wildlife, National Parks, BLM, that we need X amount of money for more land acquisition. Every year I ask the question and never get a satisfactory answer from neither Republican nor Democrat administrations, what is the end game? How much land do you want? Right now, if we could say, hey, whatever you want, take it, what would you do?

The reason why I say that, it just seems such a narrow focus of our Government that every year we come in and because it's politically correct we want to buy land and every year there's a little controversy, somebody can't get a zoning or building or mining permit or grazing permit, so golly, suddenly there's a willing seller and we're out there to buy it. It doesn't seem to be any real, what is the philosophy? Thirty-three percent of the land in America is owned by the Federal Government, which excludes interstate highways and military bases.

But what is it, should it be 50 percent? Should it be 10 percent? Are we where we need to be? I know generally speaking, agencies rarely give up land. But what is your philosophy on that? What can you tell me to make me feel a little better about my Government, which I'm a part of, and my fingerprints are on the document as well, as a guilty party?

Mr. WILLIAMS. Let me start out with, you asked about my philosophy. My personal philosophy, that's been forged by working in States where you couldn't get enough of land acquisition, and then working most recently in a State where it was only 3 percent publicly owned, and that included DOD installations and interstate highway systems and so on.

Based on my last seven years of experience, and again, which was sort of night and day from where I've been, I have developed a very deep respect for private property rights and the concern that some individuals have about the acquisition of those private properties and putting those lands into public lands. So I come to you with that kind of perspective.

I also come to you with the perspective of someone that has been trained in and worked in natural resource management for altogether 22 years. There is no, and this won't make you real comfortable, and probably it won't be any different than what you heard others say——

Mr. KINGSTON. I'll tell you the truth, I didn't come to Washington to seek comfort anyhow. I haven't been disappointed, either. [Laughter.]

Mr. WILLIAMS. Same here, very much so.

We do need to balance our land acquisition with leaving lands in private hands. I can give you examples in the Flint Hills of central Kansas where the stewardship of tall grass prairie by private individuals probably could not be surpassed by any Federal agency. I've seen that and I appreciate that.

What we try to do, as part of our mission to conserve fish and wildlife resources for the benefit of the American public, land acquisition is a tool in trying to achieve that mission. We are looking for landscapes that provide fish and wildlife values that may be lost if we were not to acquire them, and I would hasten to add here, from willing sellers.

It provides benefits for the fish and wildlife that occur on those lands and the habitat that occurs on those lands, but it also benefits for the American public. Again, coming from a State with very little public land, I'm keenly aware of the demand for the use of that public land by everyone from hunters to anglers to bird watchers to wildlife photographers and so on. So there is no set percentage that I would offer to you, or no set acreage.

It depends on the region of the country, it depends on the requests, the desires of those folks that live in those regions. And that should guide our future efforts and acquisition. What it is people are looking for, the values of those lands to fish and wildlife and the values of the public for outdoor recreation.

Mr. KINGSTON. Do you agree, and I hate to ask you yes or no, but should we as say, the four major entities of the Federal Government agencies that do the land acquisition, land ownership, should you have an end game ultimately?

Mr. WILLIAMS. I'd like to answer yes or no, I'm not sure what you mean.

Mr. KINGSTON. As I said before, a set number, golly, this is great, but it seems like there would come a critical point where you would say, we just can't afford it any more, we're going to have to revisit this through easements, tax credits to private property owners, we're going to have to find some way to reinvent this.

And let me tell you what really drives me. I'm from Savannah, Georgia. We have the largest area in the National Historic Register in the country. The reason why it's been so successful is the private sector was in essence deputized into historic preservation. Everybody is into it, because there was a Federal tax credit for it. I often

say, why can't we do the same with endangered species or critical habitat and so forth, and have it so the farmers in my area, when they get a red cockaded woodpecker, would love it rather than, oh, golly, there goes my life savings.

Mr. WILLIAMS. I wish we could get to that point. I'm not sure right now how we do that. I think we'd all strive for that.

Mr. KINGSTON. If it would be possible, if you could tell me, not now, but if you could send me the land that your refuges want to buy in the next one to five years, and kind of give an idea of how much money that is, how many acres we're talking about, and then what would be your suggestions to look at this from a different angle. And I'm just trying to say, there might be something out there that we can look in a different direction about.

BANKS LAKE

I do want to move on and wrap up with two other issues. On Banks Lake, which I have now in my district, Mr. Phillip Hoffman came down last week and visited, which we greatly appreciate, we appreciate the sensitivity to it, I don't think you have had time to get up to speed on it personally, but I wanted to bring it on your list. There's a problem about water drainage, private property rights and that's one of those situations where Fish and Wildlife has a great reputation. We have Harris Wildlife Refuge, the Savannah River Wildlife Refuge, Okefenokee Swamp in my area. We're very proud, great people down there, Skippy Reeves, Jim Burkhardt, all friends of mine, they do an excellent job.

Banks Lake, though, is an institutional problem. I don't think it's a management problem. I think there are some legal, technical issues that have caused us to throw common sense out the door. What we need is just, you know, somebody to cut some red tape and get some things done on that. I have an article, I'm going to give it to you, that expresses some of the frustration of the local population down there. Just some of it is petty stuff like they drained the lake, all these fish were dying and the locals wanted to get the fish out to eat them, Fish and Wildlife wouldn't let them get the fish out. That was not a good PR move in the fish fry country of South Georgia.

Moving on, I just want you to be aware of that. I do think Mr. Hoffman is working on it very diligently.

Mr. WILLIAMS. I know enough to be dangerous, and I think I'm just going to keep my mouth shut. I don't know all the aspects of it, I know that it involves some court orders and individuals.

But our Regional Director, Sam Hamilton, has been recently in touch with Mr. Chambliss' office, talking about this. So he's really, and Paul Hoffman, as you said, from Interior has been down there. Sam is trying to take the lead on that and resolve those issues as best he can.

Mr. KINGSTON. We give Sam high marks also from past dealings.

Mr. WILLIAMS. Thank you.

MIDWAY ISLAND

Mr. KINGSTON. That area is new to me because of reapportionment.

On another issue, Midway Island, there has been ongoing tug of war, Midway Phoenix is leaving May 1st as I understand. We put in money last year for new hangars. But there have been some management problems. We have the 60th anniversary of the battle of Midway coming up. What are the future plans for Midway?

Mr. WILLIAMS. Let me try to explain this as best I can. On March 6th, the Service and Midway Phoenix Corporation signed a no-cost settlement agreement. As part of that settlement, Midway will stay on, Midway Phoenix will stay on the island under a special use permit until May 8th of this year. They will continue to operate and maintain infrastructure, including the airfield, until May 1st.

After May 1st, the Service will take over responsibility for the island's $300 million infrastructure, including the airfield, power generation plant and substations, water, sewer, residences and so on. We are looking at how we make, and are working on how we do the transition between when Midway Phoenix leaves and hopefully another contractor would come in.

With respect to the celebration of the 60th anniversary of the battle of Midway, Assistant Secretary Craig Manson has taken a lead role there to explore ways of providing the opportunity for veterans of that battle to actually go to Midway if they choose to do so, to commemorate the 60th anniversary. So although at this point I can't give you a lot of details, but I will tell you that it is front and center on our radar screen. We are trying to work through what it is we need to do to transition to, I would hope, a new contractor to come into the area to operate. If we're unable to do that, plan B, if you would, would be to transition into, I guess I'd call it a caretaker status of the facilities on Midway Island.

Mr. KINGSTON. I certainly thank you, and look forward to working with you on Midway, Banks Lake and all the other areas. We've had very pleasant experience with the Fish and Wildlife people in our area. But there are a lot of problems that I think, that cause often the situation we have in Banks Lake to go on in other areas. That's not the face, I don't think anybody in Fish and Wildlife wants to have in the public.

Mr. WILLIAMS. No, sir. And strive as we do for continuous improvement, and we will strive for continuous improvement, human nature being what it is and humans being what we are, we all have, myself included, many opportunities to mess things up on occasion. We will work as hard as we can not to have that happen a lot.

Mr. KINGSTON. Thank you. Thank you, Mr. Chairman.

Mr. SKEEN. Mr. Hinchey.

Mr. HINCHEY. Thank you very much, Mr. Chairman.

Mr. Williams, nice to see you.

Mr. WILLIAMS. Thank you.

NATIONAL WILDLIFE REFUGE SYSTEM

Mr. HINCHEY. I think a philosophical attitude such as the one you just expressed is something that's very handy to have in a job like yours.

I wanted to talk a little about the National Wildlife Refuge System also. First of all to express my appreciation to you for a decision that was made with regard to a small grassland National

Wildlife Refuge called Shawangunk, which is up in New York. The scientists with the agency, after a long study, finally concluded that competing interests would be incompatible with maintaining the integrity of that particular refuge. I think just watching it from the outside, I think the process was handled very, very well and that you reached the right conclusion.

So I just wanted to express my opinion to you for the work that your people did and the approach they took to it, all of which was very well received by the people in the community as well.

Mr. WILLIAMS. Thank you.

ARCTIC NATIONAL WILDLIFE REFUGE

Mr. HINCHEY. It's the 100th anniversary of the National Wildlife Refuge System this year, and it's an opportunity for us to look back on all the contributions that have been made to things in which we are vitally interested, which is maintaining the integrity of wildlife and the diversity of wildlife. I think that refuge system has been very important in that regard.

There was a discussion earlier with regard to scientific evaluations of issues. I can't help but mention one having to do with the Arctic National Wildlife Refuge. It was the end of March 29th this year that that report was produced by the Interior Department scientists. That report concluded that oil development in the Arctic National Wildlife Refuge may pose substantial risks to caribou and other wildlife. This was a peer reviewed analysis of 12 years of research on wildlife, and found that caribou, musk oxen and migratory birds are particularly vulnerable to the kinds of disturbances development would bring. They found that because there is no other quality habitat outside the refuge coastal plain that provides a suitable alternative of feeding, breeding and rearing their young. I'm sure you're aware of that study.

It was interesting that one week after the U.S. Geological Survey study warned that caribou may be particularly sensitive to oil exploration in the Arctic National Wildlife Refuge that the agency completed a quick follow-up report suggesting that the most likely drilling scenarios under consideration should have no impact on the caribou. Trying to reconcile those differences from the outside is a little bit difficult. I know from my experience that unfortunately, too often, politics intervenes in scientific evaluations and conclusions.

I'm not asking you for any comment on this, frankly, certainly you may if you like. But it just seems to me that this was a clear example of the perversion of science for political ends.

Mr. WILLIAMS. I will venture to offer a comment. The report, I would first point out, and I know you're aware, the report was authored by the U.S. Geological Survey, not the Fish and Wildlife Service. I'll refer to the first report, but comment more on the second one.

The second report, as I best understand it, was an attempt to explain that in the coverage of the release of the first report that there were a variety of scenarios presented in terms of how much drilling would occur, where it would occur, the facilities that went along with drilling and so forth. I believe that even in the first report, there was reference to potential for disturbance, but also ref-

erence to the fact that if these drilling operations and the arrangement and timing of drilling operations were done in an appropriate manner, that disturbance would be, I don't want to say insignificant, that's not the right term, but would be much reduced.

And the second report tried to point that out, that there were a variety of scenarios, and from the time of the study, as you mentioned, it started 10 or 12 years ago, until where we are today, there have been, I think, advances in technology, not advances, but development of a potential plan for drilling in the refuge. The 12 year study looked at a whole bunch of scenarios, the second study or the second report that came out, said here's what we're really thinking, here's what we're really talking about in terms of where potential drilling activities would take place. And if they were to take place in those areas, the authors of the study concluded that effects would be minimized by appropriate planning and appropriate use of technology and so on.

That's my take on reading the studies, reading newspaper reports, reading the second report.

[A description of relevant findings in the report and its addendum follows:]

United States Geological Survey Report on
The Arctic Refuge Coastal Plain Terrestrial Wildlife Research Summaries

The Arctic Refuge Coastal Plain Terrestrial Wildlife Research Summaries, produced by the United States Geological Survey on March 29, 2002, contained updated summaries for several previously published peer reviewed scientific studies of key wildlife species and habitats on the coastal plain of the Arctic Refuge and surrounding areas, which were published in 1987.

Additionally, some sections of the report presented new information relating to caribou and forage plants. Three independent, non-affiliated scientists peer reviewed this new scientific information relating to caribou and forage plants. The sections summarizing previously published peer reviewed scientific papers were each reviewed by a single independent scientist.

Section Three of the report contained new scientific information whereby the authors developed an empirical stochastic model, which they used to estimate the potential effect of oil development on calf survival during June for the Porcupine Caribou Herd. This modeling procedure was peer reviewed. Additionally, the authors used five hypothetical development scenarios to estimate the potential effect of energy development. Four of the hypothetical development scenarios were developed by Arlon Tussing and Sharman Haley and published in the Oil and Gas Journal in 1999. In this article the authors refer to the development scenarios as "science fiction" stories. A fifth hypothetical development scenario was based on the Department of the Interior's 1987 Final Legislative Environmental Impact Statement.

The USGS depicts the results of this modeling procedure on page 31 of the report in figure 3.28. The analysis of five hypothetical development scenarios showed that the impact on calf survival during June could vary depending on the particular development scenario. For example, the development scenario labeled Tussing and Haley 5, which assumed the entire 1002 Area would be influenced by development, resulted in a greater impact on calf survival than the hypothetical scenario labeled Tussing and Haley 2, which resulted in a negligible impact on calf survival.

Oil development is most likely to be concentrated where oil is located. Therefore, exactly the same peer reviewed modeling procedure was used to evaluate two additional potential development scenarios. These development scenarios were derived from the USGS more recent assessment of where oil is expected to be found, and represent the USGS best understanding about where the development would most likely occur. Under these development scenarios, like other hypothetical development scenarios previously examined with exactly the same modeling procedure and contained in the March 29th report, the confidence intervals in calf survival overlaps zero. Under the first scenario, the model projects, at the 95% confidence interval, a change in calf survival of between –2.8% and +1.5%. Under the second scenario, the model projects, at the 95% confidence interval, a change in calf survival of between –3.2% and +0.9%.

A model like this could prove helpful in ensuring that we avoid, minimize, and mitigate any potential effects to the Porcupine Caribou Herd from energy development.

The Tussing and Haley article and the addendum to the report are attached in order to provide additional analysis and the more complete picture of the elements of each hypothetical development scenario examined in the March 29th report. Additionally, it is helpful to examine those sections of the March 29th report, such as page 69, which describe that sound management can minimize or eliminate most of the potential effects of human development on polar bears. Similarly, page 63 indicates that locating permanent facilities away from river corridors, flood plain, and adjacent uplands could help reduce potential effects on Muskoxen.

Secretary Norton has repeatedly stated that energy can and should be developed in an environmentally responsible way. Both the March 29th report and the addendum demonstrate that the form of the development scenario that is implemented will affect the impact on wildlife. By considering the impacts of these scenarios, we can take measures to ensure that important species and their habitats are protected, while reducing our dependence on foreign oil.

Mr. HINCHEY. I appreciate that. The only thing I would say in response to that is that, this was a 12 year study, but it was produced on the 29th of March. So it's a study that took into consideration a whole array of scenarios, but it is very, very up to date when it was published. And it represented the point of view of the people who were publishing it at that moment, the end of March. Two weeks later we have a different point of view that says, in spite of the fact that the original report makes the point that these species are particularly vulnerable to the kinds of disturbances development would bring for a number of reasons, then you have this other report which says that well, you know, maybe we can deal with it in ways that will not be so significant.

Mr. WILLIAMS. If memory serves me correctly, and often it does not, I might add, but if it serves me correctly, the first report also had made statements relative to reducing impact, minimizing impact by the appropriate siting of drilling platforms and appropriate siting of roads that would service those platforms, and also the timing of that. Even the first report said under certain scenarios there may be impact, under other scenarios that are done in the most environmentally sensitive way, those impacts would be minimized.

Mr. HINCHEY. Right. I'm sure that there may be some words like that in the report, but I'm quoting to you from the report.

Mr. WILLIAMS. I understand.

Mr. HINCHEY. Where it says, "may pose substantial risks to caribou and other wildlife." It says specifically that particularly vulnerable to the kinds of disturbances development would bring to caribou, musk ox and migratory birds. So the report is very, very clear, the initial report. It was made a little fuzzier by the addendum which somebody found necessary to put out shortly thereafter.

In any case, with regard to the current situation, the refuge system is up for an increase in funding, or at least you're recommending an increase in funding, 18 percent, $56 million. And that for all of us who appreciate the value of these systems, that is very, very welcome and very much appreciated.

But our job is here to find fault, not to praise so much. [Laughter.]

Mr. WILLIAMS. I'd be more than happy to help you break with that tradition right here, today.

LAND ACQUISITION BACKLOG

Mr. HINCHEY. So I don't want to put too much praise on you, and just make the observation that nearly half the funding of this increase is being diverted from the land acquisition account. And although this Committee is rich in diversity of opinion with regard to land acquisition particularly, I happen to believe that it's a good thing. I note that according to the Conservation Fund, that the Fish and Wildlife Service has a backlog of needed acquisitions that total more than $3 billion.

So we know there's a lot of valuable habitat out there, and a substantial backlog that has been observed, at least by the Conservation Fund to exist. So I'm just wondering if that is the proper way to do this. The increase is certainly welcome, and I congratulate you for asking for it. But isn't there some other way we can get it without tapping into the land acquisition fund?

Mr. WILLIAMS. Well, thank you. Just to add something to the Conservation Fund statement, the $3 billion is a figure that is derived from, and it's our figure, but derived from the estimate of what it would cost to acquire all the lands within the boundaries that have been laid out for each refuge, which really kind of defines potential areas for future acquisition. They may or may not ever be acquired.

So that kind of puts that in context.

Mr. HINCHEY. That money would be necessary just to fill out the existing refuge system?

Mr. WILLIAMS. That money would be used to purchase, to acquire lands within lines drawn on maps, within boundaries that local refuge managers have defined as areas that would be——

Mr. HINCHEY. Essential to meeting the requirements of——

Mr. WILLIAMS. Well, in their view, important in meeting the requirements of that particular refuge. We may or may not ever get there. But it's a planning tool.

To try to address your comment of taking money away from acquisition for deferred maintenance, I think that was one of your questions, even though I wasn't involved in the development of this budget, it tracks my past philosophy in other States, in that we need to have the opportunity and the resources to acquire critical lands, but we also need to take care of the things we have, those lands that we have now. So I'm encouraged that we're continuing an effort to acquire lands, but also stepping up and addressing problems that exist on lands that we currently own.

I would just, and I hesitate to do this, but I'm just looking at a note here, which I could read to you and it wouldn't mean anything to you, but——

[Laughter.]

Mr. WILLIAMS. If I could have Steve Guertin, our Chief of Budget, explain a little bit further about the funding levels.

Mr. GUERTIN. Thank you. Just to clarify two other points as well, the Land and Water Conservation Fund for the Service is funded at basically historic levels this year in the request. Secondly, we also can count on the Duck Stamp program, the permanent appropriations of about $42 million as well. So when you couple those two together, we have over a $100 million package of funding for land acquisition in total, sir.

Mr. HINCHEY. Well, that's good, but if you have a backlog of $3 billion, that's not going to make much of a dent. The $3 billion, we've learned this morning, is to just identify land that has been identified by the people within the system who recognize that the acquisition of that land is valuable to meeting the requirements of these refuges.

So that's good. But my observation is that it's unfortunate that we have these two very worthwhile purposes in contention with each other. I was just, I think in looking at the budget, we ought to try to make some changes there that would avoid that kind of contention.

But I thank you, I respect what you're trying to do. I think given the circumstances you're working under, I think you're trying to do the best thing you can.

Mr. WILLIAMS. Thank you very much. I appreciate that.

Mr. SKEEN. Mr. Dicks.

STATE WILDLIFE GRANTS

Mr. DICKS. Thank you, Mr. Chairman.

Dr. Williams, do you believe the State Wildlife Grant program is an effective tool to aid wildlife conservation and recovery efforts?

Mr. WILLIAMS. Yes, sir.

Mr. DICKS. Why did you cut it by $25 million?

Mr. WILLIAMS. That, well, again——

Mr. DICKS. You say it's because Congress rescinded. I mean, come on. We had to do it as a budgetary matter, that was——

Mr. WILLIAMS. I'm going to refer that to Steve.

Mr. DICKS. Yes, that's a good one to give to Steve. [Laughter.]

Mr. WILLIAMS. And that's why I'm doing it.

Mr. GUERTIN. I might actually turn that one to the esteemed Director of Budget for the Department, John Trezise—no, just kidding. [Laughter.]

Mr. WILLIAMS. If I had known John was back there, it would have been a lot easier.

Mr. TREZISE. Thank you, Director Williams.

Mr. Dicks, the formulation of the budget every year starts, as you know, with the enacted level and the Interior support table. Then when the Office of Management and Budget looked at the Interior support table, it reflected a $60 million State Wildlife Grant program. That's the starting point that they use for their formulation decisions.

It is an important program, and in balancing all of the needs that the Department faces we would have liked to increase that program above the——

Mr. DICKS. You would have liked to keep it at least at last year's level?

Mr. TREZISE. Yes, but there were a number of competing considerations.

Mr. DICKS. Understand. Let's not waste a lot of time, because we haven't got a lot of time here.

One of the things that I tried to do in this program was to put in some language that said that the States had to do planning if they wanted to compete for these grants on a wide array of wildlife, not just game, but to look at their conservation requirements and to develop a plan to say, here's what we're going to do for conservation of our endangered species and our other problem areas in the State. Do you have any problem with that?

Mr. WILLIAMS. That's a great question, because I'm seeing from both sides now. I don't have any problem with the concept. It depends, the devil is always in the details of what that plan must include and who would be responsible for ultimate approval of that plan. Let me expand on that. If we're talking about resident species, not under the authority and jurisdiction of the Fish and Wildlife Service, as a State director, I saw the arm of Federal Government from Washington come out and question how we were managing resident species. I and many others would have philosophical concerns with that.

So should States have some kind of plan in place that assures that these monies are spent efficiently and effectively to benefit

fish and wildlife conservation? I think they should. The details, the components of the plan and who ultimately approve those plans for any individual State, I think that's something that would merit further discussion.

Mr. DICKS. But, the law is in place, and I think you are enforcing it, is that not true?

Mr. WILLIAMS. Yes, and I think where we are right now——

Mr. DICKS. Because they do have to have a plan and they do have to discuss a wide array of wildlife, not just game.

Mr. WILLIAMS. That's right. Where we are now, States are comfortable with that.

Mr. DICKS. And the States are coming in with it. So I think we should stay with that. And it's Federal money. The Federal Government has every right to put conditions on money that it's going to give to the States. A lot of people wonder why we're doing this in the first place. Members of this Committee question whether we should be giving money back to the States for this purpose at all.

Now, we have the Endangered Species Act responsibility. Your agency has it. We've got to emphasize conservation. So it seems to me that we have to stay with this and make sure, and then the States will get the money, they can use it the way they want to, but they have a plan on record that forces them, in my mind, to at least address the subject matter.

Mr. WILLIAMS. I agree.

Mr. DICKS. I think a lot of the most enlightened environmental groups in the country feel this is crucially important if you're going to maintain biodiversity, you're going to maintain these species. I just hope we can stay with that.

Mr. WILLIAMS. I agree with that, and if I can just add something quickly, if we're dealing with only threatened and endangered species, federally listed species, it even makes more sense, when money is provided to States, that a plan be one that receives some Federal oversight. When you talk about a broad array, I thought you meant covering all species, whether they're threatened or imperiled or endangered or what have you. That was where I was directing my comments about State concern: those species that are not federally listed or there's no Federal nexus, I should say, that's where States said, we're happy to put these plans, most States have these plans anyway, it's just, where does the State-Federal authorities lie.

Mr. DICKS. Do you think this money should be done by competitive grant, or should it be done by just an allocation to the States?

Mr. WILLIAMS. Given the various grants that are out there, the allocation makes sense to me, to give all States an opportunity to, after developing plans, to try to put those plans in place. Because these issues occur, as you well know, in every State in the country.

Mr. DICKS. Right. What is the status of the fiscal year 2001 wildlife competitive grants funds—we had a competitive grant fund at first—that you announced many years ago but which have been tied up in the courts? Marshall's responsible.

Mr. WILLIAMS. Let's let Marshall answer that one, I agree with you, sir. [Laughter.]

Mr. JONES. Well, Mr. Dicks, we did our best.

Mr. DICKS. It wasn't quite good enough.

Mr. JONES. But we do have an unfortunate situation now. As you know, after discussions with you and with Mr. Skeen, we had the $25 million. What we decided was that we would allocate $15 million of that to States which had already applied and that we would hold the other $10 million for States which had not applied for grants, States which argued that they were waiting for us to publish final guidance before they submitted their proposals.

We announced the allocation of those $15 million to five States, but then another State filed suit and got an injunction, which has prohibited us from distributing any of the funds. So right now we are gridlocked in court, not something that we sought, and certainly not something which benefits wildlife. But we understand that there are States on each side of the issue and there may have been some discussion among those States, but they haven't achieved any resolution. In the meantime, the Government has filed briefs in that case, and we'll wait to see what the judge does.

FISH HATCHERY REFORMS

Mr. DICKS. Switching out to the Pacific Northwest, right across that river, actually Oregon is involved here too, the budget documents refer repeatedly to the process of carrying out critical reforms in fish hatchery programs. Can you update the Committee on this process, what you're talking about here, or have one of your lieutenants discuss it?

Mr. WILLIAMS. Yes, we can. And I'd like to ask Bill Knapp to address that, please.

Mr. KNAPP. Thank you, sir.

We are working in several ways to examine our hatcheries system and reform the way it operates, its business practices, its application of science, its relationship to its partners.

One of the forums that we're involved with is a year long process of working with our partners and stakeholders in a collaborative strategic planning process, where we are bouncing issues off of each other, sharing solutions, looking at the hatchery system and asking, what does it do well, what could it do better, how could we make it do things better.

You may be aware that the stakeholders and partners recently issued a draft report which is their perspectives on those questions. We are folding that report into a document that we are developing which we hope will be available later this summer.

We've also established eight work groups, each one run by a member of our directorate, led by a member of our directorate, looking at eight major categories of issues, again, that fall under good business practices, good governance, good science.

Mr. DICKS. Where is it being done?

Mr. KNAPP. It is being done throughout the country in the sense that we are working with State fish and wildlife leaders, we are working with the international association, we are working with NGOs, organizations like that. The work groups that have been meeting and convening that are internal have been meeting throughout the country as well, regionally, nationally. It is a very dynamic and extremely demanding process.

We hope to reflect the reforms in a strategic plan that we're working on now, the first component of which should be ready the end of this summer.

Mr. DICKS. Thank you, Mr. Chairman.

Mr. SKEEN. Thank you very much. We're adjourned.

[Additional questions for the record follow:]

ADDITIONAL COMMITTEE QUESTIONS

NEW AND EXPANDED REFUGES

1. Question: What are you doing to control the number of new refuges that are added to the national wildlife refuge system and to control the expansion of existing refuges?

Answer: We are taking several steps to control the expansion of the National Wildlife Refuge System and ensure that any expansion is focused on areas where federal land acquisition represents the best conservation alternative. This includes improving the process to provide more control and review of proposals.

As of August 11, 2000, only the Director can approve the establishment of a new unit, or the significant expansion of an existing unit, of the refuge system. Thus, all proposals to expand the refuge system require the Director approval. This policy change withdrew the delegation of authority from Regional Directors to authorize new refuges and most boundary expansions of existing refuges. Regional Directors have retained the authority to approve minor expansions up to 10 percent of the size of the refuge or 40 acres, whichever is greater.

The process to establish a new refuge or expand a refuge is lengthy and involves several steps to evaluate a proposal: The proposal must be reviewed twice by the appropriate Regional Director and twice by the Director. The expansion or establishment is addressed in a Preliminary Project Proposal that is reviewed by Service ecosystem teams, then a regional lands committee and the Regional Director, and finally the Headquarters Office who makes a recommendation to the Director to approve or disapprove the proposal for detailed project planning. The project undergoes thorough review, including public review, during the detailed planning process. Once detailed planning is complete, the Director again must give approval before the establishment or expansion can occur. The proposal is further refined during these processes to address internal and external questions, concerns, and comments. Proposals, with the exception of legislated projects, may be stopped at any level.

The FY 2003 President budget includes, for the first time, a proposed list of planning activities for new and expanded refuges. Beginning with FY 2004 budget development, the Service will include a list of planning activities in its budget request to the Department. This will establish a formal budgetary review process for new and expanded refuges.

The Service is focusing land acquisition efforts on completing existing boundaries and strategic expansion of existing refuges to meet refuge purposes and the refuge system mission. New refuges will be few and represent priority, nationally-significant areas. Expansions will be those that require minimal increased operating costs or use innovative sources of funding for operations. The Service is also emphasizing alternative means of achieving conservation goals by enhancing partnerships and providing a range of tools for states, local communities, federal managers, and citizens to engage in innovative projects.

The Service is developing a nationally coordinated approach to focus strategic growth in areas of greatest conservation concern, such as critical habitat for threatened and endangered species and important wetlands. Several teams are developing tools that will be useful in planning for strategic growth: One team is developing integrated national and regional habitat goals and objectives, based on existing resource plans, and a process to identify how much habitat should be protected within a geographic area to accomplish population, habitat, and diversity objectives. Another team is developing a coarse filter of minimum standards to evaluate additions to the system. Standards being considered include: conservation of trust species; contribution to habitat goals; providing habitat connection; promoting biological integrity; and investing in healthy lands. A third team will be tying these efforts together in revised policy and guidelines.

2. Question: What system do you use to decide when to expand an existing refuge or start a new refuge?

Answer: Decisions to expand an existing refuge are made based upon the need for that refuge to achieve its purposes or the larger refuge system mission. The Service acquires land within or adjacent to an existing refuge based on biological significance or to support administration and management of the refuge and visitor services. For example, these lands include:

- Known sites of threatened or endangered species and communities;
- Areas important to the ecological health of lands already owned (to ensure intact ecosystem processes such as protecting the quality and quantity of water for wetlands; and providing habitat corridors between existing conservation lands or contiguous areas of sufficient size to protect viable populations);
- Areas important for priority species (e.g., critical stopover habitat for migrating birds).

The exact starting point of a new project idea varies from region to region. Most regions have a process that develops proposals from within the refuge system, other Service programs, state/local governments, or non-government organizations into Preliminary Project Proposals (PPPs). Service proposals for new refuges and expansions often result from our participation in landscape-level planning efforts. In these cases, numerous partners are involved in landscape-level protection planning and recommend Service protection as necessary to meeting our commitment to these efforts. Proposals may also be identified during the comprehensive conservation planning process.

Many regions have developed prioritization systems that rely primarily on biological factors such as trust resources, endangered landscapes or unique habitats, ecosystem goals, landscape connectivity, condition of resources, and landscape integrity/ecosystem conservation. Other factors include degree of threat, level of complexity/controversy, congressional interest, resolution of management or operations issues, operations and maintenance costs, purchase price, partners, opportunities for public use, and land availability. Some regions use Geographical Information System (GIS)-based systems to determine priorities, and existing plans and other scientific data to map important habitats for trust species and develop land protection proposals from them. This process begins by bringing an "idea" before the regional management team to evaluate its fitness as a unit of the refuge system. If the team decides that the proposal meets their criteria, a PPP is prepared.

The PPP is prepared by the region, signed by the Regional Director (RD), and submitted to Headquarters with a request for the Director's permission to begin detailed planning. The PPP should contain sufficient data, including maps, size, purpose of refuge, habitat, targeted species, etc., to allow the Director to determine if the proposed unit would merit addition to the system.

If the Director approves the PPP, the region begins detailed planning of the proposal. The detailed planning process includes compliance with the *National Environmental Policy Act* and other laws, preparing a Land Protection Plan (LPP), and developing other required components, including contaminant surveys. A LPP provides information about resource protection needs, protection alternatives, and details about the proposed action including land description, ownerships, priorities and the minimum interest required to achieve resource protection. It is the primary document that informs the public about the land protection proposal. Citizens, state, local and other non-governmental partners provide comments during the draft Environmental Assessment or Environmental Impact Statement process, and the draft LPP process.

Upon completion of the detailed planning process, a decision is made as to whether to establish the proposed unit. Some considerations include the size of the proposal, the relationship of the proposal to the purposes of the refuge and the mission of the system, the relationship to existing refuges, potential operations and maintenance costs, and the relationship to habitat and species conservation plans. If the decision supports the proposed unit, a decision document that compiles and considers all documentation completed during the detailed planning process is prepared, signed by the Regional Director, and forwarded to the Director for his concurrence. The unit would be authorized upon the Director's approval.

3. Question: How do you factor in operating costs when making a decision on a new refuge?

Answer: A proposal to establish a new refuge or expand an existing refuge is documented in a Preliminary Project Proposal and other planning documents that must include an estimate of the operating costs of the additional lands. Thus, operating costs become an integral part of the decision of whether or not to expand or establish a refuge.

4. Question: Given all the unmet needs at existing refuges, how do you ensure that the establishment of new refuges and the expansion of existing refuges don't further exacerbate your operational and maintenance shortfalls?

Answer: The Director strongly believes in taking care of what we own now. Furthermore, the National Wildlife Refuge System long-term vision, *Fulfilling the Promise*, recognizes the burden new and expanded refuges place on our operations budget. It recommends that the Service use a nationally coordinated approach, involving our partners, to strategically acquire lands. In determining whether to approve a new refuge or refuge expansion, the Director only considers new refuges and major expansions of existing refuges when the request from the region documents the total cost of purchasing, staffing, operating, and maintaining the proposed new or expanded refuge at full purchase acreage. Regional Directors are required to identify the source of funding for the operational costs of these new units and identify likely future Refuge Operational Needs Assessment (RONS) projects and Maintenance Management System (MMS) projects.

LAND ACQUISITION MANAGEMENT

5. Question: What are you doing to control land acquisition management costs for 2003 and what progress have you made in streamlining the land acquisition management program?

Answer: The Service efforts to control land acquisition management costs will continue during FY 2003. The Service will continue to reform those activities associated with the purchase of land by increasing financial accountability and pursuing programmatic streamlining.

Financial Accountability

Efforts to increase financial accountability will continue during FY 2003. In FY 2002, the Service began allocating funds and tracking obligations to the project level in the Federal Financial System. Project level tracking will continue to ensure greater detailed management and oversight of land acquisition costs. The Service has begun to monitor the obligation of land and incidental acquisition costs at the project level in order to ensure that project funds are used to pay for the land and contracted functions. The Service is also improving the use of Land Acquisition Management funds by ensuring that non-realty staff salaries charged to Land Acquisition Management are supported by cross-servicing agreements and are funded by the relevant program. These agreements are required whenever other Service programs provide services in support of the land acquisition program.

Programmatic Streamlining

We will achieve efficiencies in Land Acquisition Management by continuing programmatic streamlining, including greater reliance on contracting (outsourcing) for some services currently performed in-house. Functions that will continue to be outsourced include real estate appraisals, surveys of real property, land title and abstracting, escrow, and cartography. Some aspects of these functions will remain in-house (e.g., review appraisers, chief surveyors and cartographers, etc.) to ensure continued program direction and oversight. Funds appropriated for specific land acquisition projects will support outsourced services as allowable project costs. Outsourcing commercial services should allow the Service to reduce the number of FTE supported by Land Acquisition Management while continuing to meet program requirements..

Conference Report 107-234, accompanying Public Law 107-63, provides clear direction to the Service to implement acquisition reform measures including reducing the number of FTEs involved in land acquisition in both realty and planning functions to a total of 156 by October 1, 2003. Within that total number of FTEs, 114 would perform realty. As of April 1, 2002, the FTE level funded out of Land Acquisition Management had been reduced to 166.5 in total including 121.5 FTEs performing realty functions and 45 FTEs performing planning functions. We have exceeded our interim target of 129 Realty FTEs by October 1, 2002, and we will meet the final total target of 114 FTEs involved in land acquisition by October 1, 2003 or earlier.

6. Question: What benefits do you hope to achieve in moving the land acquisition planning function from the land acquisition account to the resource management account?

Answer: Consolidating funding of acquisition planning with other refuge planning activities within the Service operating account will better address congressional concerns; integrate public involvement and expertise of the two programs; enhance the focus on existing refuges; and, realize greater efficiencies among the planning functions. It also reflects an effort to limit obligations of land acquisition funding to those costs more directly associated with funded land acquisition projects.

NATIONAL WILDLIFE REFUGE SYSTEM

7. Question: Next year marks the 100th anniversary of the National Wildlife Refuge System. Your budget proposes a large increase for the refuge system. What methodology will you use for distributing that increase?

Answer: Within the refuge maintenance increase, $25.2 million will address top priority projects included in the NWRS deferred maintenance backlog. Funding will address critical health and safety and resource protection needs, such as repairing sewer lines and replacing water control structures, and projects that relate to visitor access and enjoyment in preparation for the centennial, such as repairing boardwalks, trails and boat ramps.

A $2.0 million increase is requested for maintenance modernization, to continue implementation of a new maintenance management system (that has been piloted since October 2001 at 11 sites) at 200 additional sites. The remaining increase in maintenance will be used to increase annual maintenance ($2.5 million); establish an innovative equipment replacement fund ($500,000); and expand usage of alternative fueled vehicles ($500,000).

The refuge operations program increase of $20.0 million includes: $12.0 million for high-priority staffing and mission critical projects; $2.0 million for an innovative visitor enhancement program that will accomplish small-scale projects such as observation decks and kiosks that enhance access to wildlife and improve visitor experiences at low cost; $1.0 million to accelerate the completion of comprehensive conservation plans; and $5.0 million for cost-shared habitat restoration projects as part of the larger Cooperative Conservation Initiative.

8. Question: How many refuges do you have now and how many of them have no staffing?

Answer: We currently have 538 refuges in the National Wildlife Refuge System. Currently, 199 are unstaffed. The Service continues to evaluate staffing needs, and, based on historic information, roughly half of these have no plans to become staffed.

9. Question: How much additional funding would you need to staff your refuges at the minimum staffing level?

Answer: As part of the President's management Agenda, the Service is examining their human capital resources, including the refuge system, and developing strategies to link these resources to organizational missions, visions, goals, values, and objectives. Specific efforts include conducting a workforce planning study, undertaking a regional and Washington office study, implementing a comprehensive Human Capital Investment study, and developing a strategic human capital resources plan that will be integrated into a Department of the Interior Strategic Human Capital Plan. Additionally, the Service is reviewing and evaluating Service positions for whether or not they are "inherently governmental" and those that could be considered commercial activities.

These efforts to support the President's Management Agenda will help to ensure that the Service lives up to the President's commitment to make the government citizen-centered, results-oriented, and market-based. As part of the human capital and competitive sourcing initiatives of the President's Management Agenda, these efforts will yield data and analysis related to appropriate staffing levels for the Service overall and the refuge system based on programmatic, human resource, and budgetary constraints and priorities. Therefore, even if we thought there was value in developing a minimum staffing level, it would be premature to do so until these efforts are complete. It is possible that these efforts may result in decisions to shift funding and FTE from lower to higher priority programs, e.g. refuges. Nevertheless, the Administration believes that the 2,798 full time equivalent (FTE) positions (+3% over FY 2002) funded in the President's Budget for the refuge system is the appropriate staffing level for FY 2003 and funds the highest priority staffing needs of the system.

In 1999, the National Wildlife Refuge System developed a draft model for determining the number of FTE necessary to conduct "essential" operations and maintenance at each refuge. This model, as adjusted, identified 1,475 potential "essential staffing vacancies." Each of these vacancies are included in Tier 1 of the Refuge Operating Needs System. RONS is a system that tracks and prioritizes operational staffing, wildlife and habitat conservation, and visitor services needs at individual refuges. The "essential staffing" model establishes standards for the types of vacancies that can be included in Tier 1 of RONS.

An analysis using the draft model was performed by the NWRS in 1999, but not endorsed by the Service, the Department or OMB as defining a minimum staffing level for the NWRS. Rather, it has been viewed as a tool to help the NWRS prioritize its needs. The analysis does not reflect the results of the Service's implementation of the President's Management Agenda, and therefore the analysis is not current. Since 1999, 206 of the 1,475 positions have been filled (1999 to 2001 105.5; 2002 62.5; and 2003 38.0)

10. Question: What does your budget assume with respect to refuge staffing in 2003 and how does that compare with your minimum staffing analysis?

Answer: The President's Budget request includes an increase of $6.496 million to fill 38 staffing vacancies identified in priority Tier 1 of the Refuge Operating Needs System (RONS), and 11 staff

positions on new refuges. The budget also transfers $3.7 million and 34 FTE to refuge operations from the land acquisition account. The overall increase for the refuge system included in the President's Budget is 73 positions and the total refuge system staffing level is 2,798 FTEs. The Administration believes the President's Budget, including the historical increase included for FY 2003, provides adequate staffing for the refuge system and to address system priorities. The Service does not have a current minimum staffing analysis as explained above; however, as part of the human capital and competitive sourcing initiatives of the President's Management Agenda, the Service will be evaluating how to improve service and performance within the system.

MEXICAN WOLF

11. Question: What is the status of the Mexican wolf reintroduction program?

Answer: The Mexican wolf program is in its fourth year of releasing wolves into the Blue Range Wolf Recovery Area of Arizona and New Mexico. To reach this point, it has successfully established a captive breeding program in cooperation with Mexico. Of the current 43 captive facilities that house Mexican wolves as part of the American Zoo and Aquarium Association management of the Service Mexican wolves, 13 are in Mexico.

The current Mexican wolf recovery plan was written in 1982. The Service, along with our state partners and Mexico, will revise the plan in the next 12 to 24 months to include down-listing and de-listing criteria. However, the Service, based on other wolf recovery programs, believes the Mexican wolf program is still in the early stages of the recovery program for the Mexican wolf.

Despite heavy mortality and removal of wolves during the first year of the program, and the relative early stage of the program, the current status is a noteworthy biological and administrative success. Wolves born and raised in captivity have been released to the wild and are reproducing and forming pairs on their own in the wild. Indeed, this breeding season (spring 2002) may yield the second generation of young from wolves that mated in the wild.

Administratively, the program has the Arizona Game and Fish Department and New Mexico Department of Game and Fish as primary partners through cooperative agreements and memoranda of understanding. Each agency provides at least one full time employee for the program. A long-term cooperative agreement was signed with the White Mountain Apache Tribe to assist in the establishment and management of Mexican wolves on tribal land.

The Service continues to seek ways to increase public involvement in program implementation. The program undertook an intensive scientific and public review during this past year and will be implementing changes resulting from the review with cooperator and stakeholder oversight.

12. Question: How many wolves in total have been released and how many of them are still surviving in the wild.

Answer: A total of 69 wolves have been released, including both collared adults and uncollared pups. Of the 69 wolves released, at least 19 wolves (those that still have functioning radio collars) are currently surviving in the wild. We are uncertain how many of the pups that were released without radio collars, or how many wolves whose radio collars have ceased to transmit, may still be alive.

13. Question: How many pups have been born in the wild and how many of them are still surviving.

Answer: We do not have the data to accurately determine the number of wolves born in the wild versus those surviving. However, we can usually determine by behavior - an adult male and female make a den, initiate mating activity- when the subsequent birthing will follow. Also, we usually capture some of those pups when they are old enough to be trapped and radio-collared. Capturing offspring often lags a year or more from birth. We are aware of four groups of wolves that have given birth to pups conceived in the wild. Litter sizes are variable, but are typically 4 to 6 pups. During the last 2 years, it is likely that between 16 and 24 Mexican wolf pups were conceived in the wild and born in the recovery area. This spring (April and May) we anticipate six pairs will produce litters of wild-conceived Mexican wolf pups. These data do not include litters born in the wild from females released pregnant.

Question: What are you doing to work with local communities to ensure that the program is transparent and sensitive to the concerns of the people in the area.

In 2001, the Service and its state cooperators conducted 11 open houses to share program information and updates, and to solicit suggestions on modification. Nine of these were held in the communities within, or directly adjacent to, the current reintroduction area. A three and half facilitated stakeholder workshop was held in August of 2001 to intensify the feedback on program modification.

As a result, the Service has opened the Mexican Wolf Interagency Management Advisory Group (State, Federal, County and Tribal representatives) meetings to the public, has agreed to and is forming a stakeholder task force under the Mexican Wolf Recovery Team, and has a sound foundation on which to base modifications to the Mexican wolf program.

The Service has pro-actively attended county meetings and Forest Service grazing permittee meetings to discuss the Mexican wolf program. The Service has agreed to draft a memorandum of understanding with local county governments to establish a formal working relationship with interested counties in addition to their representation on the Mexican Wolf IMAG.

Recent public feedback resulted in the Service tabling a proposal for additional release-pen sites in New Mexico because of local public concern. The Service will continue to work with the public and stakeholders in FY 02 through open meetings of the Mexican Wolf IMAG, the stakeholder taskforce

to be formed this year, attending county commission meetings, and local community meetings when requested.

15. Question: On a scale of 1 to 10 (10 being the highest score), how would you rate the Mexican wolf reintroduction program? Please explain your answer.

Answer: The Service posed this question to our primary cooperators (Arizona Game and Fish Department and New Mexico Department of Game and Fish) and asked them to identify what aspects of the program to date would contribute to a high and low rating. Based on this feedback, and our own assessment, the Service rates the program an 8 out of 10. The rating was based on the following points raised by the Service and our cooperators:

- Progress to date meets or exceeds that of programs most similar to the Mexican wolf program. We are aware of only two other programs in the world that have introduced captive born canids (red wolves in North Carolina and swift fox in Canada). The ability of the Mexican wolf program to re-wild captive animals meets or exceeds these efforts.
- The Mexican wolf program has successfully established reproducing packs of wolves in the designated recovery area using captive born Mexican wolves as seed stock.
- Packs are forming on their own, in the wild, without assisted management. This is a key step in establishing a wild population of Mexican wolves.
- The States of Arizona and New Mexico remain our primary cooperators via cooperative agreement and memorandum of understanding.
- The Service and the States are pro-actively engaging the public in the adaptive management of the program.
- The program recently signed a long-term cooperative agreement with the White Mountain Apache Tribe to assist with monitoring and management of wolves on tribal land.
- Past events reveal the Service underestimating the need, or failing to successfully identify, the most effective means for citizen involvement. However, there is a focused effort to improve coordination and involvement of private interests, and this critical element appears to be improving for this aspect of the program.
- The Service has offered to make funds available for increased surveys of big game species within the wolf recovery area.
- Improvement is needed in:(1) more timely adaptive management that includes public input, (2) maintaining continuity of field staff, and (3) building a staff with more expertise to capture wolves to document in more detail the growth of the population and to be responsive to management needs. The program has put significant effort into each of these areas during the last year and a half.

KLAMATH BASIN

16. Question: Briefly describe the National Academy of Sciences interim findings with respect to your decisions on water distribution in the Klamath Basin.

Answer: The National Academy of Science study reviewed the science underlying the biological assessment and biological opinions associated with the section 7 consultations that were conducted between the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and the Bureau of Reclamation relative to the operation of the Klamath Project during the 2001 season. The 2001 season was an extremely dry year and there was not enough water to meet all the needs in the Klamath basin.

The interim findings of the NAS study concluded that there was no substantial scientific foundation in the biological opinions for requiring higher water levels in Upper Klamath lake or higher water levels in the Klamath River, nor justification for changing the operation of the Klamath Project away from the regime observed in the 1990's. Other components of the biological opinions were found to have good scientific and technical support, including recommendations regarding water quality, fish passage, entrainment, and adaptive management. The study was also critical of the biological assessment for proposing lake and river levels below the levels followed in the 1990's .

17. Question: What are you doing to address the concerns raised by the National Academy?

Answer: On February 27, 2002, BOR released a final biological assessment for operation of the Klamath Project. The new biological assessment analyzes the effects of operating the project from April 2002 to March 2012 and proposes project operations consistent with the NAS findings. As an interim step, BOR requested that FWS issue an opinion on planned operations through May 2002, and asked NMFS to engage in informal consultation for the same time period. The Services have agreed through informal consultation (NMFS) and interim formal consultation (FWS) that proposed Project operations will not jeopardize endangered species during the months of April and May 2002. Accordingly, on March 29, 2002 BOR commenced water deliveries to Klamath Project farmers.

Subsequently, FWS has reviewed the biological assessment and shared a draft biological opinion that covers the full scope of the actions described in the assessment with BOR. The Service conducted its review using the best scientific and economic data available, and considered fully the findings of the NAS committee.

On March 1, 2002, President Bush established a cabinet-level working group to investigate water quality and water quantity issues in the Klamath Basin, and develop short-term and long-term solutions to the challenges affecting farmers, ranchers, fishermen, tribes and others in the Klamath Basin. This working group, made up of the Secretaries of Interior, Commerce, Agriculture, and the Chairman of the President Council on Environmental Quality, will report its findings within 18 months.

18. Question: When do you expect to receive the final recommendations from the Academy and what will you do in the interim?

Answer: The final report from the Academy is scheduled to be delivered by March 30, 2003. On March 1, 2002, President Bush established a cabinet-level panel to investigate water quality and water quantity issues in the Klamath Basin, and develop short-term and long-term solutions to the challenges affecting farmers, ranchers, fisherman, tribes and others in the Klamath Basin. This panel, made up of the Secretaries of Interior, Commerce, Agriculture and the Chairman of the Council of Environmental Quality, will report its findings within 18-months. In the interim, the panel announced a number of immediate measures in early March that will assist farmers and ranchers, and conserve fish. The measures include a commitment of $1.6 million by the Department of Agriculture for conservation, technical, and financial assistance; extension of the sign-up period for farmers and ranchers to obtain financial assistance in obtaining water for livestock; exploration of opportunities to delay loan payments or restructure loans to farmers and ranchers; accelerated construction of fish screens by the Bureau of Reclamation; and habitat improvements in the Winema-Fremont National Forest.

The 2003 budget funds a number of activities in BOR and FWS for 2002, as described below. On February 27, 2002, BOR released a final biological assessment for operation of the Klamath Project. Consultation with FWS and NMFS is ongoing. As the consultation process continues, the Department will continue to assess funding implications and work with OMB to ensure that adequate resources are available.

BOR budget includes a total of $14.3 million for the Klamath project. The budget includes funding to complete the installation of the fish screen at the Canal Headgates to reduce entrainment of suckers. Construction is expected to begin this fall and be completed by April 1, 2003. A feasibility study for increasing storage capacity of Gerber Reservoir is progressing on schedule and should be completed late in 2003. Funding will also support ESA compliance research and monitoring studies; feasibility studies on development of water acquisitions, groundwater supplies, and water quality enhancement; and other high priority project activities.

The FWS budget continues funding of the Klamath River Flow Study at $748,000. FWS, in cooperation with BOR, USGS and BIA, will continue to collect baseline information to assess fish habitat conditions, determine the relationship between habitat and flow regimes, and evaluate conditions limiting species survival in the river and its tributaries below Iron Gate Dam. Actions resulting from the study will help recover species, avoid further listings, enhance tribal trust responsibilities, restore recreational fisheries and related local economies, and reduce impacts of conservation efforts on water users.

FWS will also continue implementing the Upper Klamath River Basin Restoration Initiative under the Partners for Fish and Wildlife Service program. This cooperative effort between federal, state and local agencies, tribes, public organizations and individuals is helping restore the Klamath Basin ecosystem. FWS funding supports the selection and implementation of wetland and other habitat restoration projects in the Upper Klamath Basin.

The budget also includes $1.0 million for continued construction of structures to provide alternative water sources for the Lower Klamath National Wildlife Refuge.

Additionally, the Bureau of Reclamation has reprogrammed funds in Fiscal Year 2002 from other projects to the Klamath project. In conjunction with the President Klamath River Basin Federal Working Group, Reclamation has proposed, and OMB has approved moving $5 million from five projects to the Klamath project. Reclamation will use these funds to accelerate construction on the A-Canal fish screens, and to pursue habitat restoration and water supply augmentation activities.

CANADA LYNX

19. Question: Over a year ago, Fish and Wildlife Service biologists, along with biologists from the Forest Service and from the State of Washington submitted unauthorized samples for genetic testing associated with Canada lynx surveys. Would you please briefly explain just what happened?

Answer: This matter involves action by two Service biologists, three Forest Service personnel, and two State employees who submitted unauthorized lynx hair samples to the lab charged with analyzing those samples. While the actions of these individuals have caused the public to doubt the overall credibility of the agencies' science, it is important to point out that this is not an example of bad science by the agencies involved; instead it is bad judgment by the individuals involved. This is a crucial distinction which must be kept in mind in evaluating this situation.

20. Question: What actions have been taken to discipline the employees involved?

Answer: After learning about the incident, managers in the three involved agencies met and reviewed the Forest Service-contracted investigation report, conferred with their agencies Human Resources offices, and discussed corrective actions and disciplinary measures.

In October, 2001, a Fish and Wildlife Service manager met with the biologist who had submitted an unauthorized blind control sample, and the supervisor who had been informed about the submission. The biologist received a written letter of counseling, which is retained in the supervisor file on the employee and serves as a basis for progressive discipline should other misconduct occur. The employee supervisor was counseled about the responsibility of ensuring that staff comply with scientific protocol and the supervisor role in communicating appropriate scientific and professional conduct to staff.

21. Question: What are you doing to ensure such activity is not pursued in the future?

Answer: This matter involves action by two Service biologists, three Forest Service personnel, and two State employees who submitted unauthorized lynx hair samples to the lab charged with analyzing those samples. While the actions of these individuals have caused the public to doubt the overall credibility of the agencies science, it is important to point out that this is not an example of bad science by the agencies involved; instead it is bad judgment by the individuals involved. This is a crucial distinction which must be kept in mind in evaluating this situation.

Because of the importance of science to both the perception and the reality of the Service activities, particularly with regard to the Endangered Species Act (ESA), the following principles must guide the Fish and Wildlife Service administration of ESA activities: ensure that decisions are based on the best available science; seek peer review of decisions where appropriate; provide for public participation throughout the decision-making process; and ensure that the decision-making process is understandable and transparent. These principles establish a solid framework with which science-based decisions can be made under the ESA.

The Service is committed to providing the leadership, guidance, training, resources, and discipline to ensure and enforce high standards of scientific integrity and ethics while addressing its responsibilities. A multi-faceted approach has been developed to address this issue. Key elements include:

Performance and Conduct Standards. The Service has developed personnel standards which specify disciplinary consequences for inappropriate or unacceptable behavior related to science. On February 12, a Director Order was issued concerning disciplinary Action for Unauthorized Activities in the Course of Scientific Studies or Investigations. Key components of this Order include:

- Requiring that all employees who are involved in scientific studies or investigations adhere strictly to established scientific protocols;
- Requiring that any employee who questions the scientific methods being used in a study, including the quality assurance and quality control procedures for analysis, use appropriate channels to address their concerns with the director of the research;
- Stating that any measures taken outside of established study protocols to "test" any aspect of a study without the knowledge and consent of the principal investigator are always unacceptable; and
- Informing employees that acting outside of established scientific protocols would be grounds for disciplinary action up to and including removal from the Service.

Leadership. The Director has met personally with Regional and field managers in three of the seven Regions, and focused on the science issue in his public and private remarks. The Director plans to do the same with the remaining Regions in the near future.

The Director will ensure that all Regional Directors and Assistant Directors, both in their collective meetings and in their individual actions, focus on sound science as the foundation for decisions.

Optimize External Resources. The Service will fully utilize good science support, including bringing expertise to bear on the design and conduct scientific studies and evaluations, as well as review of final results. The Service will seek advice from respected wildlife management professionals, academia, states and the private sector. In cooperation with the Department, the Service is examining which products and processes would benefit from additional peer review. The findings of this review will be rapidly implemented. Whenever possible, the Service will utilize independent scientific expertise in its activities at the planning level.

Training. The Service National Conservation Training Center will review the full range of its instructional programs to ensure that the importance of scientific rigor, scientific integrity and ethics in science is integrated into all of their technical curriculum, supervisory training, leadership development programs, and new employee orientation.

COOPERATIVE CONSERVATION INITIATIVE

22. Question: The Fish and Wildlife Service has a Partners for Fish and Wildlife program that addresses habitat conservation on private land. The Cooperative Endangered Species program and the State Wildlife Grants program address conservation on State lands. Last year, at the Secretary's request, we created a Landowner Incentive Program and a Stewardship Incentive program to address habitat conservation on private lands. You also have a Coastal program and a Joint Ventures program -both of which do an excellent job of leveraging Federal funds for habitat conservation. Why do you need yet another habitat conservation program through the Cooperative Conservation Initiative and how will it be different from each of the existing programs?

Answer: The Cooperative Conservation Initiative has two major parts: one to be of assistance to the States through a $50.0 million Land and Water Conservation Fund State Assistance grants program and a second to strengthen federal conservation efforts in BLM with $10.0 million, FWS with $18.0 million, and NPS with $22.0 million for a broad range of habitat conservation/protection projects on or adjacent to federal lands in concert with partners.

The major distinction between last year new Landowner Incentive and Stewardship grants and the new CCI, is that both the Landowner Incentive and Stewardship grants are for assistance to private landowners for species protection and habitat restoration while the primary purpose behind CCI is to assist state conservation programs and their partners through the LWCF State grants portion, and federal conservation efforts though programs in the BLM, FWS, and NPS operating accounts and their partners.

The CCI program addresses the whole spectrum of natural resources for its conservation projects compared to other cooperative programs such as the FWS Joint Venture program that focuses solely on migratory bird conservation goals or the Coastal program that promotes to protect and restore high priority fish and wildlife habitat along our nation coasts. The Cooperative Endangered Species Fund deals with endangered species.

23. Question: The National Fish and Wildlife Foundation funds cost-shared grants with funds appropriated through the Fish and Wildlife Service. What types of projects are funded with these grants?

Answer: The National Fish and Wildlife Foundation supports the conservation of native fish, wildlife, plants and their habitats by awarding challenge grants to projects benefiting natural resource management, conservation education, and habitat protection and restoration. The Foundation's

matching requirement fosters partnerships between and among state and local governments, tribes, private landowners, conservation groups, corporations, and federal agencies.

24. Question: To what extent would you use the National Fish and Wildlife Foundation to implement the cooperative conservation initiative?

Answer: The Department looks forward to the participation of the National Fish and Wildlife Foundation and other interested partners throughout the nation in support of the Cooperative Conservation Initiative. CCI is a competitive partnership program, and the Foundation has proven capability and experience in developing partnerships to implement natural resource restoration projects on Federal, State, local and private lands. CCI focuses on Federal and State natural resources restoration efforts. The Department encourages the Foundation and other partners to work with on-the-ground field unit managers and State LWCF Liaison Officers to develop projects with partnership opportunities.

STATE WILDLIFE GRANTS

25. Question: What is the current status of the competitive State Wildlife Grants program? ($25 million available from 2001)

Answer. On November 13, 2001, the Service announced project selections for granting a portion (approximately $14.1 million) of the available unrescinded FY 2001 funds ($24,890,000), and issued request for proposals for granting the remainder of the available funding (approximately $9.5 million) on November 21, 2001. By Monday, December 21, 2001, interested states and territories were asked to either certify their existing unfunded proposal as adequate without modification, amend their existing unfunded application in light of the development of eligibility criteria and review factors, or submit new proposals for a second round of funding.

On December 26, 2001, the Conservation Commission of Missouri filed a complaint and motion for a temporary restraining order challenging the Service issuance of grants under the FY 2001 State Wildlife Grants program. The plaintiffs filed two claims against the Service for alleged violations of the Administrative Procedures Act (APA). The first claim states the Service failure to provide notice of the application procedures, standardized project proposal outlines, and the criteria to be used to rank proposals, violates the plaintiffs rights to notice as required by the APA. The second claim states that in awarding grants to other state fish and wildlife agencies without developing application procedures, standardized project proposal outlines, and the criteria to be used to rank proposals, the Service violated its implementing regulations, and acted arbitrarily and capriciously and abused its discretion in violation of the APA.

The plaintiffs requested the court issue a temporary restraining order and preliminary injunction pursuant to Fed. R. Civ. P. Rule 65, ordering defendants Secretary of the Interior Gale A. Norton and Acting Director of the Fish and Wildlife Service Marshall P. Jones, Jr., and all those in active concert or participation with them, pending a final hearing and determination of the suit, to refrain immediately from funding any grant awards made regarding the $14.1 million portion under Title VIII of the FY 2001 or FY 2002 Interior Appropriation Act. They further requested the court enjoin

the Service from awarding any future grants from the FY 2002 State Wildlife Grants program until the Court determined the total amount of funds available for such funding. Finally, the plaintiffs requested of the Court that any awards made by the Service under the State Wildlife Grants program prior to a final hearing and determination of the action be void and of no effect.

On January 4, 2002 a Temporary Restraining Order was issued enjoining the Service from awarding any portion of the available unrescinded FY 2001 funds ($24,890,000). The Temporary Restraining Order remains in effect until a further ruling from the court.

The Service filed its administrative record with the Court on January 18, 2002. The Service received the Plaintiffs opening brief on February 8, 2002. The Service filed a responsive brief on February 22, 2002, and the Plaintiffs filed a reply brief (March 1, 2002). As of April 16, 2002, the Service is awaiting a final ruling from the court.

26. Question: What are you doing with the $85 million appropriated in fiscal year 2002 for State Wildlife Grants to be distributed by formula?

Answer. It is anticipated that allocation of the State Wildlife Grants program funds will be available to the states for obligation within the next two months. To be eligible for the 2002 State Wildlife Grants program, a state must submit or commit to develop a comprehensive wildlife conservation plan no later than October 1, 2005. As of April 18, 2002 seventeen states have committed to these plans, and it is anticipated that the remainder will do so by the end of May 2002. Once a state is determined to be eligible for funding, it may then submit grant proposals, grant agreements and associated documents to the appropriate Federal Aid Regional Office for review and approval.

During February, the Service engaged in collaborative, in-depth discussions with a group of state representatives on general program implementation guidelines. These guidelines, which were provided to the states the last week in March, included both a broad framework for the plans and detailed plan criteria. The Service is both clarifying and revising the guidelines to address concerns of the House Appropriations Committee. The revised guidelines will be issued in May, 2002. Most groups desire to create state plans that will define and prioritize future use of grant funds and direct the efforts of willing partners. May and June meetings have been scheduled with individuals from the above groups to achieve this objective. Final details for plan development are scheduled to be completed by September 2002.

27. Question: Why does the budget propose to decrease the formula grant program by $25 million in 2003?

Answer: The 2003 budget makes difficult decisions among good programs. The 2002 State and Tribal Wildlife grant program is a new program that consolidated two new 2001 State wildlife grant programs: a competitive program and a formula grant program. The 2002 budget provided new appropriations of $85.0 million but was offset by a $25.0 million rescission of the 2001 program, resulting in a net appropriation of $60.0 million. Administration budget constraints did not allow restoration of the program above the 2002 enacted level of $60.0 million.

JOINT VENTURES

28. Question: How many habitat joint venture programs do you have now and what are they?

Answer: The Service currently supports 12 habitat joint ventures: Atlantic Coast, Upper Mississippi River/Great Lakes, Lower Mississippi Valley, Gulf Coast, Rainwater Basin, Prairie Pothole, Playa Lakes, Intermountain West, Sonoran, Central Valley, San Francisco Bay, and Pacific Coast.

29. Question: What is the Federal contribution to each of these joint ventures and what amount of non-Federal funds is generated through each of these programs?

Answer. The following table depicts the Service contribution to each of the habitat joint ventures and the amount of other federal and non-federal funds generated in FY 2001. The ratio of habitat JV dollars provided by Service to partner contributions in FY 2001 is 1:43.4 and a total Federal to non-Federal ratio of 1:1.7. Service funding supports base operation activities, including partner coordination, conservation planning, Communication and outreach, monitoring and evaluation. Other federal partners have always been a strong element of joint ventures, especially in the West where there is a large federal presence on the landscape. Joint venture partners also make use of federal programs such as North American Wetlands Conservation Act (NAWCA) grants, National Coastal Wetlands Conservation Grants, USDA Forest Legacy, and Wetland Reserve program, to achieve joint venture objectives and leverage non-federal funds.

JOINT VENTURE FY 2001 CONTRIBUTIONS ($000)

Joint Venture	FWS	Other Federal[1]	Non-Federal[3]
Atlantic Coast	379	15,848	45,152
Lower Mississippi Valley	501	1,574	6,833
Upper Miss/Great Lakes	239	18,741	32,063
Prairie Pothole	1,182	13,477	15,987
Gulf Coast	339	5,900	12,847
Playa Lakes	225	1,130	2665
Rainwater Basin	225	196	418
Intermountain West	239	13,002	17,168
Central Valley	359	29,771	17,791
Pacific Coast	239	9,728	36,645
San Francisco Bay[2]	225	144	548
Sonoran	225	1,033	2,042
Total	**4,377**	**110,544**	**19,0159**

[1] other federal includes other FWS programs, such as NAWCA and Coastal Wetlands grants, and other federal agencies including BLM, BOR, NRCS and the US Forest Service.

[2] current information unavailable, estimate based on past performance

[3] includes in-kind services

The 2003 President Budget includes:

JOINT VENTURE 2003 FUNDING

Program/Initiative	2003 Budget Request	Program Changes (+/-)
Joint Venture & NAWMP $(000)	7,417	+388
FTE	31	+4
Sea Duck JV	[357]	[+17]
Atlantic Coast JV	[531]	[+25]
Lower Mississippi JV	[605]	[+29]
Upper Mississippi/Great Lakes JV	[382]	[+19]
Prairie Pothole JV	[1,310]	[+62]
Gulf Coast JV	[470]	[+22]
Playa Lakes JV	[387]	[+18]
Rainwater Basin JV	[292]	[+14]
Intermountain West JV	[492]	[+23]
Central Valley JV	[438]	[+21]
Pacific Coast JV	[397]	[+19]
San Francisco Bay JV	[282]	[+13]
Sonoran JV	[292]	[+14]
Arctic Goose JV	[221]	[+11]
Black Duck JV	[197]	[+9]
JV Administration	[695]	[+33]
General Program Activities	[69]	[+39]

We note that there are also three species joint ventures included, and estimate a similar ratio of partner contributions in 2003.

30. Question: To what extent will the joint venture programs participate in the cooperative conservation initiative?

Answer: Joint ventures are self-directed partnerships involving federal, state, and local governments, corporations, and a wide range of non-governmental conservation organizations. They are ready-made partnerships for the kind of cooperative conservation challenge projects that the Cooperative Conservation Initiative (CCI) is intended to support. The Department encourages Joint Ventures to work with Service Joint Venture Coordinators and refuge managers to develop projects with partnership opportunities that benefit federal resources and state conservation efforts. The CCI would provide the opportunity to compete for funding that could further leverage non-federal dollars for science-based, on-the-ground conservation consistent with national or international bird conservation plans. Since CCI is a competitive program, we cannot predict the extent of participation.

COASTAL PROGRAMS

31. Question: How many coastal programs do you have and where are they?

Answer: The Service has one Coastal Program with program functions (i.e., people) in 16 offices located at the following sites:

Cook Inlet, Alaska
Puget Sound, Washington
San Francisco Bay, California
San Diego Bay
Pacific Islands
Texas Coast
Florida Gulf Coast
Everglades/South Florida
South Carolina Coast
Albemarle/Pamlico Sound , North Carolina
Chesapeake Bay
Delaware Bay
Southern New England/New York Bight
Gulf of Maine
Great Lakes
Oregon Coast

32. Question: What amount of Federal funding is budgeted for each of these programs and what non-Federal funds do each of them attract?

Answer: The following tables summarize the amount of Service funding allocated to each high priority area since FY 1998, as well as the amount of non-Service funds leveraged by each program. Service funds typically generate matches from non-Service sources that are two to three times greater than Service funds. The Coastal program does not track and accumulate the source of its partners funding, which come from various sources, including other federal agencies.

Region 1 Allocations ($000)

Fiscal Year	Regional Office	San Francisco Bay	San Diego Bay	Puget Sound*	Pacific Islands	Oregon Coast
1998	153	260	260	440	--	--
1999	153	260	265	446	--	--
2000	154	262	264	448	250	--
2001	151	255	258	546	242	--
2002	164	254	258	526	242	100

* Puget Sound Program received an additional $449,000 in FY 2001 and FY 2002 for their private sector programs. The Service proposes to discontinue this pass-through arrangement in FY 2003 while continuing to support salmon restoration through other Service programs.

Region 1 Leveraged Funds ($000)						
Fiscal Year	Regional Office	San Francisco Bay	San Diego Bay	Puget Sound	Pacific Islands	Oregon
1998	--	830	3600	606	--	--
1999	--	725	1500	2525	--	--
2000	--	1700	6900	743	402	--
2001	--	3600	8500	960	265	--

Region 2 Allocations ($000)		
	Regional Office	Texas Coast
1998	--	--
1999	--	--
2000	54	841
2001	90	823
2002	88	941

Region 2 Leveraged Funds ($000)		
Fiscal Year	Regional Office	Texas Coast
1998	--	1090
1999	--	1461
2000	--	1250
2001	--	1250

Region 3 Allocations ($000)		
Fiscal Year	Regional Office	Great Lakes Program
1998	--	--
1999	--	--
2000	28	250
2001	28	250
2002	28	320

Region 3 Leveraged Funds ($000)		
Fiscal Year	Regional Office	Great Lakes Program
1998	--	--
1999	--	--
2000	--	1650
2001	--	1830

Region 4 Allocations ($000)						
Fiscal Year	Regional Office	South Florida	Albemarle - Pamlico Sound	South Carolina	NE Florida Gulf	Boqueron Puerto Rico Caribbean
1998	101	503	340	201	31	--
1999	146	481	340	207	0	--
2000	74	503	401	319	40	--
2001	97	501	397	319	400	--
2002	121	478	397	337	600	50*

* Funds for coastal projects were provided to this office, although a coastal program has not been established here.

Region 4 Leveraged Funds ($000)					
Fiscal Year	Regional Office	South Florida	Albemarle - Pamlico Sound	South Carolina	NE Florida Gulf
1998	--	570	189	1300	0
1999	--	896	400	1200	140
2000	--	684	3982	1000	409
2001	--	905	150	500	2000

Region 5 Allocations ($000)					
Fiscal Year	Regional Office	Chesapeake Bay	Delaware Bay	Gulf of Maine	Southern New England / New York Bight
1998	477	1401	336	406	410
1999	--	1509	402	485	471
2000	353	1432	443	585	503
2001	252	1430	406	592	492
2002	209	1355	444	671	553

Region 5 Leveraged Funds ($000)					
Fiscal Year	Regional Office	Chesapeake Bay	Delaware Bay	Gulf of Maine	Southern New England / New York Bight
1998	--	5,161*	853	10303	1100
1999	--	2200	173	6813	1363
2000	--	1400	222	11016	1250
2001	--	2886	109	42655**	1450

* Includes three Coastal Wetland Grants totaling $2,837,000

** The New England Foresty Foundation has undertaken the largest conservation easement project in the United States. They are using various funding sources which include private donations and federal and state grants. The total funds raised for this project is $42,655,000.

Region 7 Allocations ($000)			
Fiscal Year	Regional Office	Cook Inlet	SE Alaska
1998	--	--	--
1999	--	--	--
2000	46	204	--
2001	55	197	
2002	37	292	55*

* $55,000 from Cook Inlet Coastal Program funds were provided to the Juneau Ecological Services Office for coastal projects in Southeast Alaska, although a coastal program has not been established there.

** Alaska received an additional $1 Million to pass through to the Cook Inlet Aquaculture Association for Salmon restoration and $200,000 to pass through to the Regional Aquaculture Association for King Salmon restoration.

Region 7 Leveraged Funds ($000)		
Fiscal Year	Regional Office	Cook Inlet
1998	--	--
1999	--	--
2000		969
2001		1837

33. Question: Question. To what extent will the coastal programs participate in the cooperative conservation initiative?

Answer: The Cooperative Conservation Initiative has Federal and State components. One-half of the initiative, $50.0 million, will be managed through the NPS Land and Water Conservation Fund State Assistance program and will benefit State lands as well as adjacent lands. The balance of the initiative will be used for cost shared projects funded in the operating accounts of the Bureau of Land Management, Fish and Wildlife Service, and the National Park Service and will benefit Federal and adjacent lands.

The Coastal program can participate in a number of ways. The Coastal program has a proven track record of success in working with communities by developing partnerships that maximize resources and technical capabilities in restoring coastal habitat that benefit fish, wildlife and people in coastal areas across the country. Because of CCI focus on Federal and State resource conservation efforts, the Coastal program participation in CCI would focus on projects benefitting State, Federal and adjacent area coastal habitat. For example, the Coastal program could work with National Wildlife Refuge managers and state partners in Maine and Texas to protect marsh habitat and restore coastal wetlands, uplands, and riparian zones.

NEOTROPICAL MIGRATORY BIRDS

34. Question: Briefly describe the number and types of proposals you have gotten with the funds provided in fiscal year 2002 for neotropical migratory bird conservation grants.

Answer: As of mid-April, more than 200 proposals have been received from partners in the U.S. and almost every Latin American and Caribbean nation. These proposals encompass most of the project activities allowed under the law with research and monitoring activities being the most prevalent. In several proposals, partnerships between United States and Latin American organizations were jointly developed to conserve bird species at both the breeding grounds and the non-breeding grounds.

35. Question: How is the division of bird habitat conservation coordinating with the international program on the administration of the neotropical migratory bird grants?

Answer: The Division of Bird Habitat Conservation continues to coordinate with the Service International Affairs program and will incorporate their expertise into most aspects of the program. International Affairs staff provided valuable proposal development assistance to potential partners, which generated many proposals, and will participate in proposal review that begins in May.

36 . Question: Who serves on the advisory committee for this program and what is that Committee's role?

Answer: The Advisory Group will soon be appointed. The Secretary has already indicated her interest in appointing members of the North American Wetlands Conservation Council plus some additional members. The Group role is to assist in carrying out the Act by ensuring public participation, making project recommendations, and helping establish program guidelines.

37. Question: To what extent has the habitat for neotropical migratory birds been degraded and how will this program address those problems? Please provide details for the record.

Answer: Bird population declines are widespread across a variety of habitats across the United States, with the most dramatic declines in grasslands. Bird conservation initiatives such as Partners in Flight have addressed habitat degradation and species declines through more than 50 locally established and widely supported conservation plans.

Significant amounts of wintering and migratory stopover habitat have also been lost or degraded in recent years. More than 300 species of migratory birds winter in the Neotropics, which includes Latin America and the Caribbean. Since 1989 the rate of deforestation in Mexico, Central America, the Caribbean, and tropical South America is an estimated 41 million acres annually and shows no sign of slowing.

The NMBCA funding can support projects for maintenance, management, protection, and restoration of neotropical migratory bird habitat. The program can fund projects to permanently secure existing important habitats in their natural condition, as well as those that will reforest or restore degraded habitats.

38. Question: Is the cost-sharing requirement causing problems? Please explain.

Answer: Although many project proponents have expressed concern over their ability to meet the 3:1 requirement, over 200 proposals have been received with sufficient matching funds.

FISHERIES

39. Question: What is the status of your strategic planning effort for the Fisheries Program?

Answer: The Service has completed a draft strategic vision for the fishery program that is undergoing Departmental review. A final strategic vision and detailed implementation plan are scheduled for completion by September 2002.

40. Question: How will you implement the 32 recommendations in the Great Lakes Fishery Resources Restoration Study if you eliminate grants under the Great Lakes Fish and Wildlife Restoration Program?

Answer: In FY 2002, as authorized by the *Great Lakes Fish and Wildlife Restoration Act of 1998,* Congress provided additional funding above the administration request to aid in the fulfillment of Service responsibilities for implementation of the 32 recommendations in the Great Lakes Fishery Resources Restoration Study. The Service is in the process of administering this $500,000 in grants to states and tribes to restore native fish and aquatic habitats.

The Service, the Great Lakes Fishery Commission, eight states and eight tribal governments in the Great Lakes have made progress in addressing the goals of the *Great Lakes Fish and Wildlife Restoration Act* and great strides toward implementing the recommendations of the Great Lakes Fishery Resources Restoration Study. For example, the Service has worked with its state and tribal partners to control and prevent the introduction and spread of aquatic nuisance species, monitor and assess aquatic populations, and implement habitat restoration plans to restore fishery resources.

Since FY 1998, the Service has provided $75,000 of base funds each year to fund restoration grants, as shown in the table below, in addition to funds specifically appropriated for grants. The Service will continue progress in implementing the highest priorities of 32 Study Recommendations, using base funds of $1.287 million..

GREAT LAKES FISH AND WILDLIFE RESTORATION GRANTS

Fiscal Year	Funds Appropriated for Service Activities	Funds Appropriated for Restoration Grants	Total Funds Available for Restoration Grants	Number of Proposals Funded
1998	$1,278,000	$0	$75,000	3
1999	$1,278,000	$0	$75,000	3
2000	$1,278,000	$400,000	$475,000	9
2001	$1,278,000	$398,000	$473,000	12
2002	$1,278,000	$500,000	$575,000	*in progress*

41. Question: What benefits have accrued from the Regional Mark Processing Center funding?

Answer: In FY 1991, the Service first received pass-through funding for the Pacific States Marine Fisheries Commission (PSMFC) Regional Mark Processing Center (Center). Additional unrequested pass-through funds were added to the Service budget in subsequent years. The Center serves state, federal, tribal agencies and private fishery entities of the entire Pacific Coast by collecting, processing, and distributing data on anadromous salmonid marking and coded-wire-tag studies, and exchanging the marking/coded-wire-tag information with Canada. Service funding for the Center represents about 8% of its funding.

The Service and other management agencies continue to recover information from marked/tagged hatchery fish, thus providing the basis for hatchery product evaluation programs. This tagging program has increased to keep pace with the demands of a changing management environment that

requires greater attention to planning and program evaluation. The continued operation of the Center has allowed a merging of tagging data with harvest statistics in order to track, compile and use information concerning the impacts on various species, some of which are now endangered and perilously low in number. While this work is important, the administration budget request proposes to direct this funding toward higher priority needs. For example, the request included the increase of $3.72 million for implementing the Reasonable and Prudent Alternatives for several biological opinions in the Columbia River basin to address declining salmonid species. The increase in funds will also be used to monitor and evaluate salmon produced at National Fish Hatcheries in the Basin to facilitate reforms required under the National Marine Fisheries Service draft Biological Opinions on Artificial Propagation.

42. Question: What results have been reported from the Washington State research on reproduction abnormalities in salmon?

Answer: Washington State University and the University of Idaho have jointly formed the Center for Reproductive Biology. Consistent with Congressional appropriations language and the terms of the implementing Grant Agreement between the Service and the center, funding has been provided to establish a program in salmonid reproduction biology. The focus is on developing an integrated approach to understanding the mechanisms controlling salmon and trout reproduction to: 1) improve the quality of captive broodstock programs, and 2) improve the knowledge base for decision making in the restoration of native salmon and trout in the Northwest.

No final study findings have been produced yet, however, preliminary studies of potential significance include:

- Identifying female chinook salmon in a number of different populations in the Columbia River Basin as sex-reversed genetic males.
- Searching for an environmental factor within the spawning and rearing habitat that may be responsible for inducing sex reversal in salmon.
- Seeking additional diagnostic markers for female (X) and male (Y) chromosomes of salmon to facilitate research on the sex reversal problem.
- Establishing and characterizing lines of fish which will be useful in assessing the levels of genetic damage present in steelhead and chinook salmon populations.
- Developing better measures of sperm quality to improve fertility in captive broodstock
- Refrigerating salmon eggs for extended periods, allowing broodstock hatcheries greater flexibility in their genetic programs.
- Developing methods to include female genetics in the Northwest salmonid sperm bank (i.e. cryopreservation of female gamete).
- Ongoing studies to determine if factors associated with unfavorable aquatic habitats induce programmed cell death and poor gamete quality.
- Developing immunization strategies for ESA-listed captive broodstock programs to reduce disease outbreaks and limit transmission of pathogens to progeny.
- Seeking strategies to reduce the infection rates among salmon as they return to their spawning grounds.

- Developing DNA faster, more accurate techniques to detect multiple pathogens simultaneously in the migrating salmon or in the habitat.

While recognizing the value of the studies, the Administration budget request proposes to eliminate this funding as it reduces the Service ability to make efficient progress towards addressing national priorities. The Administration request places a higher priority on the requested increase of $3.72 million to implement the Reasonable and Prudent Alternatives for several biological opinions in the Columbia River basin to address declining salmonid species. The increase in funds will also be used to monitor and evaluate salmon produced at National Fish Hatcheries in the Basin to facilitate reforms required under the National Marine Fisheries Service draft Biological Opinions on Artificial Propagation.

43. Question: You have proposed a $1,000,000 reduction in hatchery operations under the assumption that competitive sourcing, privatization of non-native fish programs and cost-sharing arrangements with States will yield savings. The Service had a major initiative in this area a few years ago and assured the Committee that everything that could be done in those areas had been done. What has changed?

Answer: The Fisheries program has made strides in improving the business practices and general operations of its hatchery program, as summarized below. In addition, the Fisheries program is actively pursuing additional opportunities for reform.

Since 1998, the Service has collected data and has begun analyzing the Alignment, Appropriateness, and Adequacy (3A) of its hatchery programs in meeting the six priorities of the Fisheries program; provided more emphasis on restoration and recovery of native species in its hatchery operations; reviewed and aligned its hatchery programs with authorizing legislation; improved its information management systems; and assessed its needs to improve science and technology in its hatchery programs.

OMB, the Department, the Service, and stakeholders have taken an in-depth look at the NFHS to determine how it can become a more focused, effective conservation tool. The Service has assembled eight cross-program work groups, each led by a Directorate member and consisting of regional and headquarters employees, to respond to Administration directives. The work groups are examining: 1) sound science and good management; 2) achieving cost savings; 3) strategic thinking; 4) performance management; 5) workforce management; 6) mitigation analysis and cost recovery; and 7) competitive sourcing and activity-based costing. Stakeholders, as with all Fisheries planning efforts, will be involved in the process. The work groups will complete their work in FY2002, with an emphasis on identifying actions to move the NFHS forward.

44. Question: Specifically, how will this $1,000,000 reduction be spread among your hatcheries? Please provide hatchery-by-hatchery details for the record.

Answer: The $1.0 million reduction will be allocated by increasing reimbursements from non-reimbursed, non-native fish for mitigation or by reducing production at these facilities ($711,000)

and discontinuing channel catfish production ($289,000). Potential impacts on a hatchery by hatchery basis follow at the end of this answer.

The Service has been working with its stakeholders to identify the appropriate role for the Service Fisheries Program in fish and other aquatic resource conservation.

There are 10 National Fish Hatcheries that predominately produce non-reimbursed, nonnative fish for mitigation. Mitigation production programs at Jones Hole and Hotchkiss NFHs, which are currently funded by the Service, mitigate Bureau of Reclamation projects. The Service will work with the Bureau of Reclamation and the Department over the next few months to try to obtain cost recovery for this mitigation production. It is unlikely that full cost recovery will be achieved in FY 2003, therefore, the Service and Bureau of Reclamation are currently reviewing management and funding options for operations and maintenance of these two hatcheries. As way of background, FY 2001 Service funds spent on mitigation production were $288,000 at Jones Hole NFH and $302,000 at Hotchkiss NFH, for a total of $590,000.

The Service plans to end its catchable channel catfish production. Channel catfish production is not necessary to accomplish recovery goals for T&E species and ranks as a low priority based on the Service performance goals and priority objectives. Channel catfish are currently produced at six NFHs. Cessation of channel catfish production at Inks Dam NFH, which is the only hatchery that is predominately (81%) producing catfish, will place the facility in caretaker status and necessitate the transfer of the regional fish distribution truck, its operational budget, and one FTE to another regional facility.

The Service plans to begin phasing out channel catfish production and placing Inks Dam in caretaker status in 2002. The Service estimates that 2002 costs associated with placing Inks Dam in caretaker status will total $400,000 (to move the fish distribution unit and associated FTE; potential moves or separation packages for the other FTEs; possible bumping of personnel; securing the facility; and moving other production programs). Funding will be reprogrammed from hatchery maintenance projects included in the Five Year Plan, under the Secretary's authorities to reprogram funding up to $500,000, and, after consultations with the Tribes. Specifically, the Service will reprogram from two FY 2002 deferred maintenance projects at Inks Dam, including $323,000 to replace rusted drain valves and kettles in 13 ponds and, $100,000 to replace fencing.

Discontinuing catfish production may affect one FTE at Tishomingo NFH. Catfish production at Harrison Lake, Genoa, Private John Allen, and Mammoth Springs NFHs is incidental and can be terminated with minimal effects on staff. A portion of the Service production of catchable channel catfish is provided to Tribes. Tribes affected by these proposals include the following at Tishomingo NFH (Chickasaw Nation 50 lbs., Choctaw Nation 115 lbs., Seminole Nation 40 lbs) and at Inks Dam NFH 22,000 lbs. to the Acoma, Fort Apache, Isleta, Jemez, Jicarilla, Navajo, San Carlos, Sandia, San Ildefonso, San Juan, Zia, and Zuni Indian reservations. The Service will consult with the affected Tribes to discuss how they could turn to other sources for catchable channel catfish, but, the Service will not buy the fish for the Tribes.

Any remaining reduction that may be needed will be distributed across the 10 National Fish Hatcheries that predominately produce non-reimbursed, nonnative fish for mitigation. These hatcheries include Willow Beach NFH (AZ), Neosho NFH (MO), Chattahoochee NFH (GA), Dale Hollow NFH (TN), Greers Ferry NFH (AR), Norfolk NFH (AR), Wolf Creek NFH (KY), Hotchkiss NFH (CO), Jones Hole NFH (NFH), and Leadville NFH (CO). Care will be taken to distribute the reduction in ways that will not adversely impact the Service efforts to negotiate full cost recovery with the entity responsible for the federal water project associated with the mitigation production.

Funding information related to hatcheries that may be impacted by the reduction follows:

National Fish Hatcheries predominately producing non-reimbursed, nonnative fish for mitigation:

	FY02 Field Station List Data	% non-reimbursed, nonnative
Willow Beach NFH (AZ)	$593K / 8 FTE	65%
Neosho NFH (MO)	$356K / 5 FTE	80%
Chattahoochee NFH (GA)	$370K / 4 FTE	97%
Dale Hollow NFH (TN)	$843K / 7 FTE	78%
Greers Ferry NFH (AR)	$379K / 5 FTE	100%
Norfork NFH (AR)	$654K / 9 FTE	100%
Wolf Creek NFH (KY)	$323K / 3 FTE	68%
Hotchkiss NFH (CO)	$353K / 5 FTE	62%
Jones Hole NFH (UT)	$409K / 4 FTE	88%
Leadville NFH (CO)	$177K / 2 FTE	76%

Catchable channel catfish

Region 2	
Inks Dam NFH	$208,000
Tishomino NFH	$ 24,000
Regional office	$ 25,400
Region 3	
Genoa NFH	$ 100
Region 4	
Mammoth Springs NFH	$ 1,000
Private John Allen	$ 2,000
Regional office	$. 300
Region 5	
Harrison Lake NFH	$ 2,000
Regional office	$ 200
Region 9	$ 26,000
Total	**$289,000**

COST ALLOCATION METHODOLOGY

45. Question: What are you doing to ensure that the cost allocation methodology, used by the Service, to allocate administrative costs, is transparent and fair?

Answer: The planning and allocation processes adopted by the Service for the cost allocation methodology (CAM) emphasize transparency and fairness. As funding requirements for CAM are formulated, the Service Directorate and representatives from Service programs hold multiple consultations. These meetings provide a forum to present proposed CAM amounts, and to explain how they were derived and the factors that drive or control the costs. These meetings also provide an opportunity to carefully consider proposed CAM amounts and seek consensus on their inclusion in CAM. During the meetings, Directorate members and program staff representatives can offer alternatives to proposed CAM charges. In several instances in both the FY 2001 and 2002 processes, proposed CAM costs were considered and then deleted in favor of alternatives suggested by program staff. After the Service Directorate approves the final CAM requirements, no additional cost categories can be added to CAM. In the event that anticipated costs exceed estimated costs, or should unanticipated requirements arise during the year, the Service follows reprogramming guidelines and procedures. During the FY 2001 and 2002 processes, the Service also sought input and concurrence from budget officials in the Office of the Secretary and the Interior Appropriations Subcommittee staff members.

46. Question: What recourse do programs have to challenge CAM assessments?

Answer: The planning and allocation processes employed by the Service for CAM emphasize consultations with Directorate members and their staffs. These consultations focus on explaining and justifying proposed CAM amounts. Alternatives offered by Directorate members and their staffs are carefully considered, and in some cases, adopted.

47. Question: To what extent do individual programs control elements of CAM and in what cases do they have no specific control.

Answer: In considering the General Operations costs funded through CAM, there are three broad categories of costs.

The first category contains costs that have a direct relationship to the size and scope of the Service operational activities. In general terms, the size and scope of a program activities controls the levels of these costs. This category includes the costs of leased space, telecommunications and worker compensation. These items account for approximately 34 percent of the CAM. For these costs, the Service utilizes usage factors to distribute costs among its operational programs and activities. Consequently, operational programs and activities are able to directly control their CAM distribution.

The second category of CAM contains mandatory costs that the Service is required to pay to the Department of the Interior and other federal agencies. These costs are related to mandatory

programs, and while they do relate indirectly to operational activities and events, the Service and its programs are not in a position to directly influence or control the amounts billed. These items include payments to the Department of the Interior aviation safety program, Working Capital Fund, and other Departmental management initiatives, as well as payments to the Department of Labor for unemployment and workers compensation claims. This category comprises approximately thirteen percent of the CAM. To promote equity in the distribution of these costs, the Service utilizes usage factors when possible. This is done successfully for aviation safety and workers compensation claims. In both cases, the Service has been able to obtain usage information. For the remaining costs, the Service pursues an equitable distribution by calculating the cost per FTE and then uses actual program FTE usage to distribute the costs.

The third category of costs relates to general support activities provided by the Washington and Regional headquarters facilities. This includes the management activities of the Director, Regional Directors, budget and financial operations, human resources management, procurement, safety, and external affairs. In addition, this category funds facility operations for the headquarters offices. Altogether, these costs represent fifty-three percent of the CAM. The Director and each Regional Director manage the size and scope of the headquarters and Regional support functions. Factors such as newly enacted legislation, regulatory requirements for certain functions, and overall servicing levels are fundamental considerations of their decisions. Because the costs in this category provide benefits to all programs and are an essential part of the Service operational and management infrastructure, individual programs have a limited ability to control them. However, it is important to note that consultation with the Service Directorate is emphasized throughout the CAM process. During the consultations, appeals for cost containment and funding alternatives presented by Directorate members and their staffs are encouraged and considered.

48. Question: What was the total amount of CAM charges in each appropriations account in fiscal year 2002? How does that compare with 2003?

Answer: The following table presents the total amounts that have been allocated to pay for CAM charges in FY 2002 and provides the current projected baseline for FY 2003. The 2003 estimate for funding is $141.4 million, an increase of $3.1 million (+2%) over 2002. The $5.7 million increase in charges to Resource Management charges is due to two principal factors: (1) the 2001 unobligated balance in General Operations of $2.7 million decreased the 2002 actual CAM, and the estimated allocations do not reflect similar unobligated balances being carried forward into 2003; and (2) increased costs of $2.4 million for additional square footage of GSA space reflected in the operations support cost estimates.

Comparison of FY 2002 CAM and Current FY 2003 CAM Baseline

Appropriation/Account	FY 2002 CAM	FY 2003 CAM	Dollars
Resource Management			
Two - Year Appropriation	114,066	119780	5,714
No-Year	754	793	39
Reimbursable	6,506	6,813	307
FY 2001 General Operations Carryover	2,659	-	(2,659)
Subtotal: Resource Management	***123,985***	***127,386***	***3401***
Other Discretionary Appropriations			
Construction & Anadromous Fish	3,020	3,000	(20)
Land Acquisition	2,994	2,500	(494)
North American Wetlands Conservation Fund	313	323	10
Cooperative Endangered Species Conservation Fund	113	159	46
Multinational Species Conservation Fund	17	16	(1)
Landowner Incentive Grants	-	290	290
Private Stewardship Grants	-	160	160
Subtotal: Other Discretionary Appropriations	***6,457***	***6,448***	***-9***
Permanent & Allocation Accounts			
Recreation Fee Demonstration Program	372	354	(18)
Migratory Bird Conservation Fund	1,466	1,505	39
National Wildlife Refuge Fund	375	343	(32)
Federal Aid - Sportfish Restoration	1,383	1,189	(194)
Federal Aid - Wildlife Restoration	1,111	1,113	2
Wildland Fire Management	2,611	2,596	(15)
Federal Highways	147	38	(109)
Central HAZMAT - BLM	92	116	24
NRDAR	327	284	(43)
Forest Pest Management - USDA	7	61	54
Subtotal: Permanent and Allocation Accounts	***7,891***	***7,599***	***(292)***
Grand Total:	**138,333**	**141,433**	**3,100**

49. Question: What other assessments or cross-charges are assessed against programs in addition to CAM?

Answer: CAM is designed to fund core activities that are consistent Servicewide. Not all costs, by definition, are considered ore support costs. Examples of non-core support costs are building security, transit subsidies, day care activities, distance learning programs, telephone upgrades, and

workplace or work life initiatives. Because these costs and opportunities vary by geographic location, they are managed and funded at the Regional level. They have not become part of the CAM process. Though they should be infrequent, these costs will continue to be cross-charged at the Regional level at the discretion of the Regional Director, but they must be distributed based on a user benefits/user pays methodology (either actual use or FTE). Should similar costs occur for the Washington office staff or facilities, the costs would be distributed on the same user benefits/user pays basis. The Service will provide a table under separate cover to the Subcommittee staff to document this information.

The Service will continue to refine the Cost Allocation Methodology to better define the process for formulating, reviewing, and approving budget requests for the regional and Washington offices, refine cost drivers used for allocating costs, and addressing cost containment measures.

FISH SCREENS

50. Question: Last year, $4,000,000 was provided for construction of fish screens, fish passage devices, and related features for the Northwest Power Planning Area. What are you doing with these funds?

Answer: The Service has been working with state wildlife agencies in Idaho, Montana, Oregon, and Washington, and tribes, including the Salish-Kootenai and Shoshone-Bannock, to develop eligibility and ranking criteria. An interagency team representing these agencies will use the criteria to select projects for funding under the *Fisheries Restoration and Irrigation Mitigation Act of 2000* (FRIMA). The $4 million provided in FY 2002 will address unscreened water diversions within the Pacific Ocean drainages in the four states (Idaho, Oregon, Washington and Montana).
By the middle of June 2002, the Service expects to complete its review of solicited proposals. By July 30, 2002, the Service will have a list of projects approved for FY 2002 funding.

The following list of projects are examples of the types of projects that will be implemented as soon as the Service completes the final selections and grantees complete their environmental compliance process. There are sufficient projects identified by the states and tribes to expend all FY 2002 funds, at an estimated 5-8 projects for each state. Improvements have been designed and recommended for potential implementation. These projects include:

Stayton Diversion Project: Located on the Santiam River, a tributary of the Willamette River, in Oregon, this project would help protect several species of migrating salmon and trout, including two species listed as threatened. Cooperation for implementing and constructing this project would come from the City of Stayton, the Oregon Department of Fish and Wildlife (ODFW), and Pacific Corp. The State of Oregon considers this the highest priority for unscreened diversions in the State.

Warm Springs Irrigation Diversion: This unscreened diversion is located on a major tributary of the Deschutes River, within the Warm Springs Indian Reservation. This old diversion is the major water distribution system for the tribes. The Deschutes River provides habitat for several species of salmon and trout including three that are federally listed. The ODFW and the Confederated

Tribes of the Warm Springs Indian Reservation would be cooperating with the Service in the implementation and construction of the project.

Touchet River Diversions: During the irrigation season, landowners along the Touchet River system in eastern Washington construct berms in the channel to divert flows through unscreened diversions. The Washington Department of Fish and Wildlife is prepared to construct and install several gravity flow screened diversions to replace the berms, in cooperation with private landowners. This project will eliminate instream degradation to habitat that three federally listed species of salmon and trout are dependent upon.

Salmon and Clearwater Basins: The Idaho Department of Fish and Game (IDFG) has identified several unscreened diversions within the upper Salmon and Clearwater River basins. The IDFG has documented that these diversions have reduced the survival of native salmon and trout, including three species listed as threatened and one that is listed as endangered. The IDFG and landowners along these river systems wish to partner with the Service to screen these diversions.

Fort Hall Reservation Diversions: The Shoshone-Bannock Tribes of the Fort Hall Reservation in Idaho wish to partner with the Service and IDFG in the identification and prioritization of unscreened diversions within the reservation. Several diversion sites on the reservation are known to entrain migrating fish, while others are known to create passage problems. When diversions have been inventoried and prioritized, the tribes can begin the process of eliminating entrainment and passage problems for native fish on tribal lands.

Salish-Kootenai Reservation Diversions: The Confederated Tribes of the Salish-Kootenai Reservation have identified several unscreened water diversions that hinder or block upstream migration of native trout species. In cooperation with the Service and Montana Fish, Wildlife and Parks, the tribes would redesign and replace existing diversions with screened diversions and modify facilities to allow for upstream passage of the federally listed bull trout into western tributaries of the Blackfoot River.

Lake Oswego Diversion: Lake Oswego is located within the metropolitan Portland area. The operation of this diversion is presently diverting and entraining two federally listed species of salmon into this man-made lake. The City of Lake Oswego, the Lake Oswego Corporation, and ODFW are completing design and planning processes in order to initiate construction during the non-migratory period of mid-summer.

51. Question: What is the total need for fish screens, etc. in the Northwest Power Planning Area? Please explain.

Answer: The number of unscreened irrigation diversions affecting native fish in Idaho, Oregon, Washington and western Montana exceeds 10,000. The Service understands that estimates developed by the states total $105.0 million to address these. However, the Administration has not endorsed this figure. The $4.0 million provided in 2002 will address the highest priority needs among these diversions.

52. Question: Why are no funds included in your 2003 budget to continue this important program?

Answer: The Service construction budget is able to fund only the highest-priority construction projects as identified in the five-year plan.

WASHINGTON HATCHERY PROJECT

53. Question: What are you doing with the funding provided in fiscal years 2001 and 2002 for the Washington Hatchery Project?

Answer: The Service developed an agreement with the Washington State Interagency Committee for Outdoor Recreation. The Hatchery Scientific Review Group (HSRG), formed in FY 2000 through this agreement, began to: 1) establish hatchery reform goals; 2) develop a scientific framework and benefit/risk "tools" for evaluating hatchery programs; 3) establish a competitive research grant program to address scientific uncertainties, and 4) initiate a hatchery review process. The HSRG consists of one science representative from each of the four co-managing agencies (Washington Department of Fish and Wildlife, Northwest Indian Fish Commission, National Marine Fisheries Service, and U.S. Fish and Wildlife Service) and five independent scientists not affiliated professionally with the agencies. A table detailing 2001 and 2002 funding follows:

HATCHERY REFORM BUDGET FOR FY 01 AND FY 02

Description	FY 2001	FY 2002
Action Plan Development & Implementation	**665,000**	**702,000**
Regional Reviews		
Benefit/Risk Tool		
Hatchery Operational Guidelines		
Monitoring and Evaluation Plan		
Scientific Framework		
Outreach and Communications, Future Appropriations		340,000
Hatchery Scientific Review Group Meeting (3 days/mo)		
Hatchery Reform Coordinating Committee Meetings		
Research	**1,420,000**	**1,275,000**
Hatchery Scientific Review Group Research	700,000	390,000
Agency Science Teams	720,000	885,000
Hatchery Improvements	**2,754,000**	**1,898,000**
Hatchery Practices	1,425,000	
Hatchery Physical Improvements	1,329,000	
Budget Administration	**150,000**	**125,000**
TOTAL	**4,989,000**	**4,000,000**

54. Question: What is the goal of this program and what has been accomplished to date?

Answer: The goals are to reform state run Puget Sound and marine coast of Washington State hatchery programs to provide benefits to the process of recovering wild salmon, and provide sustainable fisheries. Version 1 of the Scientific Framework has been completed. The HSRG has completed reviews of hatchery programs in 3 of 10 regions in Western Washington, with review of the remaining 7 regions scheduled for 2002 and 2003. Specific recommendations for hatchery programs in the 3 reviewed regions have been submitted to the co-managing agencies.

More than $1 million in competitive grants have been awarded to obtain the scientific data necessary for completion of the regional reviews. This progress has been facilitated by Long-Live-The-Kings (LLTK), which conducts outreach activities. For example, LLTK established a web site to monitor progress of the hatchery reform projects and retrieve working documents and reports (www.lltk.org/hatcheryreform.html), and hosted a press conference in Seattle, Washington on February 19, 2002 to announce the availability of the HSRG's hatchery review report for the first 3 regions.

55. Question: What does the 2003 budget assume with respect to continued funding for this program?

Answer: The FY 2003 budget proposes to discontinue this funding, as it does not support maintenance of Service hatcheries, and is not among the highest priorities of the Department. State pass-through funding for salmon restoration is more appropriately funded from the Commerce Department Pacific Coastal Salmon Recovery Fund.

MIDWAY ATOLL NATIONAL WILDLIFE REFUGE

56. Question: What is the situation at the Midway Atoll refuge?

Answer: Midway Atoll NWR is in a transitional phase of operations. The existing cooperator, Midway Phoenix Cooperation (MPC), will transfer operations of the island to the Service on May 1, 2002. The Service has awarded a six-month contract to GeoEngineers, Inc. to continue operations and maintenance of Midway Atoll NWR until long term solutions can be achieved.

57. Question: What is the current status of your partnership with Midway Phoenix at the Midway refuge?

Answer: MPC signed a no-cost settlement agreement on March 6, 2002. Under the terms of the agreement, MPC will continue operation and maintenance of the island infrastructure, including the airfield, at no cost to the Service until May 1, 2002, and may remain on the refuge until May 8, 2002. To fulfill contractual obligations to Boeing Corporation, MPC has agreed to turn over critical navigational, weather reporting and communication equipment to Boeing for use at Midway. MPC has also agreed to correct airfield deficiencies to ensure recertification by the FAA. Based upon a

site review conducted on April 8-9, 2002, the FAA recertified the airfield under FAR Part 139, effective April 12, 2002.

58. Question: Should the property be turned over to the National Park Service to manage as a National Historic Site? Please explain.

Answer: The Fish and Wildlife Service has collaborated very closely with the National Park Service on historic site management issues at Midway, beginning soon after the Navy announced plans to close the Naval Air Facility in 1993. At that time, NPS declined interest in the property, but has continued to support FWS through technical assistance, award of historic grant funding and participation in Battle of Midway-related events. In addition to its significant historic resources, Midway Atoll NWR hosts millions of nesting seabirds and incredibly diverse plants and fish, including threatened and endangered species. The Service vast experience and leadership in wildlife and habitat management, especially with island and atoll ecosystems, makes it particularly suited to an operation in this kind of environment. The Service has invested a significant amount of time in the historic preservation program at Midway Atoll NWR over the last five years and believes that a change in management would minimize this investment and jeopardize the fragile condition of many of the resources.

59. Question: What will you do to ensure operations are continued in fiscal year 2002?

Answer: The Service identified additional funding for a six month contract with GeoEngineers, Inc. to take over responsibility for the island nearly $300 million infrastructure including an airfield, power generation plant and substations, water and sewer systems, residences, offices, and many other buildings, after May 1st.

Service staff will manage the island natural resources, consisting of two million nesting seabirds, 250 plant species, a 300,000 acre lagoon that supports over 250 species of fish, and other threatened and endangered marine life such as monk seals and green sea turtles. The Service will also provide continued support to Midway historic preservation program.

60. Question: What additional funds will be required in fiscal year 2003 to operate the refuge? Please explain.

Answer: The Service will work with partner agencies and other stakeholders to identify cost-sharing opportunities for FY 2003 and beyond. Although there would be limited opportunities for visitation to Midway Atoll NWR in the near term, the Service anticipates that the visitor program could be expanded incrementally through additional cost-sharing partnerships and project-specific concessionaire contracts.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

61. Question: What is the total number and value of habitat conservation plan land acquisition proposals submitted for consideration in fiscal year 2001? How does it compare with 2002?

Answer: A total of 20 habitat conservation plan land acquisition proposals were received in fiscal year 2001 for a total value of $120,099,994.

The Fiscal Year 2002 Request For Proposals was issued for the habitat conservation plan land acquisitions on April 9, 2002. States and territories have been given 60 days to submit their proposals for habitat conservation plan land acquisitions to the Service regional office that supports their state or territory. The regional offices have 30 days to submit the proposals to the Service Washington office for final review and selection. Although we cannot predict the number, or dollar value, of the proposals that will be submitted this year, all indications are that demand for this program continues to increase and a greater number of proposals are expected to be submitted in Fiscal Year 2002.

62. Question: How many of those proposals did you fund in each of those fiscal years and what was the total value funded in each year?

Answer: In fiscal year 2001, 20 proposals totaling $120,099,994 in funding were submitted for consideration. A total of $68,389,365 was awarded to 16 proposals selected for funding. At this time, we cannot predict the number or dollar value of the proposals that will be submitted this year. Total funding available for fiscal year 2002 is $61.3 million.

63. Question: What new HCP do you expect to be completed in 2002 and 2003 ?

Answer: The Service is currently processing 389 HCP nationwide, covering approximately 47 million acres and 326 species. It is difficult to predict which HCP will have a permit decision in 2002 and 2003, due to a variety of different factors. However, it is reasonable to assume that HCP in the early and late stages of the NEPA process may most likely be completed in 2002 and 2003. The following is a list of the 23 HCP that have undergone scoping for NEPA or are available for public comment, as of April 16, 2002.

Title	State	Region
Arnaudo Brothers et al.	California	1
Cabin Low-Effect HCP	California	1
Cal. Dept. of Corrections Statewide Electrified Fence Project	California	1
City of Carlsbad Habitat Management Plan	California	1
Coachella Valley Multi-Species HCP	California	1
Daybreak Mine Expansion and Habitat Enhancement Project HCP	Washington	1
MHCP, City of Encinitas Subarea Plan	California	1
MHCP, City of Escondido Subarea Plan	California	1
MHCP, City of Oceanside Subarea Plan	California	1

MHCP, City of San Marcos Subarea Plan	California	1
MHCP, City of Vista Subarea Plan	California	1
MSCP,County of San Diego, Subarea Plan, Cielo Amendment	California	1
Mayer Property	California	1
Newhall Farm	California	1
Orange County Southern NCCP/HCP	California	1
Redhawk Communities	California	1
Temecula Ridge Apartments and Temecula Village Development	California	1
Western Riverside MSHCP	California	1
Ribelin Partners, Ltd. Charles Ribelin, and Lucia Ribelin	Texas	2
Woodside Trails Wilderness Experience, Inc.	Texas	2
International Paper	Alabama/Miss.	4
Massachusetts Plover Management HCP 2	Massachusetts	5
Continental Homes (Pinery Glen)	Colorado	6

64. Question: Is the demand for HCP land acquisition growing? Please explain.

Answer: Demand for the HCP land acquisition program can be measured in large part based on the number and monetary value of proposals received. The following table details the number and monetary value of proposals received each fiscal year since 1997. It also provides the number and monetary value of proposals that received funding.

Fiscal Year	# Proposals Submitted	Funding Requested (in Millions)	# Proposals Selected for Funding	Funding Awarded (in Millions)
1997	13	$50.0 - $60.0	6	$6.0
1998	10	$23.4	4	$6.0
1999	17	$183.49	5	$6.0
2000	21	$110.29	13	$14.78
2001	20	$120.09	16	$68.39

65. Question: Why does the 2003 budget propose to cut funding for this program?

Answer: The 2003 budget makes difficult decisions among good programs. The FY 2003 proposal for HCP Land Acquisition, while still reduced, represents a substantial level of funding to support the conservation of species and habitats through HCP .

TERN ISLAND SEAWALL

66. Question: What is the status of the rehabilitation of the seawall at the Tern Island refuge?

Answer: Rehabilitation of 2,720 feet of the Tern Island Seawall has not yet begun. One potential problem is PCB contamination in some areas scheduled for seawall construction. The Coast Guard initiated cleanup last year but ran out of money before the work was completed. The Service is currently negotiating with the Coast Guard to finish the cleanup before seawall construction can start. One option being considered is for the Coast Guard to secure cleanup funding and give the money to the Service to make the cleanup part of the seawall contract. This would make it possible to award an overall contract as soon as the funding is made available; however, it would likely extend the contract time to allow the cleanup work to be completed. The construction contract will be managed and implemented by the Corps of Engineers.

67. Question: When will this project be completed?

Answer: Assuming that the PCB contamination cleanup issue can be resolved in time to allow rehabilitation of the 2,720 feet of seawall to begin by November, 2002, construction of that section would be completed by February, 2004.

BEAR RIVER NATIONAL WILDLIFE REFUGE

68. Question: What is the status of the construction of the education center at the Bear River refuge in Utah?

Answer: We anticipate that the design will be completed in October, 2002 and construction will begin in the spring of 2003. The building is at the 50% design stage and the interpretive exhibits are at the 95% design stage. The Service has reprogrammed an additional $1 million to move forward on this facility, for a total of $9.1 million ($6.6 million in appropriations, $1.0 million reprogramming, and $1.5 million required in contributions from the Bear River Friends Group). In FY 2002, an additional $0.5 million was appropriated for a maintenance facility. To minimize re-design costs and time delays, the Service plans to amend the existing floor plan by reducing the size of the administration portion to accommodate the new maintenance facility. The visitor portion (size, scope, cost, and displays) remains the same. Therefore, the current total cost of the Headquarters/Maintenance Facility and Education Center is now $9.6 million.

Negotiations are ongoing with the Architecture-Engineering firm for the completion of the redesign, including the incorporated maintenance facility. Commencement of actual construction depends on receipt of the $1.5 million from the Friends Group. The Friends Group has raised approximately 40 percent of its required contribution. The remaining 60 percent consists of a mix of foundation grants and in-kind services. The Service is working with the Friends on the administrative mechanics so that we can receive those contributions prior to contract solicitation.

The entrance road has been split into two phases, both funded by TEA-21 funds. Phase 1 includes construction of the entrance road, parking areas, and a bridge; Phase 2 will include asphalt paving of the those features. The Phase 1 project has been awarded and construction began in April 2002.

69. Question: When will this project be completed?

Answer: Construction of the Headquarters/Maintenance Facility and Education Center is scheduled to begin in the spring of 2003, and is expected to be completed by the winter of 2004.

Construction of Phase 1 road project began in April 2002, and is scheduled to be completed by September 2002. Phase 2 paving will be incorporated into the Headquarters/Maintenance Facility and Education Center construction contract, and will be completed by the fall of 2004.

70. Question: What is the status of construction of dikes and related facilities at the Bear River refuge and why haven you requested funds to continue this activity in 2003?

Answer: Construction of the dikes and related facilities is approximately 80% complete. With the remaining funding currently available, construction of the dikes and related facilities will be completed to the 90% level by the fall of 2002.

The Service must balance these needs against available funding and priorities of the other 537 units of the Refuge system. The President budget funds the highest priority projects for the System to reduce the maintenance backlog, conserve wildlife, and increase opportunities for the visiting public. The remaining water control projects at Bear River MBR are identified in the Refuge Operating Needs System (RONS).

NATIONAL WILDLIFE REFUGE FUND

71. Question: For the past few years, the Committee has urged the Service to fund more adequately payments to counties from the National Wildlife Refuge Fund, especially as the Service continues to acquire more and more land. Why do you continue to ignore this direction from the Committee?

Answer: Units of local government receive annual payments from the U.S. Fish and Wildlife Service to offset tax losses from the purchase of fee title lands in accordance with the *Refuge Revenue Sharing Act* (16 U.S.C. 715s). The Act requires the Service to deposit net receipts into the National Wildlife Refuge Fund to make annual payments to counties. If net receipts are not sufficient, the Service may request additional appropriations from Congress. The President budget requests $14,414,000 in appropriations for the National Wildlife Refuge Fund to supplement the estimated gross receipts of $7,114,000 to make payments to counties and boroughs. Our FY 2003 request for appropriations represents a $3,000,000 or 26% increase over the Fiscal Year 2002 request of $11,414,000. The President FY 2003 budget request balances Revenue Sharing needs with other Service priorities within a limited budget

It should also be noted that the Service continues to provide other benefits to its county partners. Using a substantial share of refuge and construction dollars for visitor services and facilities brings visitors to refuges and thus increases economic benefits to the local communities. For example, those who seek recreation on refuges (birdwatching, hunting, fishing, hiking, etc.) also circulate money into the local economies by staying in hotels, eating in restaurants, and buying recreational supplies. Service lands provide both recreational and economic benefits to the local communities.

72. Question: How much did your land base increase in fiscal year 2001? How much do you expect it to increase in fiscal year 2002? What additional acreage would be acquired if the Committee were to agree to your land acquisition request for 2003?

Answer: Real property acquired through the Land and Water Conservation Fund (LWCF) increased the Service land base by 67,537 acres in FY 2001. We estimate that the LWCF funding will be used to acquire 70,259 acres in FY 2002. The $53,884,000 FY 2003 President budget request could be used to acquire an additional 49,297 acres for the National Wildlife Refuge System.

73. Question: What percent of the authorized funding level will be provided under your 2003 budget proposal for the National Wildlife Refuge Fund and how does that compare with each of the last five fiscal years?

Answer: The Service estimates that the full entitlement for the FY 2003 Revenue Sharing payments that are authorized to be paid to the local units of government will be about $33,000,000. The President budget request of $14,414,000 along with the estimated net receipts of $3,728,000 will total $18,142,000 for payments to counties, or 55% of the authorized funding level in FY 2003. The following chart compares this with funding in each of the last five fiscal years:

Refuge Revenue Sharing - Percent of Entitlement Paid to Local Governments

	FY 2003 Estimate	FY 2002 Estimate	FY 2001 Actual	FY 2000 Actual	FY 1999 Actual	FY 1998 Actual
Entitlement	$33,000,000	$32,000,000	$30,868,690	$28,356,914	$26,674,150	$26,201,802
Amount Paid	$18,142,000	$17,475,000	$15,695,386	$16,436,135	$16,606,174	$17,333,001
Percent	55%	55%	51%	58%	62%	66%

RECREATION FEE DEMONSTRATION PROGRAM:

74. Question: How many of your refuges are participating in the recreation fee demonstration program?

Answer: The Fish and Wildlife Service has 98 approved sites participating in the Recreational Fee Demonstration program.

75. Question: What amount of money has been collected through this program to date and how has it been used?

Answer: As of September 2001, the Service has collected $14,213,000 through this program At least 80% of the money collected is for use at the collecting sites, which use it to cover costs of collections, to take care of maintenance needs, and to make visitor services improvements. These include maintaining trails, updating kiosks and signs, replacing failing plumbing and septic systems, building accessible overlooks and blinds, installing hunter check stations, etc. We list many site-specific accomplishments in the annual Progress Report to Congress

76. Question: How much do you expect to collect in fiscal years 2002 and 2003?
Answer: We estimate collections of $4.6 million in fiscal year 2002 and $4.6 million again in fiscal year 2003.

77. Question: What do you assume with respect to participation by additional refuges?

Answer: Additional sites continue to join the program. We have already added seven sites in FY 2002: Desert NWR-Nevada, San Andress NWR-New Mexico, Trinity NWR-Texas, Sachuest Point NWR-Rhode Island, Eastern Shore of Virginia NWR-Virginia, MacPhadan NWR-Texas, and Little River NWR-Oklahoma. Three more sites are in the approval process (Horicon NWR-Wisconsin, Hatchie NWR-Tennessee and Walkill River NWR-New Jersey). Though not all sites have the resources or opportunities to participate in the program, those that do are very pleased with it. Visitors are satisfied as well, with survey results showing 84% satisfaction with the amounts of fees charged.

ENDANGERED SPECIES

78. Question: How are you distributing the funding for listing programs under the Endangered Species Act in fiscal year 2002? Please provide details for the record.

Answer: We are funding critical habitat actions separately from other listing actions due to the 2002 Appropriations language establishing a limit of $6 million on the amount of funding available for critical habitat designations for already listed species. Under the critical habitat cap we are providing funding for court-order actions, and actions taken under settlement agreements only. We have allocated all available funds under the cap to those actions. For other listing actions, we have allocated $100,000 per region for capability funding, which is to ensure that we retain a listing program in every region, even where there is no court-ordered work. We also have allocated approximately $1.3 million for court-ordered work and settlement agreements involving species listing actions and petition findings. Finally, we are funding 3 emergency listing rules and several overdue final determinations, 12-month findings, 90-day findings and other high priority listing actions.

79. Question: Is the amount of funding requested in the budget for critical habitat designation sufficient to provide for all your obligations in that area? Please explain.

Answer: We requested that the critical habitat subcap be changed to $5 million. We believe this is sufficient to provide for all of our existing and currently expected court-ordered and settlement

agreement obligations to designate critical habitat for already-listed species. Our estimate of the costs to meet our existing and expected obligations under the critical habitat subcap is slightly less than $4.7 million, providing a small cushion to absorb unexpected additional court orders before the final appropriations bill is passed, to cover unanticipated increases in projected costs of critical habitat designations, and possibly to undertake an additional action proposing critical habitat for an already-listed species

80. Question: How many endangered species were delisted or downlisted in the past year? Please provide details for the record.

Answer: The Service delisted one species in 2001, the Aleutian Canada goose. The Aleutian Canada goose was included in the first group of species to be listed under the ESA on March 11, 1967. It was delisted on March 20, 2001, due to recovery. The Service worked closely with private groups and landowners to recover the Aleutian Canada goose, which breeds in the Aleutian Islands and winters in California, stopping along the migration at points on the Oregon coast.

Since 1967, biologists have worked to eliminate introduced foxes from former nesting islands and to reintroduce geese. The removal of these predators has benefited many other bird species on the islands, including puffins, murrelets, and auklets. Besides removing foxes, state wildlife agencies and the Service did not allow hunting of Aleutian Canada geese, banded geese on the breeding grounds to identify important wintering and migrations areas, and released families of wild geese caught on Buldir Island on other fox-free islands in the Aleutians. In California, the Service has worked extensively with local landowners in cooperative partnerships to protect and manage wintering habitat on private land through fee title acquisition, easements, and voluntary programs. In California Sacramento and San Joaquin valleys, and along the northern California coast, many private landowners manage their lands to provide wintering habitat for Aleutian Canada geese. Important wintering and migration habitat in California and Oregon also has been acquired and is managed by the Service National Wildlife Refuge System.

The Service is required under ESA to monitor Aleutian Canada goose populations for at least five years after delisting. The Service will pay close attention to the small number of geese that nest in the Semidi Islands and winter on the north coast of Oregon. While the goose will no longer be protected under the provisions of ESA, the subspecies is still protected under the Migratory Bird Treaty Act.

No species were downlisted in 2001.

81. Question: What delisting and downlisting activities are currently underway and what are the target dates for completion of each of those delisting and downlisting proposals.

Answer: The Service has set the following delisting and downlisting goals for FY 2002 and FY 2003:

FY 2002:

- Delist at least 3 species due to recovery (including the bald eagle, Robbins cinquefoil, and Hoover woolly star).
- Downlist at least 2 species (including large-flowered skullcap and populations of gray wolf).
- Propose delisting at least 7 species due to recovery (including Ash Meadows plants (3 species) and fish (1 species), Gulf of Mexico population of brown pelican, Douglas County population of Columbian white-tailed deer, and Johnston frankenia).
- Propose downlisting at least 7 species (including gray bat, Missouri bladderpod; wireweed, sandlace, papery whitlow-wort, American crocodile, and Schaus swallowtail).

FY 2003:

- Delist at least 5 species due to recovery (possibly Ash Meadows plants (3 species) and fish (1 species), Gulf of Mexico population of brown pelican, Douglas County population of Columbian white-tailed deer, and Johnston frankenia).
- Downlist at least 3 species (possibly the gray bat, Missouri bladderpod, wireweed, sandlace, papery whitlow-wort, American crocodile, and Schaus swallowtail).

LANDOWNER INCENTIVE PROGRAM

82. Question: What are you doing with the $40 million appropriated in fiscal year 2002 for a new landowner incentive program?

Answer: The Service drafted eligibility and competitive ranking criteria for the states and territories to implement the Landowner Incentive Program will be published in the Federal Register in May. This will give the public an opportunity to comment on the criteria and implementation guidelines for the program. After publication of the final program rule, a request for proposals will be published in the *Federal Register*. Of the 2002 appropriated funds, $4 million will be provided to tribes through a separate competitive process and announced through a separate *Federal Register* Notice.

83. Question: When do you expect to make awards under this program and what types of activities are you targeting?

Answer: The public has 60 days to comment on the Notice of Proposed Rule Making for the Landowner Incentive program, which should be published in May. This will be followed by publication of the final program rule. Each Regional Director will be given a funding target by the Washington Office and asked to submit a ranked list of projects from 110 to 115% of that target to

the Washington Office. Based on their innovative project submissions, the Director and Assistant Secretary for Fish and Wildlife and Parks will make decisions as to which projects will be funded. A request for proposals should be published in September 2002 and grants awarded to the states in October 2002. The primary objective of this program is to establish or supplement existing state landowner incentive programs that protect and restore habitats on private lands. Projects will benefit federally listed, proposed, or candidate species or other species determined to be at risk, and provide technical and financial assistance to private landowners that include habitat protection and restoration. As such, projects and activities will likely involve the restoration of marginal farmlands to wetlands, the removal of exotic plants to restore natural prairies, a change in grazing practices and fencing to enhance important riparian habitats, instream structural improvements to benefit aquatic species, road closures to protect habitats, reducing disturbance to wildlife, and conservation easements.

PRIVATE STEWARDSHIP GRANTS

84. Question: What is the status of the new stewardship grant program? ($10 million appropriated in 2002)

Answer: The Service will publish a notice in the *Federal Register*, in May, 2002, requesting comments on the eligibility criteria and ranking factors that will be used in the project evaluation and selection process for the Private Stewardship Grants program. During the comment period, the Service intends to specifically ask the states and territories for comments on the eligibility criteria and ranking factors. After all comments have been reviewed and analyzed, we will issue a request for project proposals in the *Federal Register* and describe the final eligibility criteria and ranking factors.

85. Question: How does this program differ from the landowner incentive program?

Answer: Conserving species on private lands requires a multi-faceted approach. These programs provide opportunities for the Service, the states, territories, and tribes to work cooperatively with private landowners. Some private landowners will desire to work directly with the Service. For others, working with the state, territory, or tribe will best meet their needs. In all cases, these programs will enhance relationships with our partners and offer diverse approaches for addressing important habitat needs for imperiled species and species at-risk.

The $10 million Private Stewardship Grants program will provide competitive grants and other assistance to individuals and groups engaged in voluntary conservation efforts on private lands that benefit federally listed, proposed or candidate species or other at-risk species. Private landowners and their partners will submit project proposals directly to the Service.

The $40 million Landowner Incentive program provides competitive grants for state and territorial fish and wildlife agencies and tribes to establish or supplement their own landowner incentive programs. States, territories and tribes will use these funds to provide technical and financial

assistance to private landowners for the protection, restoration, and management of habitat to benefit federally listed, proposed or candidate species, or other at-risk species on private land.

86. Question: What is the process for reviewing proposals and making awards?

Answer: Project proposals will compete at a regional level for funding. Within each region, a diverse panel of representatives from state and federal government, conservation organizations, agriculture and development interests, and the science community will assess the applications and make funding recommendations to the Service.

The eligibility criteria that are being considered would require a proposal to:

- Involve voluntary conservation efforts on behalf of private landowners;
- Benefit a federally listed, proposed, or candidate species, or other at-risk species;
- Include at least 10 percent cost sharing on the part of the landowner or other non-federal partners involved in the project (the cost-share may be an in-kind contribution, including equipment, materials, operations, and maintenance costs);
- Identify specific landowners who have confirmed their intent to participate in the private conservation efforts;
- Include a reasonably detailed budget indicating how the funding will be used and how each partner is contributing;
- Include obtainable, quantified performance measures that contribute to the Service annual and long-term performance goals.

Factors used to evaluate the merits of the proposals may include:

- Number of endangered or threatened species, proposed species, or candidates for such listing, and at-risk species that will benefit from the project;
- Importance of the project to the conservation of those species, including the duration and magnitude of the benefits, and the urgency of the project;
- Amount of non-federal cost sharing involved in the project; and
- Other proposal merits, such as whether the project complements other conservation projects in the area, the project unique qualities, or any other appropriate justifications, including particular strengths in the above categories (*e.g.*, extraordinary benefits).

87. Question: When do you expect to make awards under this program and what types of activities will be funded?

Answer: We intend to make awards in late summer or fall. Eligible projects include those by landowners and their partners who need technical and financial assistance to improve habitat or implement other activities on private lands for the benefit of endangered, threatened, candidate, proposed, or other at-risk species. Examples of the types of projects that may be funded include restoring natural hydrology to streams or wetlands that support imperiled species, fencing to exclude animals from sensitive habitats, or planting native vegetation to restore degraded habitat.

CONSTRUCTION OF VISITOR CENTERS.

88. Question: What are you doing to comply with the Congressional direction to control the cost and size of visitor centers and visitor contact stations?

Answer: The following steps have or will be taken in the near future to comply with Congressional direction to control the cost and size of visitor centers and visitor contact stations:

Highest Priority Visitor Centers. The refuge system has identified its 20 highest priority visitor centers. Identified projects address a variety of needs including expansion and rehabilitation required to meet increased visitor demand to new centers at new refuges located near urban areas and major transportation corridors. The initial size and cost estimates for these centers will be dependent on potential visitation, site conditions and the opportunity to create a quality visitor experience.

Visitor Center Cost. The Service will place an emphasis on construction of a limited number of visitor centers that are high-quality and modest in design and cost. Total development costs for visitor facilities are expected to range between $500,000 and $3.0 million. Target costs will include: planning, design, construction, site work, exhibits, furnishings and equipment, and construction management. Exceptions would be considered on a case-by-case basis.

Savannah and Ottawa Visitor Centers. The Service five year construction plan includes funding for two modest visitor centers in FY 2003. The Service cost for these two centers has been limited to $ 1.95 million (2003 dollars). Project costs include all costs required to complete each project including: planning, design, construction, site work, exhibits, furnishings and equipment, and construction management. The Friends of Ottawa Refuge established a $450,000 target fund-raising campaign for new exhibits at the proposed visitor center and have already raised over $4,000 toward this goal. Ogeechee Audubon (an Audubon Refuge Keepers group), the local Friends group for Savannah NWR, has contributed $5,000 toward exhibits for the proposed visitor center.

Increased Use of Exterior Exhibits. Future projects will maximize opportunities to reduce the size of visitor centers by moving exhibits and educational facilities outdoors. The goal is to reduce construction and operating costs for buildings and interior exhibits, and redirect savings to constructing facilities in the landscape. Such designs will be practical only when climate, environmental conditions and visitation patterns can coexist comfortably.

89. Question: What criteria have you established for prioritizing the need for new visitor centers?

Answer: The National Wildlife Refuge System carefully reviewed proposed projects from a national perspective and identified its 20 highest priority projects offering the greatest opportunity to educate the public about the National Wildlife Refuge System mission while providing a quality environmental education and recreational experience. The following factors were considered when developing this ranked list:

Rehabilitate existing centers so they can meet current visitation that has increased dramatically since original construction.
Construct centers at refuges with high visitation to help control and focus public-use activities.
Construct centers at refuges that can provide higher-than-normal outdoor and/or recreational visitor experiences. Such opportunities may include access or proximity to scenic/natural beauty, special environments or interesting refuge operations.
Construct centers near larger urbanized areas that provide access to under-represented urban markets.
Construct centers near major transportation routes where the public can be cost effectively served.
Construct centers at refuges with active Friends groups that may cost-share including contributions, in-kind services, and volunteers.

The National Wildlife Refuge System is holding a meeting with representatives from each Region on May 16, 2002, to set size and cost guideline for each priority center project in accordance with FY 2002 Congressional guidance. The Department and Service will examine service-wide priority settings in conjunction with five year planning efforts.

90. Question: To what extent are you exploring standardized designs?

Answer: An interdisciplinary workgroup responsible for preparing guidelines on future visitor center development held its first meeting on April 9 and 10, 2002. The workgroup is preparing, with the help of two highly experienced architectural firms, design and cost guidance for standardized visitor centers and visitor contact stations. The goal of this effort is to develop a standardized programming, space planning and cost estimating tool that will improve future center designs. It will include three useful sections: 1) a methodology for identifying and justifying a center likely visitation, 2) a methodology for selecting proposed visitor activities and functions appropriate to that visitation, and 3) a cost estimating tool that will allow Service planners to adjust proposed visitation and planned activities and facilities to meet target project costs. Recommendations will be completed in September 2002 in time to incorporate them into the planning/programming for the Savannah and Ottawa NWR visitor centers.

91. Question: How is cost sharing factored into your criteria?

Answer: The Service used the presence of active Friends groups that may cost share, including contributions, in-kind services, and volunteers as a criterion for prioritizing the need for new Visitor Centers. The Service continues to operate under Congressional guidance that requires that cost sharing be pursued for visitor centers.

92. Question: You have two new visitor centers included in your construction budget request for 2003, Ottawa NWR in Ohio and Savannah NWR, GA. To what extent will there be cost sharing for each of these projects?

Answer: The active Friends of Ottawa Refuge citizen group is very supportive of the project. The group members and other refuge volunteers already contribute over 10,500 hours on the refuge each

year assisting with all facets of refuge management, including leading tours, helping with school visits, and maintaining refuge trails. The Friends are eager to help staff the visitor center information desk, operate the interpretive store, and contribute to its interpretive and educational programming. They established a $450,000 target fund-raising campaign for new exhibits for the proposed visitor center and have already raised over $4,000 toward this goal.

Ogeechee Audubon (an Audubon Refuge Keepers group) is the local Friends group for Savannah NWR, Georgia. To date, Ogeechee Audubon has contributed $5,000 toward exhibits for the visitor center. The Service anticipates that they will raise more funds now that the visitor center is beyond the conceptual stage.

TIMBER HARVESTING ON REFUGES

93. Question: What is your timber harvest level, in board feet, on National Wildlife Refuges?

Answer: The timber harvest level for the National Wildlife Refuge System in FY 2001 was:

	Board Feet	Pulpwood (tons)	Wood Chips (tons)	Cordwood (cords)
Refuge System	9,655,739	37,279	3,000	2,017

(2001 is the most recently available information.)

94. Question: Which refuges provide commercial timber sales? Please provide volume details by refuge for the record.

Answer: The National Wildlife Refuge System Timber Harvest FY 2001 by refuge was:

Refuge	State	Board Feet	Pulpwood (tons)	Wood Chips (tons)	Cordwood (cords) [a]
Turnbull NWR	WA	498,000	700	3,000	
Little Pend Orielle NWR	WA	728,711			
Sherburne NWR	MN	418,000			
Agassiz NWR	MN				2,000 cords
Tamarac NWR	MN	259,200			
Necedah NWR	WI	238,000			
Kirtlands Warbler NWR	MI	1,208,000			
Minnesota Valley NWR	MN	61,440			
Carolina Sandhills NWR	SC	128,000	27,330		
D'Arbonne NWR	LA	56,000	6,653		
Eufaula NWR [b]	AL	1,342,000			
Felsenthal NWR	AR	5,000			

Refuge	State	Board Feet	Pulpwood (tons)	Wood Chips (tons)	Cordwood (cords) [a]
Hatchie NWR	TN	2,182,000	2,571		
Hobe Sound NWR	FL	189,000			
Lower Suwannee NWR	FL	14,000	25		
Piedmont NWR	GA	962,000			
Tensas River NWR	LA	444,000			
Moosehorn NWR	ME	212,639			
Great Meadows NWR	NJ	22,749			17 cords
Noxubee NWR	MS	687,000			
Total		**9,655,739**	**37,279**	**3,000**	**2,017 cords**

[a] A cord is 128 cubic feet of stacked roundwood (whole or split) and includes the airspace between the wood. Usually a pile of firewood 4'x4'x8'.

[b] This is the first timber harvest at Eufaula NWR in approximately 10 years; future harvests will be much smaller.

In addition, several other refuges have historically held timber sales, but did not during the period reported on above. For example while White River NWR did not report commercial timber activity during FY 2001, they are planning to cut 1 mmbf during FY 2002. Another example is St. Marks NWR. While the station reported no commercial activity during FY 2001, they do anticipate harvest in FY 2003 but volumes are not known.

COORDINATION WITH THE FOREST SERVICE

95. Question: Where refuges border National Forests, how do your refuges coordinate with the Forest Service with respect to providing public goods and services?

Answer: Following are examples of the types of coordination activities between National Wildlife Refuges and National Forests:

Fire management - some refuges have agreements for dispatch and mutual aid. For example, under the Wyoming Interagency Cooperative Fire Management Organization, the National Elk Refuge (WY) and the Bridger-Teton National Forest work together with other federal, state, and local fire organizations in the planning and management of wildland fire management in the Jackson Hole area.

Law enforcement - both agencies may work together under Memoranda of Agreement to deal with law enforcement issues common to both. In addition to formal agreements and organizations, staff of both agencies frequently work together on a variety of issues of common interest, such as public use, wildlife management, or land management issues, on a when-needed basis. Officers assist each other when needed by providing patrols and archaeological resource protection on bordering property.

Biological program - share information related to inventory and monitoring. For example, Arapaho NWR (CO) has been involved with the US Forest Service for the protection of wildlife habitat on Owl Mountain.

Radio communication support - for example, St. Marks NWR (FL) entered into a Memorandum of Understanding with Apalachicola NF to provide necessary radio use for wildland fire activities (prescribed burn and emergency suppression).

Maintaining boundary fences, roads and trails - for example, a Memorandum of Understanding was recently signed requiring the Service to manage the Florida National Scenic Trail which was constructed using Forest Service funds. Noxubee NWR (MS) and Tombigbee NF staff are designing a plan for a cooperative effort to construct and manage a Trans-Refuge Hiking Trail.

Addressing common tribal issues - Kenai NWR and the Chugach National Forest in Alaska share a successful history of diverse cooperative programs to deliver services to the public, including cultural resources.

Recreational management issues - for example, the Shawnee National Forest and Crab Orchard NWR (IL) staff work cooperatively to provide information about visitor services offered on both agency lands

Special Use Permits - The Hitchiti Experimental Forest is located within the boundary of Piedmont NWR (GA). The Service administers all Special Use Permit applications, managed hunts and provides a federal law enforcement presence on the Hitchiti Experimental Forest.

Environmental education - In Alaska, Kenai NWR and the Chugach National Forest share a common border and a successful history of diverse cooperative programs to deliver services to the public, including environmental education.

There are numerous instances where the National Wildlife Refuge System does not share a physical border with a National Forest and cooperation between agencies is still occurring. For example, in Region 4 the Okefenokee NWR (GA) is separated from the Osceola NF by a small tract of state-owned land. The Cape Romain NWR (SC) is separated from the Francis Marion NF by the Intracoastal Waterway (owned by the State of South Carolina and managed by the U.S. Army Corps of Engineers). In most cases, the NWRS is working closely with the staff of proximate National Forests to improve efficiency and enhance visitor's experience or even provide meeting space on occasions. One example of these efforts is the Cape Romain NWR. The refuge currently operates the Sewee Visitor Center on a cost-reimbursable basis with the Francis Marion NF. This facility provides visitor use information and interpretive displays to the public at a reduced cost to both agencies.

GRASSLAND BIRDS

96. Question: What actions are you taking to reverse the decline of grassland birds, such as prairie chickens and sage grouse, before there becomes a need to list them as threatened or endangered?

Answer: Lesser prairie chicken: *Fish and Wildlife Service Southwest Region activities*: The lesser prairie chicken serves as a eystone species to help focus ongoing conservation efforts for grassland birds in the southwest. The greatest threats to the lesser prairie chicken and other grassland birds in the High Plains are activities that degrade the quality of occupied habitat, such as heavy grazing, shrub control/eradication, and habitat fragmentation. Ongoing Service efforts have enhanced collaboration and created partnerships designed to conserve the chicken and preclude the need for federal listing. Initially, the Service and our partners, including state fish and game agencies, the USDA Natural Resources Conservation Service, Resource Conservation and Development Districts, and the Western Governor Association sponsored anch Conversations to incorporate public outreach and identification of private landowners willing to work with the Service and other state and federal partners to conserve declining grassland species. As willing landowners were identified, the Service used the former Landowner Incentives Program to fund restoration projects on these lands.

Securing Candidate Conservation Agreements with Assurances (CCAA) with these landowners also enhanced program effectiveness. Over the past three years, the Service has secured voluntary habitat conservation on over 85,000 acres within the heart of lesser prairie chicken range. Management efforts for grassland birds have not only benefited the target species but also provided added economic benefits to cooperators by enhancing native forage production, improving soil health and nutrient cycling, and improving overall animal performance.

Fish and Wildlife Service Mountain Region activities: The Service has been actively working with Southeastern Colorado landowners to restore and manage habitat for the lesser prairie chicken. Fencing, use of alternative water supply, and grazing management strategies are the tools used to improve habitat conditions for this species. Approximately 15,313 acres are under wildlife extension agreements with 10 landowners. Funding for this effort has originated from landowners, the Service former Landowner Incentive program, Partners for Fish and Wildlife, Colorado Division of Wildlife, Natural Resource Conservation Service, and the Western Governor Association. The Service Southwest region has also assisted with funding for Lesser Prairie Chicken efforts in Southeastern Colorado to help complement the work of the lesser prairie chicken programs in Oklahoma and New Mexico. A Cooperative Agreement with the Baca County Soil Conservation District is in place to expedite identifying lesser prairie chicken projects and funding project costs. An estimated 25,000 acres of additional lesser prairie chicken habitat projects are possible in Southeastern Colorado.

Western sage-grouse: In central Washington, the Columbia Basin distinct population segment (DPS) of the western sage-grouse occurs as two relatively small populations, and is currently a candidate species. In 1992, the Service entered into a voluntary Conservation Agreement with the U.S. Army and the Washington Department of Fish and Wildlife for western sage grouse occurring at the Army Yakima Training Center. The Conservation Agreement expired April 30, 2000. Efforts to update

and implement a revised Conservation Agreement for western sage grouse throughout Washington are ongoing.

The Service is currently assisting with development of a county-wide Habitat Conservation Plan (HCP) for private lands in central Washington (Foster Creek Conservation District, Douglas County). When completed, the HCP will likely include measures to protect the northern subpopulation of the Columbia Basin Distinct Population Segment (DPS).

In 2000, three Service Regional Directors, along with the Bureau of Land Management, U.S. Forest Service, and heads of all Western Association of Fish and Wildlife Agencies, signed a Memorandum of Understanding committing to address sage grouse declines in Western states.

In Idaho, the Service is developing a cooperative agreement to transfer $400,000 Congress provided in FY 2002 to Governor Kempthorne Office of Species Conservation in support of local sage grouse working groups in Idaho. Other cooperators in the agreement include Idaho Department of Fish and Game and Bureau of Land Management.

The Service is also actively supporting Governor Guinn's state-wide Sage Grouse Conservation Strategy by providing technical assistance to the six local planning groups formed under the Strategy. Specifically, the Service is assisting state and local groups with identifying on going threats; aiding in explaining potential impacts of a listing under ESA; and explaining programs like Safe Harbor agreements that can be used to assist private landowners. The goal of the strategy is to have the local groups develop conservation plans by December 2002 that will be incorporated into a state-wide conservation agreement/strategy in 2003 to conserve greater sage grouse in Nevada and help preclude the need to list this species in its 11-state range.

Gunnison Sage-grouse: The Service and other agencies and entities have developed seven conservation plans in Colorado (6) and Utah (1) for the Gunnison sage-grouse, a candidate species. These agencies and entities are implementing conservation actions under these plans that are intended to reverse the decline of the Gunnison sage-grouse. The Service is also involved in writing a rangewide conservation plan with these same partners. The Service is currently developing a Candidate Conservation Agreement with Assurances (CCAA) with Gunnison County and will be working on at least one more CCAA starting this fiscal year with private landowners. Additionally, the Service is coordinating with the Colorado Division of Wildlife on a Statewide CCAA for the Gunnison sage-grouse.

The Service has also been actively assisting landowners in restoration of Gunnison sage grouse habitat in Colorado through Partners for Fish and Wildlife (PFW) Gunnison's sage grouse habitat restoration projects with funds derived from the Service former Landowner Incentive program, Colorado Division of Wildlife, and PFW appropriations. To date, 1,538 acres of sage grouse habitat, including sagebrush and wet meadow habitat has been restored and is being managed to enhance sage grouse in Colorado. The Service has agreements with seven landowners and, with existing funds, plans to complete six additional agreements with landowners covering 300 acres. The potential exists for the Service to work with at least 50 more landowners to manage and protect another 12,000 acres.

The Service has entered into a cooperative agreement with the Gunnison Soil Conservation District to solicit, design, monitor, and fund Gunnison's sage grouse restoration projects.

Greater Sage-Grouse: The Service is involved in the development of four conservation plans in Colorado for the greater sage-grouse, along with numerous agencies and organizations. The greater sage-grouse is not currently a candidate species but there is concern about its status. One of the plans (North Park) is considered complete, but not yet signed.

Columbian Sharptail Grouse: The Service participated in the development of a Conservation Plan for the Columbian sharp-tailed grouse in Colorado. While the Service found listing of the sharp-tailed grouse to be ot warranted implementation of actions identified under the Conservation Plan may help expansion of the grouse in Colorado and prevent future listing considerations in Colorado or within the range of this subspecies. The Service also completed a draft statewide CCAA for the sharp-tailed grouse and is currently waiting for state comments on the draft.

MANAGEMENT AGENDA

97. Question: The Committee is very pleased to see that the Service is taking the lead in the President's Management Agenda by having consolidated the Diversity and Civil Rights Division into the Division of Human Resources.

Is the consolidation of these important functions of diversity and civil rights enforcement something that the Department plans to apply as a model for other bureaus in the Department or more broadly across the Administration?

The Department is currently evaluating FWS consolidation of human resources and civil rights programs. The Department is also examining other organizational options for EEO programs for possible implementation throughout the Department.

QUESTION FROM CHAIRMAN JOE SKEEN

PEER REVIEW

Question: It is my understanding that the U.S. Fish and Wildlife Service has the authority to conduct peer review of the science that has formed the basis of decisions dealing with the Endangered Species Act. Please provide a list of decisions where eer review has been implemented over the past five years. Also, if you could provide the approximate number of Section 7 consultation for each of those years that involved scientific issues.

Answer: Peer review plays a role in many of the Service decisions. For example, all proposals to list species as threatened or endangered are subject to peer review, and peer review is often employed when we draft recovery plans. In addition, any special action may be a subject for peer review. For example, the proposal and designs for raising endangered Rio Grande silvery minnows in captivity have undergone many rounds of peer review. We do not have the data to provide a list of decisions where peer review has been implemented over the past five years.

The number of formal consultations that the Service completed in the five previous fiscal years is as follows:

Year	Number of Formal Consultations
2001	1161
2000	1167
1999	820
1998	849
1997	791

All section 7 consultations involve scientific issues.

QUESTION SUBMITTED BY CONGRESSMAN JOHN E. PETERSON

LAND ACQUISITION

Question: Does the F&WS have a long-term or strategic land-acquisition plan? What are some criteria for lands to be acquired, how do you prioritize land acquisitions, and at what management levels are decisions made? Do you give notice and comment to the public when you acquire lands?

Answer: The *National Wildlife Refuge System Improvement Act of 1997* directs the Secretary, in administering the System, to lan and direct the continued growth of the System in a manner that is best designed to accomplish the mission of the System, to contribute to the conservation of ecosystems of the United States, to complement efforts of States and other Federal agencies to conserve fish and wildlife and their habitats, and to increase support for the System and participation from conservation partners and the public.

The Service is focusing land acquisition efforts on completing existing boundaries and strategic expansion of existing refuges to meet refuge purposes and the refuge system mission. New refuges will be few and represent priority, nationally-significant areas. Expansions will be those that require minimal increased operating costs or use innovative sources of funding for operations. The Service is also emphasizing alternative means of achieving conservation goals by enhancing partnerships and providing a range of tools for states, local communities, federal managers, and citizens to engage in innovative projects.

The Service is developing a nationally coordinated approach to focus strategic growth in areas of greatest conservation concern, such as critical habitat for threatened and endangered species and important wetlands. Several teams are developing tools that will be useful in planning for strategic growth: One team is developing integrated national and regional habitat goals and objectives, based on existing resource plans, and a process to identify how much habitat should be protected within a geographic area to accomplish population, habitat, and diversity objectives. Another team is developing a coarse filter of minimum standards to evaluate additions to the system. Standards being considered include: conservation of trust species; contribution to habitat goals; providing habitat connection; promoting biological integrity; and investing in healthy lands. A third team will be tying these efforts together in revised policy and guidelines.

To establish or expand new refuges, a preliminary project proposal is prepared by the region, signed by the Regional Director (RD), and submitted to Headquarters with a request for the Director's permission to begin detailed planning.

If the Director approves the PPP, the region begins detailed planning of the proposal. The detailed planning process includes compliance with the *National Environmental Policy Act* and other laws, preparing a Land Protection Plan (LPP), and developing other required components, including contaminant surveys. A LPP provides information about resource protection needs, protection alternatives, and details about the proposed action including land description, ownerships, priorities

and the minimum interest required to achieve resource protection. It is the primary document that informs the public about the land protection proposal. The LPP is distributed to landowners and other interested parties. Citizens, state, local and other non-governmental partners provide comments during the draft Environmental Assessment or Environmental Impact Statement process, and the draft LPP process.

Upon completion of the detailed planning process, a decision is made as to whether to establish the proposed unit. If the decision supports the proposed unit, a decision document that compiles and considers all documentation completed during the detailed planning process is prepared, signed by the Regional Director, and forwarded to the Director for his concurrence. The unit would be authorized upon the Director's approval.

Question: Does the F&WS have land exchange authority? How about land sales authority? What is the process for land sales, how long does it generally take, and how much do sales typically cost? How many acres have been exchanged or sold in the past 10 years, and revenue generated?

Answer: The Service is authorized to exchange the lands and interests in lands under our primary jurisdiction for other lands (see authorities listed below). We do not have general authority to sell lands in the National Wildlife Refuge System (NWRS) or National Fish Hatchery System (NFHS). However, the Service can directly dispose of lands through an exchange for other lands or under the terms of a cooperative agreement. For example, we may revoke an agreement that gives us authority to manage wildlife on lands under the primary jurisdiction of another agency, thus giving up our secondary jurisdiction over those lands. The Service did not sell any of its lands during the past ten years, and we are unable to locate any historical records that show the Service ever offered to sell any land. Therefore, we do not have information on a typical cost or period of time for sale of Service lands.

If we determine that any lands or interests in lands under our primary jurisdiction are not being utilized by the Service, we generally negotiate an equal value exchange for the underused lands. We have acquired 192,277 acres through exchange during the last ten years (FY 1992-2001). A cash equalization payment is made when the lands divested do not equal the market value of the lands acquired. The Service paid $456,525 in cash equalization payments during the last ten years. The real property database does not have information on the cash equalization payments that are made to the United States Government.

The following provides additional information about authorities the Service typically uses to acquire lands or interests in lands by exchange, and the process for divesting Service property. Authorities include:

(1) The *National Wildlife Refuge System Administration Act of 1966*, as amended (16 U.S.C. 668dd(b)(3)), authorizes the Secretary of the Interior to exchange lands or products from lands within the National Wildlife Refuge System to acquire lands or interests therein;

(2) The *Migratory Bird Hunting and Conservation Stamp Act of 1934*, as amended (16 U.S.C. 718d.(c)), authorizes the Secretary to use funds to acquire by exchange small wetland and pothole areas for migratory birds;
(3) The *Fish and Wildlife Act of 1956*, as amended (16 U.S.C. 742f), authorizes the acquisition of lands or interests therein for fish and wildlife programs by exchange (we use this authority to make exchanges for fish hatcheries and any other areas that are not in the National Wildlife Refuge System);
(4) The *Alaska National Interest Lands Conservation Act of 1980* (16 U.S.C. 3101-3233) and the *Alaska Native Claims Settlement Act of 1971*, as amended, Section 22(f), authorize the Secretary to exchange lands or interests in lands in Alaska; and
(5) The *Federal Land Policy and Management Act of 1976*, as amended (43 U.S.C. 1716), authorizes the exchange of public land for non-federal lands or interests.

Those lands over which we have jurisdiction that are established by an Act of Congress require an Act of Congress before we can divest the property (with the exception of divestiture through an exchange or by revocation of an agreement). The *National Wildlife Refuge System Administration Act of 1966*, as amended (16 U.S.C. 668dd.(a)(5), prohibits the Service from divesting any lands in the National Wildlife Refuge System (NWRS) lands unless we have the approval of the Migratory Bird Conservation Commission (if originally donated or acquired with Migratory Bird Conservation Account funds), or unless an Act of Congress authorizes the disposal of such lands. We must receive fair market value for lands approved by the Commission, and the Act of Congress generally specifies whether or not the government will be reimbursed for any other lands.

If the Service gets approval from the MBCC or Congress to divest the lands described above (generally all refuge or hatchery lands) and is not directed on how to divest them, or if the Service determines it no longer uses any other property and is not likely to in the future, we will report the xcess property to the General Services Administration (GSA) for disposal under the *Federal Property and Administrative Services Act of 1949*, as amended. Under the GSA regulatory process, Interior agencies would be offered the property first. If no Interior Department agency has any use for the property, it would be offered to other federal agencies for fair market value. If no federal agency wants the property, GSA determines it is urplus and offers it to local governments the state, county and city or town where the property is located. The local governments and non-profit organizations have an opportunity to acquire property through negotiated sale at fair market value or through a public-benefit conveyance for specific uses (homeless, health or correctional facilities, education, parks, law enforcement, emergency management, self-help housing, port facilities, airports, historic monuments, and wildlife conservation). Public benefit conveyances can be discounted up to 100 percent of the market value based on the benefits and positive impact of the program on the local community. If no agency, government, or organization wants to acquire the property, then GSA offers it for competitive sale to the general public. GSA offers these properties without restrictions at market value.

Additional details about the procedures for processing the utilization determinations and disposing federal real property can be found at 41 CFR Part 47.

Question: The President's budget request provided a new vision for land acquisition that included working through alliances, leaving land on tax rolls, and using alternative options to buying land. How will your agency go about implementing this new vision?

Answer: The Service is committed to pursuing less than fee (easements) from willing sellers whenever practical. Since 1997, the Service has brought on-line four new refuges that focus primarily on easements. These are the Dakota Tallgrass Wildlife Management Area (WMA), North Dakota WMA, Northern Tallgrass Prairie National Wildlife Refuge (NWR), and Western Montana NWR/Blackfoot Valley. In the last five years, Service acquisitions, from all funding sources, consisted of roughly 59 percent easements. In FY 2000 and 2001, this same percentage was 67 and 63 percent, respectively.

Question: There seems to be many accounts that are used for land purchases. Can you give a history of purchases over the last 10 years by these accounts, including permanent accounts?

Answer: The Service acquires lands using a number of funding sources. However, the primary funding sources are the Land and Water Conservation Fund, the Migratory Bird Conservation account, and the North American Wetlands Conservation Fund. Other funding sources include appropriations such as the Supplemental Emergency Flood appropriations of FY 1994 and 1997, the Exxon Valdez receipts in the Natural Resource Damage Assessment and Restoration Fund, the Contributed Funds account and various reimbursable accounts. The Service also acquires lands through donations, withdrawals, and transfers from other federal agencies. The table below shows the Service land acquisitions by funding source for Fiscal Years 1992-2001.

FY	Authority	Acres Acquired	Land Cost
2001	Land and Water Conservation Fund	41,915	$64,654,028
	Migratory Bird Conservation Account	101,713	$33,545,114
	North American Wetlands Conservation Fund	6,827	$1,679,421
	Donations and Transfers	1,066,453	$0
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	14037	12668857
	Total FY 2001	1,230,945	$112,547,420

FY	Authority	Acres Acquired	Land Cost
2000	Land and Water Conservation Fund	37,510	$53,139,518
	Migratory Bird Conservation Account	107,695	$37,784,577
	North American Wetlands Conservation Fund	23,201	$3,984,825
	Donations and Transfers	234,034	$0
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	3,529	$4,466,626
	Total FY 2000	405,969	$99,375,546

FY	Authority	Acres Acquired	Land Cost
1999	Land and Water Conservation Fund	42,694	$68,080,634
	Migratory Bird Conservation Account	120,775	$41,433,026
	North American Wetlands Conservation Fund	8,019	$2,101,055
	Donations and Transfers	394,869	$0
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	28,716	$27,917,103
	Total FY 1999	595,073	$139,531,818

FY	Authority	Acres Acquired	Land Cost
1998	Land and Water Conservation Fund	27,957	$43,250,554
	Migratory Bird Conservation Account	103,922	$33,104,887
	North American Wetlands Conservation Fund	7,076	$2,970,159
	Donations and Transfers	37,459	$0
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	25,793	$16,018,468
	Total FY 1998	202,207	$95,344,068

FY	Authority	Acres Acquired	Land Cost
1997	Land and Water Conservation Fund	24,117	$22,827,721
	Migratory Bird Conservation Account	110,289	$34,304,267
	North American Wetlands Conservation Fund	940	$1,051,258
	Donations and Transfers	373,992	$0
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	16,574	$9,575,128
	Total FY 1997	525,912	$67,758,374

FY	Authority	Acres Acquired	Land Cost
1996	Land and Water Conservation Fund	23,482	$26,309,159
	Migratory Bird Conservation Account	126,605	$35,331,582
	North American Wetlands Conservation Fund	6,544	$2,438,950
	Donations and Transfers	75,524	$0
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	90,312	$23,672,944
	Total FY 1996	322,467	$87,752,635

FY	Authority	Acres Acquired	Land Cost
1995	Land and Water Conservation Fund	32,251	$59,597,369
	Migratory Bird Conservation Account	117,854	$31,102,786
	North American Wetlands Conservation Fund	2,126	$530,359
	Donations and Transfers	64,058	$1,620
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	82,775	$48,033,320
	Total FY 1995	299,064	$139,265,454

FY	Authority	Acres Acquired	Land Cost
1994	Land and Water Conservation Fund	63,867	$61,277,048
	Migratory Bird Conservation Account	116,663	$30,859,155
	North American Wetlands Conservation Fund	2,418	$1,880,000
	Donations and Transfers	84,035	$0
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	4,405	$1,685,538
	Total FY 1994	271,388	$95,701,741

FY	Authority	Acres Acquired	Land Cost
1993	Land and Water Conservation Fund	55,434	$73,807,235
	Migratory Bird Conservation Account	75,250	$27,256,051
	North American Wetlands Conservation Fund	0	$0
	Donations and Transfers	521,411	$0
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	6,803	$183,199
	Total FY 1993	658,898	$101,246,485

FY	Authority	Acres Acquired	Land Cost
1992	Land and Water Conservation Fund	65,749	$87,672,365
	Migratory Bird Conservation Account	93,751	$29,469,306
	North American Wetlands Conservation Fund	37	$18,825
	Donations and Transfers	40,019	$7,791
	Other (Exxon Valdez receipts, Contributed Funds and various reimbursable accounts)	3,973	$5,440,500
	Total FY 1992	203,529	$122,608,787

QUESTIONS FROM CONGRESSMAN MAURICE HINCHEY

ADVISORY COMMITTEE FOR THE NEOTROPICAL MIGRATORY BIRD CONSERVATION ACT

Question: Is the proposed Advisory Committee for the Neotropical Migratory Bird Conservation Act going to consist of the organizations with the most expertise in migratory bird conservation?

Answer: Yes. All organizations to be appointed will have extensive experience in the conservation of migratory birds and their habitats. Nominations have been prepared and will be submitted to the Secretary of the Interior for her consideration very soon.

Question: What is the basis for starting with the North American Wetlands Conservation Council since their emphasis is on waterfowl and not all migratory birds and the countries they work in is confined to North America whereas most of the money for Neotropical Migratory Bird conservation will be spent in Latin America and the Caribbean?

Answer: The Secretary intends to name the North American Wetlands Conservation Council (Council) and additional organizations. All Council member organizations are actively delivering conservation for all migratory birds, some throughout the hemisphere. The National Fish and Wildlife Foundation, for example, manages a Neotropical Migratory Bird Conservation grants program that complements the Neotropical Migratory Bird Conservation Act program. Another Council member, The Nature Conservancy, manages the Wings of the Americas program, dedicated to conserving critical habitat for birds in the Western Hemisphere. The four state representatives will add needed experience to the U.S. portion of the program, additional organizations will add more experience in Latin America and the Caribbean, and the Council also brings a vast network of over 1,000 partners that can be enlisted in the program.

LANDOWNER INCENTIVE PROGRAM

Question: Last year this subcommittee agreed to fund (and authorize) two new Administration initiatives, the Landowner Incentive Program ($40 million) and the Private Stewardship Program ($10 million). Can you tell me how these programs are working and how the money for these programs is being spent?

Answer: The Service drafted eligibility and competitive ranking criteria for the states and territories to implement the Landowner Incentive Program. Each Regional Director will be given a funding target and asked to submit a ranked list of projects from 110 to 115% of that target. Based on their innovative project submissions, the Director and Assistant Secretary for Fish and Wildlife and Parks will make decisions as to which projects will be funded.

The Notice of Proposed Rule Making for the Landowner Incentive Program is currently being reviewed prior to publication in the *Federal Register*. This will give the public an opportunity to comment on the criteria and implementation guidelines for the program. After publication of the final program rule, a request for proposals will be published in the *Federal Register*. Of the 2002 appropriated funds, $4 million will be provided to tribes through a separate competitive process and announced through a separate *Federal Register* Notice.

For the Private Stewardship Grants Program, diverse panels of representatives from state and federal government, conservation organizations, agriculture and development interests, and the science community will assess applications and make funding recommendations to the Service. By early May 2002, the Service anticipates publishing a notice in the *Federal Register* requesting comments on the eligibility criteria and selection factors that will be used to evaluate project proposals. During the open comment period the Service intends to solicit from partners, including States and NGOs, comments on the eligibility criteria and evaluation/selection process. In July, after all comments have been reviewed and analyzed, the Service will issue a request for proposals in the *Federal Register* describing the final eligibility criteria and selection factors.

NEOTROPICAL MIGRATORY BIRD CONSERVATION ACT

Question: The NMBCA was authorized at $5 million and funded at $3 million for FY02, yet you propose $1 million for FY 2003. What is the estimated need for these funds and how can you justify such a small request?

Answer: The Service has received about $20 million in proposals for the FY 2002 program. While this is a crude estimate of need, the Administration proposed funding level will address the top priority needs and is consistent with funding levels for other programs in the Multi-national Species Conservation Fund.

ENDANGERED SPECIES

Question: Last year the U.S. Fish and Wildlife Service stated that it would need approximately $120 million to address the current backlog of more than 250 imperiled species awaiting listing determinations under the ESA, and the several hundred listed species awaiting critical habitat. In light of this backlog, how can you justify requesting only approximately $9 million for ESA and critical habitat activities?

Answer: In 2002, the listing program was funded at $9.0 million, a significant, 43 percent increase over 2001. This increase is maintained in the 2003 budget. The Service is processing backlogged listing actions as expeditiously as possible consistent with the availability of trained staff and managers, as well as sound science. However, the Service ability to process listing actions can be impacted by new litigation, requiring adjustments to work plans and reallocation of resources.

The 2003 budget balances competing needs at a time of fiscal constraint, and includes a balanced proposal for all aspects of the endangered species program, including candidate conservation, consultation/ HCP planning, and recovery. The budget includes an increase of $1.4 million for the candidate conservation program that helps prevent species from being listed. Candidate species are included in the listing program backlog, and conservation actions taken on candidate species can reduce or eliminate the need to list these species, hence, reducing the backlog. The budget also focuses resources on the ESA consultation/HCP planning and recovery programs through general program increases of $2.0 million and $2.5 million, respectively; and prioritizes grants to States, Tribes, local communities, and landowners for conservation actions benefiting at-risk species, through the landowner incentive program and the Cooperative Endangered Species Conservation Fund.

Question: Due to inadequate funding for the ESA recovery program, a number of species on the list continue to decline, even though they are currently protected under the ESA. At least 40 currently-listed species could become extinct in the near future even though protected because there is not enough funding for needed recovery actions. How much recovery funding is needed to arrest this decline?

Answer: Final recovery plans are in place for nearly 80 percent of U.S. listed species. Each recovery plan includes the estimated costs of the proposed recovery actions for the first five years of the plan. These costs include activities of the Service, affected federal agencies, states, and others. We do not currently have a way to nationally aggregate these costs, nor formal budgetary review procedures of the cost estimates. The FY 2003 President budget includes funding that will assist in recovery of critically endangered species. The $60.2 million request for the Recovery program includes a general increase of $2.5 million that will support, in part, immediate actions to stabilize critically endangered species that are on the brink of extinction. Grant programs such as the Cooperative Endangered Species Conservation Fund and the Landowner Incentive program will assist states in implementing conservation actions benefitting at-risk species. Other agency budgets also include funding to support endangered species recovery. For example, BLM FY 2003 budget includes a $1.0 million increase to speed recovery of listed species on BLM lands.

ILLEGAL TRAFFICKING IN WILDLIFE

Question: What percentage of illegal wildlife trade is intercepted as it enters the U.S.?

Answer: No reliable method exists for quantifying the volume of illegal wildlife trade. Therefore, the Service has no objective basis that can be used to determine the percentage of illegal wildlife traffic that is intercepted as it enters the United States.

We can, however, provide statistical data about declared or detected wildlife shipments and the results of physical inspections conducted by our wildlife inspectors at ports of entry. This information provides an indicator of the extent of noncompliance with U.S. laws, regulations, or treaties among importers using legitimate channels (i.e., the declaration process) for bringing wildlife and wildlife products into the United States.

During the last five years (FY 1997-2001), some 472,936 wildlife shipments were declared or detected by the Service. Our wildlife inspection staff physically inspected approximately 138,374 of those shipments, maintaining a 29 percent inspection rate. Service officers identified violations of federal wildlife laws and took enforcement action on 16,438 imports or 11 percent of the shipments that were physically inspected.

Question: What is the FWS doing to step up its efforts and combat this growing problem more effectively?

Answer: The Service is working to strengthen its law enforcement capability. In July 2001, we hired 35 new special agents to begin filling longstanding vacancies our first class of new special agents since 1998. We are hiring another 24 new agents this year to continue filling vacancies and bringing agent force levels up to those needed to investigate illegal trade and other wildlife crimes. The 2003 budget requests an additional $1,000,000 for core enforcement capability, allowing the Service to enhance agent mobility by providing additional funding for investigative travel and vehicle operation essential to detecting, documenting and deterring wildlife crime.

We are conducting a review of the structure, priorities, and framework of our wildlife inspection operations to ensure that this aspect of our law enforcement program effectively combats wildlife trafficking. Our goal is to identify policy and programmatic changes to enhance inspection program effectiveness as well as assess additional resources needed to address increased wildlife trade and heightened border security concerns as they relate to wildlife trade.

We are making improvements in other key areas as well. Plans are underway to create an intelligence unit to support wildlife law enforcement efforts and to develop an automated alert/complaint database and notification system to disseminate intelligence information to inspectors and agents in the field. We recently re-established a liaison position with Interpol to improve global coordination of wildlife crime investigations. We are also strengthening our law enforcement training program to ensure that both special agents and wildlife inspectors are as well prepared as possible to enforce U.S. laws and international treaties that protect wildlife from commercial trafficking.

SUAREZ CIRCUS

Question: If the FWS knew last year what the agency knows now, would you have granted an import permit to Suarez Circus?

Answer: The Service issued a marine mammal import permit to the Circo Hermanos Suarez S.A. (Circus), on May 5, 2001, after a review of information, available at the time, demonstrated they had met the criteria by: (1) offering a program for education or conservation that is based on professionally recognized standards of the public display community; (2) holding a license under *Animal Welfare Act* (AWA), granted by the USDA and (3) maintaining facilities for the public display of marine mammals that are open to the public on a regularly scheduled basis with access to the Circus not limited or restricted other than by charging an admission fee.

Approximately one month after the Service issued the permit and the polar bears were imported into the United States, the Service received information from Dr. Terry L. Maple, President and CEO, Zoo Atlanta, which questioned the origin of one of the bears, "Alaska". The Service initiated an investigation including DNA analysis of the bear in question and determined the bear imported by the Circus was not the animal described on a CITES re-export certificate from Jamaica. On March 6, 2002, the Service executed a court-ordered seizure of that bear. The Service has, to date, not received information that contradicts the information provided on the CITES re-export certificate regarding the sources of the six remaining bears.

However in light of both the recent seizure of one of the Circus animals and the Circus application to re-export the animals, the Service has required the Circus provide documentation that demonstrates the provenance of the animals from their sources to the Circus ownership. If the Service investigation reveals the Circus deliberately submitted false paperwork, the Service will consult with the U.S. Department of Justice regarding appropriate legal action.

Question: I understand that the Service confiscated one of the polar bears, Alaska, last month. What action is the Service taking to protect the remaining six polar bears?

Answer: As described above, on March 6, 2002, the Service executed a court-ordered seizure for one bear. This action resulted from the Service determination, based on DNA analysis, that the animal imported was not the bear described on the CITES re-export document issued by the CITES Management Authority of Jamaica. The Service has not received information that contradicts the origin of the remaining bears and, therefore, has no legal authority to take custody of them. The Service continues to liaise with the U.S. Department of Agriculture (USDA), the agency responsible for enforcing the *Animal Welfare Act* (AWA), regarding the Circus maintenance of the remaining animals. To date, the Service understands that the Circus is in compliance with the requirements of the AWA for the care and maintenance of the animals.

Question: What action is the Service taking to ensure that the Circus is not permitted to remove the remaining bears from the United States until the identity of the remaining bears is fully investigated and this controversy resolved?

Answer: The Circus submitted an application for a CITES re-export certificate for the animals on February 12, 2002. The Service has required the Circus to provide additional information documenting the provenance of the animals in support of their request. The Service will evaluate the information provided by the Circus, and other sources, for compliance with the issuance criteria for a CITES re-export certificate. The Circus may not re-export the animals until the Service determines they have met the issuance requirements and issues a CITES certificate for re-export. The Service has not received any reliable information that questions the identity of the remaining bears.

Question: If the Circus is permitted to leave the United States, do you believe that the identity of the remaining bears will ever be fully investigated, or that the plight of these bears will ever be addressed?

Answer: The Service has required the Circus to provide additional information documenting the provenance of the animals. The Service will issue a CITES re-export certificate to the Circus only after the Service is satisfied the animals imported are those described on the Circus *Marine Mammal Protection Act* (MMPA) import permit. The Service has not received any reliable information causing us to question the identities of the remaining bears. The Service continues to pursue an investigation into the identity of the bear that was seized on March 6, 2002, and has requested investigative assistance from Germany. However a complete investigative response has not been received. When additional information is developed the Service will consult with the Department of Justice and pursue appropriate legal action if necessary.

Question: What action is the Service taking with regard to the U.S. Marine Mammal Commission's recommendation that all of the bears be taken into custody?

Answer: The Service appreciates the information it receives from all sources, including the Marine Mammal Commission. However, the Circus is in compliance with the regulations of the *Animal Welfare Act* as implemented by USDA. Further, the Service does not currently have reliable information refuting the documents provided by the Circus at time of import for the six remaining animals. We will continue to investigate this matter and should we determine that deliberately false or misleading information has been submitted by the Circus, the U.S. Department of Justice will be consulted regarding appropriate legal action.

Question: What action is the Service taking with regard to the American Zoological Associations' recommendation that the Suarez Circus not be allowed to use these bears in a Circus Act because the Suarez Circus does not provide the educational program required by the MMPA ?

Answer: The Service appreciates the recommendations provided by the American Zoological Association (AZA). The Congressional Record for the 1994 MMPA Amendments clearly notes it was not the Committee intention the Secretary have the authority to regulate the content of such programs. Therefore, the Service must evaluate the use of the animals by the Circus as it would any other public display facility, including those from public display facilities which are not AZA affiliated. The Circus provided a detailed program and information packet with their application regarding their intended outreach and conservation message to be used in association with the public display of the polar bears. This included information regarding polar bear biology as well as relevant laws and international treaties associated with this species. The Service determined the Circus provided to the public such information consistent with the requirements of the MMPA. Should the Service determine that the Circus is no longer providing a conservation message as required by Section 104(c)(2)(D)(ii) of the MMPA, then appropriate action would be taken including a possible revocation of the permit.

Question: Is it appropriate to continue to allow the Circus to use these bears for profit under a FWS "education and conservation" permit, when it appears that the permit was obtained by fraud and/or false statements?

Answer: The Service seized one animal based on our determination that it was not the animal described on a CITES re-export certificate from Jamaica. The Circus, at this time, has not been charged with any criminal or civil violations. Further, the Service has not received information that indicates the Circus provided deliberately false or misleading information in support of their original permit. If the Service investigation reveals that the Circus deliberately submitted false paperwork, then we will consult with the U.S. Department of Justice regarding appropriate legal action.

Question: Is it appropriate for an organization that has lied to the FWS to hold a wildlife license under US law?

The Service does not currently have information that demonstrates the Circus deliberately submitted false paperwork. Should we receive information that indicates the Circus willfully submitted deliberately false or misleading information, the Service will consult with the U.S. Department of Justice regarding appropriate legal action.

QUESTIONS FROM CONGRESSMAN MARTIN O. SABO

BUREAU OF MINES PROPERTY, FORT SNELLING

Question: The former Bureau of Mines property near Fort Snelling in Minnesota has been transferred from the National Park Service to the Fish and Wildlife Service, and I understand that Twin Cities offices of Fish and Wildlife Service, the Bureau of Indian Affairs, and the Federal Executive Board plan to relocate to this site. What is the status of this proposal and where is it on the Fish and Wildlife Service's list of priorities?

Answer: The title to the Bureau of Mines property remains with the Secretary of the Interior. In January of this year, the administrative responsibility for the property was transferred from the Department of the Interior Bureau of Mines Closure Team to the U. S Fish and Wildlife Service. The Service and the Department are looking at a range of options for the property. In particular, given the current estimates for potential building rehabilitation, potential costs to break existing GSA leases, and other costs, the Department is considering demolishing the existing buildings and restoring the habitat for potential donation to local government as park land or view shed, or, even keeping the property in the Federal estate as part of the refuge or park systems.

The Department has available approximately $1.0 million within unobligated Bureau of Mines close out funding to use as a down payment on whichever alternative the Department selects.

Question: What are the planning funds needed for rehabilitation? Can you estimate the cost of the rehabilitation?

Answer: No detailed engineering assessment has been conducted on the former Bureau of Mines property to determine the full costs of cleaning and rehabilitating this facility.

Question: What is the timeline for completion of this plan?

Answer: As noted above, the Department is still examining options for the facility and as such does not have a timeline. The Department and Service expect to complete the evaluation of options for the site this summer.

QUESTIONS FROM CONGRESSMAN JAMES P. MORAN

ENDANGERED SPECIES

Question: The U.S. Fish and Wildlife Service has reportedly stated that it would need approximately $120 million to address the current backlog of more than 250 imperiled species awaiting listing determinations under the ESA, and the several hundred listed species awaiting critical habitat. How do you plan to address the backlog with a funding request of only $9 million?

Answer: In 2002, the listing program was funded at $9.0 million, a significant, 43 percent increase over 2001. This increase is maintained in the 2003 budget. The Service is processing backlogged listing actions as expeditiously as possible consistent with the availability of trained staff and managers, as well as sound science. However, the Service ability to process listing actions can be impacted by new litigation, requiring adjustments to work plans and reallocation.

The 2003 budget balances competing needs at a time of fiscal constraint, and includes a balanced proposal for all aspects of the endangered species program, including candidate conservation, consultation / HCP planning, and recovery. The budget includes an increase of $1.4 million for the candidate conservation program that helps prevent species from being listed. Candidate species are included in the listing backlog, and conservation actions taken on candidate species can reduce or eliminate the need to list these species, hence, reducing the backlog. The budget also focuses resources on the ESA consultation / HCP planning and recovery programs through general program increases of $2.0 million and $2.5 million, respectively; and prioritizes grants to States, Tribes, local communities, and landowners for conservation actions benefitting at risk species, through the landowner incentive program and the Cooperative Species Conservation Fund.

Question: A number of species on the ESA recovery program list continue to decline, even though they are currently protected under the ESA. Some of these may be extinct within 5 years. Do you find this an acceptable situation? Can you please provide this subcommittee with a list of these species? Can you also provide an assessment of how much recovery funding is needed to arrest this decline and how that funding would be used?

Answer: The Service uses the terms "improving", "declining", and "stable" to indicate the direction in which a species status is moving; these terms do not reflect a species location on the extinct/recovered status continuum. Species are usually in decline when they are listed. Since many of these species have been suffering from habitat loss or other threats for decades and, in some cases, centuries, it is expected that some listed species would continue to decline once listed. Recovery actions have to first stabilize then recover the species.

Final recovery plans are in place for nearly 80 percent of U.S. listed species. Each recovery plan includes the estimated costs of the proposed recovery actions for the first five years of the plan. These costs include activities of the Service, affected federal agencies, states, and others. We do not currently have a way to nationally aggregate these costs, nor formal budgetary review

procedures of the cost estimates. The FY 2003 President budget includes funding that will assist in recovery of critically endangered species. The $60.2 million request for the Recovery program includes a general increase of $2.5 million that will support, in part, immediate actions to begin stabilizing critically endangered species that are on the brink of extinction. Grant programs such as the Cooperative Endangered Species Conservation Fund and the Landowner Incentive program will assist states in implementing conservation actions that benefit at-risk species. Other agency budgets also include funding to support endangered species recovery. For example, BLM FY 2003 budget includes a $1.0 million increase to speed recovery of listed species on BLM lands.

A list of species currently believed to be in decline (414) follows.

Declining Species by Common Name
bat, Indiana
bat, Mariana fruit (=Mariana flying fox)
caribou, woodland
fox, San Joaquin kit
kangaroo rat, Morro Bay
kangaroo rat, San Bernardino Merriam's
kangaroo rat, Tipton
kangaroo rat, giant
mouse, Pacific pocket
mouse, Preble's meadow jumping
ocelot
pronghorn, Sonoran
rabbit, Lower Keys marsh
rabbit, riparian brush
squirrel, Mount Graham red
woodrat, Key Largo
woodrat, riparian (=San Joaquin Valley)
Plover, piping (Northern Plains)
akiapola`au (honeycreeper)
creeper, Oahu
crow, Hawaiian
crow, Mariana
elepaio, Oahu
gnatcatcher, coastal California
jay, Florida scrub
murrelet, marbled
nukupu`u (honeycreeper)
owl, northern spotted
plover, western snowy
po`ouli (honeycreeper)
prairie-chicken, Attwater's greater
pygmy-owl, cactus ferruginous
shearwater, Newell's Townsend's
vireo, black-capped
warbler (=wood), golden-cheeked
warbler, nightingale reed (old world warbler)
boa, Puerto Rican
lizard, Coachella Valley fringe-toed
lizard, blunt-nosed leopard
sea turtle, hawksbill
sea turtle, leatherback
snake, Atlantic salt marsh
snake, Lake Erie water
snake, San Francisco garter
snake, copperbelly water
snake, eastern indigo
tortoise, gopher
turtle, bog (=Muhlenberg)
turtle, flattened musk
turtle, ringed map
turtle, yellow-blotched map

Declining Species by Common Name
whipsnake (=striped racer), Alameda
frog, California red-legged
salamander, Barton Springs
salamander, California tiger
salamander, San Marcos
salamander, Santa Cruz long-toed
salamander, Texas blind
salamander, flatwoods
toad, Houston
toad, Wyoming
toad, arroyo (=arroyo southwestern)
catfish, Yaqui
chub, Pahranagat roundtail
chub, slender
dace, Ash Meadows speckled
dace, Moapa
darter, Cherokee
darter, fountain
darter, leopard
gambusia, Pecos
madtom, Neosho
madtom, yellowfin
minnow, Rio Grande silvery
minnow, loach
pupfish, Comanche Springs
salmon, Atlantic
shiner, Arkansas River
shiner, Topeka
shiner, beautiful
spikedace
spinedace, Big Spring
spinedace, Little Colorado
springfish, Railroad Valley
sturgeon, pallid
sturgeon, white
sucker, June
trout, Lahontan cutthroat
woundfin
Mapleleaf, winged (mussel)
bankclimber, purple (mussel)
bean, Cumberland (pearlymussel)
bean, purple
blossom, green (pearlymussel)
catspaw (=purple cat's paw pearlymussel)
catspaw, white (pearlymussel)
combshell, Cumberlandian
fanshell
heelsplitter, Carolina
higgins eye (pearlymussel)
lampmussel, Alabama
moccasinshell, Gulf
monkeyface, Appalachian (pearlymussel)

Declining Species by Common Name
monkeyface, Cumberland (pearlymussel)
mucket, pink (pearlymussel)
mussel, oyster
pearlymussel, Curtis
pearlymussel, birdwing
pearlymussel, cracking
pearlymussel, dromedary
pearlymussel, littlewing
pigtoe, finerayed
pigtoe, oval
pigtoe, rough
pigtoe, shiny
pimpleback, orangefoot (pearlymussel)
pocketbook, Ouachita rock
pocketbook, shinyrayed
rabbitsfoot, rough
riffleshell, northern
riffleshell, tan
ring pink (mussel)
three-ridge, fat (mussel)
wartyback, white (pearlymussel)
snail, Chittenango ovate amber
snail, Snake River physa
springsnail, Bruneau Hot
beetle, Coffin Cave mold
beetle, Comal Springs dryopid
beetle, Comal Springs riffle
beetle, Kretschmarr Cave mold
beetle, Tooth Cave ground
butterfly, Fender's blue
butterfly, Lange's metalmark
butterfly, Oregon silverspot
butterfly, Palos Verdes blue
butterfly, Quino checkerspot
butterfly, Saint Francis' satyr
dragonfly, Hine's emerald
fly, Delhi Sands flower-loving
ground beetle, [unnamed] (Rhadine exilis)
ground beetle, [unnamed] (Rhadine infernalis)
mold beetle, Helotes
moth, Kern primrose sphinx
skipper, Laguna Mountains
Spider, Robber Baron cave
harvestman, Bee Creek Cave
harvestman, Bone Cave
harvestman, Robber Baron Cave
pseudoscorpion, Tooth Cave
spider, Government Canyon cave
spider, Madla's cave
spider, Tooth Cave
spider, Vesper cave
spider, [unnamed]

Declining Species by Common Name
amphipod, Illinois cave
amphipod, Peck's cave
crayfish, Shasta
fairy shrimp, vernal pool
shrimp, Squirrel Chimney Cave
tadpole shrimp, vernal pool
Baccharis, Encinitas (Baccharis vanessae)
Fritillary, Gentner's (Fritillaria gentneri)
Honohono (Haplostachys haplostachya)
No common name (Abutilon eremitopetalum)
No common name (Alsinidendron trinerve)
No common name (Alsinidendron viscosum)
No common name (Amaranthus brownii)
No common name (Bonamia menziesii)
No common name (Hesperomannia arbuscula)
No common name (Neraudia angulata)
No common name (Neraudia ovata)
No common name (Phyllostegia kaalaensis)
No common name (Phyllostegia knudsenii)
No common name (Phyllostegia mannii)
No common name (Phyllostegia mollis)
No common name (Phyllostegia velutina)
No common name (Phyllostegia warshaueri)
No common name (Platanthera holochila)
No common name (Poa siphonoglossa)
No common name (Sanicula mariversa)
No common name (Sanicula purpurea)
No common name (Schiedea hookeri)
No common name (Schiedea kaalae)
No common name (Schiedea kauaiensis)
No common name (Schiedea membranacea)
No common name (Schiedea nuttallii)
No common name (Silene lanceolata)
No common name (Stenogyne bifida)
No common name (Stenogyne campanulata)
No common name (Tetramolopium arenarium)
No common name (Tetramolopium lepidotum lepidotum)
No common name (Tetramolopium remyi)
No common name (Trematolobelia singularis)
No common name (Viola oahuensis)
`akoko (Chamaesyce deppeana)
`akoko (Chamaesyce herbstii)
`akoko (Euphorbia haeleeleana)
`akoko, Ewa Plains (Chamaesyce skottsbergii var. kalaeloana)
`anunu (Sicyos alba)
`oha wai (Clermontia drepanomorpha)
`oha wai (Clermontia oblongifolia ssp. mauiensis)
`oha wai (Clermontia pyrularia)
`oha wai (Clermontia samuelii)
a`e (Zanthoxylum dipetalum var. tomentosum)
alani (Melicope adscendens)
alani (Melicope haupuensis)

Declining Species by Common Name
alani (Melicope knudsenii)
alani (Melicope mucronulata)
alani (Melicope munroi)
amaranth, seabeach (Amaranthus pumilus)
arrowhead, bunched (Sagittaria fasciculata)
aupaka (Isodendrion laurifolium)
aupaka (Isodendrion longifolium)
avens, spreading (Geum radiatum)
awiwi (Centaurium sebaeoides)
awiwi (Hedyotis cookiana)
barberry, island (Berberis pinnata var. insularis)
bear-poppy, dwarf (Arctomecon humilis)
bittercress, small-anthered (Cardamine micranthera)
bladderpod, San Bernardino Mountains (Lesquerella kingii ssp. bernardina)
bladderpod, Spring Creek (Lesquerella perforata)
bluegrass, Hawaiian (Poa sandvicensis)
bluegrass, Mann's (Poa mannii)
bluegrass, San Bernardino (Poa atropurpurea)
bluet, Roan Mountain (Hedyotis purpurea var. montana)
brodiaea, thread-leaved (Brodiaea filifolia)
buckwheat, cushenbury (Eriogonum ovalifolium var. vineum)
buckwheat, steamboat (Eriogonum ovalifolium var. williamsiae)
bush-mallow, Santa Cruz Island (Malacothamnus fasciculatus var. nesioticus)
buttercup, autumn (Ranunculus acriformis var. aestivalis)
cactus, Peebles Navajo (Pediocactus peeblesianus peeblesianus)
cactus, Tobusch fishhook (Ancistrocactus tobuschii)
cactus, Winkler (Pediocactus winkleri)
campion, fringed (Silene polypetala)
cat's-eye, Terlingua Creek (Cryptantha crassipes)
checker-mallow, Nelson's (Sidalcea nelsoniana)
checker-mallow, pedate (Sidalcea pedata)
clarkia, Pismo (Clarkia speciosa ssp. immaculata)
clover, showy Indian (Trifolium amoenum)
cory cactus, bunched (Coryphantha ramillosa)
cress, toad-flax (Schoenocrambe suffrutescens)
crownbeard, big-leaved (Verbesina dissita)
crownscale, San Jacinto Valley (Atriplex coronata var. notatior)
daisy, Parish's (Erigeron parishii)
daisy, Willamette (Erigeron decumbens var. decumbens)
dudleya, Conejo (Dudleya abramsii ssp. parva)
dudleya, Santa Clara Valley (Dudleya setchellii)
dudleya, Santa Cruz Island (Dudleya nesiotica)
dudleya, Verity's (Dudleya verityi)
dudleyea, Santa Monica Mountains (Dudleya cymosa ssp. ovatifolia)
evening-primrose, Antioch Dunes (Oenothera deltoides ssp. howellii)
fiddleneck, large-flowered (Amsinckia grandiflora)
gilia, Hoffmann's slender-flowered (Gilia tenuiflora ssp. hoffmannii)
goldfields, Burke's (Lasthenia burkei)
goldfields, Contra Costa (Lasthenia conjugens)
grass, California Orcutt (Orcuttia californica)
grass, Colusa (Neostapfia colusana)
grass, Solano (Tuctoria mucronata)

Declining Species by Common Name
ha`iwale (Cyrtandra giffardii)
ha`iwale (Cyrtandra polyantha)
ha`iwale (Cyrtandra tintinnabula)
ha`iwale (Cyrtandra viridiflora)
haha (Cyanea acuminata)
haha (Cyanea asarifolia)
haha (Cyanea copelandii ssp. haleakalaensis)
haha (Cyanea dunbarii)
haha (Cyanea glabra)
haha (Cyanea grimesiana ssp. grimesiana)
haha (Cyanea grimesiana ssp. obatae)
haha (Cyanea humboldtiana)
haha (Cyanea koolauensis)
haha (Cyanea lobata)
haha (Cyanea pinnatifida)
haha (Cyanea platyphylla)
haha (Cyanea procera)
haha (Cyanea shipmannii)
haha (Cyanea st-johnii)
haha (Cyanea stictophylla)
haha (Cyanea superba)
haha (Cyanea truncata)
hala pepe (Pleomele hawaiiensis)
harebells, Avon Park (Crotalaria avonensis)
hau kuahiwi (Hibiscadelphus woodii)
hibiscus, Clay's (Hibiscus clayi)
irisette, white (Sisyrinchium dichotomum)
jewelflower, Metcalf Canyon (Streptanthus albidus ssp. albidus)
kamakahala (Labordia cyrtandrae)
kamakahala (Labordia lydgatei)
kamakahala (Labordia tinifolia var. lanaiensis)
kamakahala (Labordia tinifolia var. wahiawaensis)
kamakahala (Labordia triflora)
kauai hau kuahiwi (Hibiscadelphus distans)
kauila (Colubrina oppositifolia)
kaulu (Pteralyxia kauaiensis)
kio`ele (Hedyotis coriacea)
kiponapona (Phyllostegia racemosa)
kohe malama malama o kanaloa (Kanaloa kahoolawensis)
koki`o (Kokia drynarioides)
koki`o ke`oke`o (Hibiscus arnottianus ssp. immaculatus)
koki`o ke`oke`o (Hibiscus waimeae ssp. hannerae)
koki`o, (=Kaua`i koki`o) (Kokia kauaiensis)
kolea (Myrsine linearifolia)
kuahiwi laukahi (Plantago hawaiensis)
kuahiwi laukahi (Plantago princeps)
kuawawaenohu (Alsinidendron lychnoides)
kula wahine noho (Isodendrion pyrifolium)
ladies'-tresses, Navasota (Spiranthes parksii)
lau `ehu (Panicum niihauense)
laulihilihi, (=Ma`oli`oli) (Schiedea stellarioides)
lead-plant, Crenulate (Amorpha crenulata)

Declining Species by Common Name
lily, Pitkin Marsh (Lilium pardalinum ssp. pitkinense)
lily, Western (Lilium occidentale)
lupine, Nipomo Mesa (Lupinus nipomensis)
ma`o hau hele, (=native yellow hibiscus) (Hibiscus brackenridgei)
ma`oli`oli (Schiedea kealiae)
mahoe (Alectryon macrococcus)
malacothrix, island (Malacothrix squalida)
manzanita, Del Mar (Arctostaphylos glandulosa ssp. crassifolia)
manzanita, Ione (Arctostaphylos myrtifolia)
manzanita, Santa Rosa Island (Arctostaphylos confertiflora)
manzanita, pallid (Arctostaphylos pallida)
meadowfoam, Butte County (Limnanthes floccosa ssp. californica)
meadowfoam, Sebastopol (Limnanthes vinculans)
mehamehame (Flueggea neowawraea)
mesa-mint, Otay (Pogogyne nudiuscula)
milk-vetch, Applegate's (Astragalus applegatei)
milk-vetch, Ash meadows (Astragalus phoenix)
milk-vetch, Braunton's (Astragalus brauntonii)
milk-vetch, Coachella Valley (Astragalus lentiginosus var. coachellae)
milk-vetch, Cushenbury (Astragalus albens)
milk-vetch, Fish Slough (Astragalus lentiginosus var. piscinensis)
milk-vetch, Holmgren (Astragalus holmgreniorum)
milk-vetch, Shivwitz (Astragalus ampullarioides)
milk-vetch, Ventura Marsh (Astragalus pycnostachyus lanosissimus)
milk-vetch, triple-ribbed (Astragalus tricarinatus)
milkpea, Small's (Galactia smallii)
milkweed, Mead's (Asclepias meadii)
monardella, willowy (Monardella linoides ssp. viminea)
mustard, slender-petaled (Thelypodium stenopetalum)
na`ena`e (Dubautia plantaginea ssp. humilis)
nani wai`ale`ale (Viola kauaiensis var. wahiawaensis)
nanu (Gardenia mannii)
navarretia, spreading (Navarretia fossalis)
nehe (Lipochaeta kamolensis)
nehe (Lipochaeta venosa)
nioi (Eugenia koolauensis)
oha (Delissea rhytidosperma)
oha (Delissea rivularis)
oha (Delissea subcordata)
olulu (Brighamia insignis)
onion, Munz's (Allium munzii)
opuhe (Urera kaalae)
orcutt grass, Greene's (Tuctoria greenei)
orcutt grass, Sacramento (Orcuttia viscida)
orcutt grass, hairy (Orcuttia pilosa)
owl's-clover, fleshy (Castilleja campestris ssp. succulenta)
oxytheca, cushenbury (Oxytheca parishii var. goodmaniana)
paintbrush, ash-grey (Castilleja cinerea)
paintbrush, golden (Castilleja levisecta)
panicgrass, Carter's (Panicum fauriei var. carteri)
pawpaw, Rugel's (Deeringothamnus rugelii)
pawpaw, beautiful (Deeringothamnus pulchellus)

Declining Species by Common Name
pentachaeta, Lyon's (Pentachaeta lyonii)
phacelia, clay (Phacelia argillacea)
phacelia, island (Phacelia insularis ssp. insularis)
pink, swamp (Helonias bullata)
pinkroot, gentian (Spigelia gentianoides)
pitcher-plant, mountain sweet (Sarracenia rubra ssp. jonesii)
pondberry (Lindera melissifolia)
popcornflower, rough (Plagiobothrys hirtus)
poppy, Sacramento prickly (Argemone pleiacantha ssp. pinnatisecta)
poppy-mallow, Texas (Callirhoe scabriuscula)
pussypaws, Mariposa (Calyptridium pulchellum)
rattleweed, hairy (Baptisia arachnifera)
remya, Maui (Remya mauiensis)
rock-cress, Braun's (Arabis perstellata)
rock-cress, Hoffmann's (Arabis hoffmannii)
sandwort, Bear Valley (Arenaria ursina)
schiedea, Diamond Head (Schiedea adamantis)
sedge, Navajo (Carex specuicola)
skullcap, Florida (Scutellaria floridana)
spineflower, Ben Lomond (Chorizanthe pungens var. hartwegiana)
spineflower, Orcutt's (Chorizanthe orcuttiana)
spineflower, Robust (incl. Scotts Valley) (Chorizanthe robusta (incl. vars. robusta and hartwegii))
spineflower, slender-horned (Dodecahema leptoceras)
spurge, Garber's (Chamaesyce garberi)
spurge, Hoover's (Chamaesyce hooveri)
spurge, deltoid (Chamaesyce deltoidea ssp. deltoidea)
spurge, telephus (Euphorbia telephioides)
sumac, Michaux's (Rhus michauxii)
sunflower, Schweinitz's (Helianthus schweinitzii)
sunshine, Sonoma (Blennosperma bakeri)
taraxacum, California (Taraxacum californicum)
tarplant, Otay (Hemizonia conjugens)
tarplant, Santa Cruz (Holocarpha macradenia)
thistle, La Graciosa (Cirsium loncholepis)
thistle, Loch Lomond coyote (Eryngium constancei)
thistle, Suisun (Cirsium hydrophilum var. hydrophilum)
thornmint, San Mateo (Acanthomintha obovata ssp. duttonii)
uhiuhi (Caesalpinia kavaiense)
vetch, Hawaiian (Vicia menziesii)
wallflower, Ben Lomond (Erysimum teretifolium)
wallflower, Contra Costa (Erysimum capitatum var. angustatum)
wallflower, Menzies' (Erysimum menziesii)
warea, wide-leaf (Warea amplexifolia)
wild-buckwheat, clay-loving (Eriogonum pelinophilum)
wild-buckwheat, southern mountain (Eriogonum kennedyi var. austromontanum)
wild-rice, Texas (Zizania texana)
woolly-star, Santa Ana River (Eriastrum densifolium ssp. sanctorum)
ziziphus, Florida (Ziziphus celata)
Torreya, Florida (Torreya taxifolia)
fern, pendant kihi (Adenophorus periens)
lichen, rock gnome (Gymnoderma lineare)

Question: There are reports that in addition to under funding of the recovery program, another reason why resources are not available for needed recovery activities is that substantial amounts of recovery funds are often diverted to the Consultation program. Is this correct? If so, what assurances can you offer the Subcommittee that the Service will stop this practice and devote recovery funds to recovery activities?

Answer: The General Accounting Office is close to completing a year-long review of the Service implementation of the Endangered Species program and its use of resources appropriated for the program At their recent exit conference, GAO informed the Service that while there may be instances where recovery funds are being redirected to address pressing consultation needs, their review did not o deep enough to determine if the practice was actually occurring or how extensive the practice may be.

GAO has not yet completed their report. The Service expects to receive a draft report in May. Whether or not the final report finds that recovery funds are being diverted to the consultation program, the Service will take necessary steps to ensure that the endangered species program is adhering to reprogramming policies. In addition, it may be necessary to provide clarifying guidance to field staff on the types of activities that are funded from each program element. Oftentimes, activities of endangered species program staff benefit more than one program element. For example, work done by consultation staff on HCPs may be integral to a species recovery plan.

NATOMAS BASIN HABITAT CONSERVATION PLAN

Question: Are Habitat Conservation Plans effective in providing for the needs of endangered species and allowing orderly development to proceed? One of those plans is for the Natomas Basin in California. This plan and the accompanying Environmental Impact Statement continue to encounter delays. This delay is causing problems for all parties involved. It is my understanding that more than $1.5 billion dollars has been invested in streets, utilities and other infrastructure, but that actual construction cannot proceed because of the delays.

Do you have a read on when the Plan and Environmental Impact Statement and its review will be completed? Why has it taken so long? When will construction be allowed to proceed? How can we avoid these types of delays in the future?

Answer: The Natomas Basin Habitat Conservation Plan (NBHCP) must be revised and a new Environmental Impact Statement prepared to address a court ruling. The applicants, the City of Sacramento and Sutter County, together with two new applicants-- Reclamation District No. 1000 and Natomas Mutual Water Company-- are cooperatively preparing a revised NBHCP. An administrative draft of the revised NBHCP was originally scheduled to be completed by the applicants and submitted to the Service in April, 2001, which would have provided the necessary time for the Service to make a permit decision by May, 2002. However, the expected drafts were not provided to the Service until August 1, 2001. The time delay was due to the need to determine the scope and range of alternatives of the NEPA document as a result of the addition of Reclamation District No. 1000 and Natomas Mutual Water Company as new applicants. In addition, the revised documents had to address various changes that have occurred in the Natomas Basin (both biological

and land use) since the first HCP completed, including the No Surprises regulation information that was finalized after the 1997 permit was issued. As of April, 2002, the Service has subsequently reviewed and commented on several iterations of the draft documents.

The Service has not yet received a complete application package from the applicants. Once the Service receives the complete application package, it will begin processing the documents and open the public comment period. The Service and the applicants have recently agreed upon, and are committed to, a revised schedule to complete the HCP. We anticipate that the HCP and associated NEPA documents will be available for public review and comment by early summer 2002, and a permit decision will be made early 2003.

Fully funding the President budget request will enable the Service to continue its full commitment to this HCP and engage in other important HCP efforts around the country. The HCP process also requires the applicants to commit the necessary resources, time and funding, to the application process.

Question: I was informed that the Bureau of Reclamation has issued a draft Biological Assessment for its operation of the Klamath Project that to paraphrase claims that the Bureau will no longer take any action to protect listed species if doing so would interfere with water rights. I assume this means that no action affecting water rights would be taken even if this inaction would jeopardize the continued existence of listed species. Is this assessment correct? Do you support the Bureau's reinterpretation. Do you plan to implement this reinterpretation as policy nationwide? Do you think you may find yourself embroiled in another lawsuit?

Answer: BOR Biological Assessment does not say or suggest that BOR will no longer take any action to protect listed species if doing so would in any way interfere with water rights.

On February 27, 2002, BOR issued its biological assessment of the effects of Klamath Project operations on ESA listed species. BOR proposes to operate the project in a manner to avoid jeopardizing the listed species and to conserve and protect the species and further BOR tribal trust obligations. Given the controversy surrounding last year project operations, the Department worked diligently to design a program that would meet ESA obligations in coordination and cooperation with water users in the Basin. In the Biological Assessment, BOR proposes specific actions to protect and conserve species in a manner intended to be in full compliance with the requirements of the Endangered Species Act. BOR proposed water bank and other actions will protect the species while minimizing impacts on other water uses. FWS has shared with BOR a draft biological opinion that addresses reasonable and prudent alternatives to avoid jeopardizing the species and reasonable and prudent measures to minimize the effects of incidental take.

While the Department hopes to avoid future litigation, given the complex situation faced in the Klamath, the Department decisions may be challenged.

NEOTROPICAL MIGRATORY BIRD CONSERVATION FUND AND THE NORTH AMERICAN WETLANDS CONSERVATION FUND

Question: I understand that FWS has already received well over $3 million in applications for Neotropical Migratory Bird Conservation grants. Why does the administration propose to eliminate this program despite the demonstrated interest of the international conservation community and the tremendous need for funding?

Answer: The Administration does not propose to eliminate the program. Rather, the President budget is moving the program under the Multinational Species Conservation Fund as called for in the program authorizing legislation, the Neotropical Migratory Bird Conservation Act of 2000. The Administration recognizes the need for funding and has requested $1 million in FY 2003.

Question: Rather than compose an advisory committee with the groups that have the most expertise in migratory birds and international expertise, the advisory committee that FWS has proposed consists of the North American Wetlands Conservation Council plus four organizations (USFS International programs, Conservation International, WWF, RARE (Rarecenter for Tropical Conservation). As you probably know, the Council has a very heavy emphasis on waterfowl –just a small portion of the neotropical migratory bird species –and their work is limited to the US, Canada, and Mexico. The NMBCA covers all migratory bird species and 75% of the funds for the NMBCA will be spent in Latin America and the Caribbean so this is really the wrong approach.

What is the basis for using the North American Wetlands Conservation Act Council for the advisory committee since their emphasis is on waterfowl and not all migratory birds and their work is confined to North America, whereas most of the money for Neotropical Migratory Bird conservation will be spent in Latin America and the Caribbean?

Answer: The Secretary intends to name the North American Wetlands Conservation Council (Council), additional organizations and four state representatives. All Council member organizations are actively delivering conservation for all migratory birds, some throughout the hemisphere. The National Fish and Wildlife Foundation, for example, manages a Neotropical Migratory Bird Conservation grants program that complements the Neotropical Migratory Bird Conservation Act program. Another Council member, The Nature Conservancy, manages the Wings of the Americas program, dedicated to conserving critical habitat for birds in the Western Hemisphere. The four state representatives will add needed experience to the U.S. portion of the program, additional organizations will add more experience in Latin America and the Caribbean, and the Council also brings a vast network of over 1,000 partners that can be enlisted in the program.

STATE WILDLIFE GRANTS

Question: As you know the fiscal 2 Interior appropriations bill included an important requirement for the states to develop comprehensive wildlife conservation plans to govern the use of State Wildlife grant funds. Can you update us on the Department progress in finalizing guidance for these plans and getting this important state planning process underway?

Answer: To be eligible for the 2002 State Wildlife Grants program, a state must commit to develop a comprehensive wildlife conservation plan no later than October 1, 2005. Seventeen states have committed to these plans as of April 18, and it is anticipated that the remainder will do so by the end of May.

During February, the Service engaged in collaborative, in-depth discussions with a group of state representatives on general program implementation guidelines. These guidelines, which were provided to the states the last week in March, included both a broad framework for the plans and detailed plan criteria. The Service is both clarifying and revising the guidelines to address concerns of the House Appropriations Committee. The revised guidelines will be issued in May, 2002. Most groups desire to create state plans that will define and prioritize future use of grant funds and direct the efforts of willing partners. May and June meetings have been scheduled with individuals from the above groups to achieve this objective. Final details for plan development are scheduled to be completed by September 2002.

NATIONAL WILDLIFE REFUGE SYSTEM OPERATIONS AND MAINTENANCE

Question: I commend the Administration for the substantial increase that has been requested for Refuge Operations and Maintenance. Substantially increased funding is critical if the Refuge System is to meet its wildlife conservation mission in its second century and the upcoming centennial provides a tremendous opportunity to address this pressing need. I have some concerns with how this increase was achieved.

I understand that funding for about half of the increase came from a corresponding reduction in FWS land acquisition. How will the Refuge System be able to meet the mandate of the National Wildlife Refuge System Improvement Act of 1997 "to contribute to the conservation of the ecosystems of the United States..." unless it has adequate funding for both land acquisition and management of the System?

Answer. The President budget strikes a balance between the need to acquire important wildlife habitat and the need for proper stewardship of existing refuge lands. The budget includes a $71.1 million request for National Wildlife Refuge land acquisition. This is a significant request that will support 52 projects that will provide for the conservation of 50,000 acres of lands within the Refuge System. Although reduced from 2002, this funding level is consistent with historical average funding levels. By focusing land acquisition efforts on the most valuable habitats, the Service will make strategic acquisitions that contribute to the conservation of the ecosystems of the United States, and the native fish, wildlife and plants that depend on them.

The President budget emphasizes taking care of what we have, by requesting increased resources for refuge operations ($20.0 million) and refuge maintenance ($30.7 million) to ensure that refuges are taking care of their wildlife and habitat conservation mission, adequately protecting and serving visitors, and maintaining facilities.

INVASIVE SPECIES

Question: Invasive non-native flora and fauna continue to be a huge problem for natural resource managers throughout the country. They are a particular problem for wildlife on refuges where invasive species reduce habitat and plant diversity. What percentage of refuge lands are affected by invasives? How much of the increase requested in the budget for wildlife refuges would go toward control of invasive species? Where is the report on funding for invasives species requested by the House Committee on Appropriations in its report on the 2002 appropriation for Interior and Related Agencies? Please document along with funding amounts what the Service has done and plans to do to combat invasive exotic species for FY 2001, 2002, and the 2003 budget.

What percentage of refuge lands are affected by invasives?

Answer: We are currently working with the U.S. Geological Survey, Colorado State University, and other state, local, and private partners to conduct a detailed survey and assessment of the extent of the invasive species problem on all 538 National Wildlife Refuges. However, according to preliminary estimates, invasive species have infested roughly 50%-60% of the 95 million acre National Wildlife Refuge System, including Alaska. We estimate that invasive species are affecting approximately 95% of all refuges located in the lower 48 States, the Pacific Islands, and the Caribbean Islands to some degree. Since a lesser percentage of refuge lands and waters in Alaska are affected by invasive species, due in part to climatic conditions and limited pathways for spread, the problem to date is magnified in other areas of the system. However, federal and state agencies have reported increases in new findings of exotic invasive species in Alaska for both aquatic and terrestrial systems over the past few years. We need updated, site-specific information on the status of these infestations in order to target management activities and develop effective techniques for prevention and control of invasive species in the refuge system.

How much of the increase requested in the budget for wildlife refuges would go toward control of invasive species?

Answer: Of the $25.8 million operational increase for National Wildlife Refuges in FY 2003, we have identified approximately $1,023,000 of high priority refuge operations projects that address invasive species problems. In addition, cost-share/partnership projects for invasive species management are eligible for funding through the Cooperative Conservation Initiative (CCI).

Where is the report on funding for invasive species requested by the House Committee on Appropriations in its report on the 2002 appropriation for Interior and Related Agencies?

Answer: The Department of the Interior is obtaining clearance to send the report to Congress.

Please document along with funding amounts what the Service has done and plans to do to combat invasive exotic species for FY 2001, 2002, and the 2003 budget.

Answer: FWS invasive species programs are developed in coordination with the National Invasives Species Council and guided by the NISC management plan. Multiple programs within the Fish and

Wildlife Service address the resource problems caused by invasive species. Four Service programs have been specifically funded to conduct invasive species activities, and other programs conduct activities that address invasive species problems. The table below summarizes the invasive species funding within those programs. Given the importance of this issue, the Service has combed through the books to identify all resources that contribute to this effort. This newer information is provided, including base funding in the Partners program and base funding in the Coastal program that has not been previously reported.

ESTIMATE OF INVASIVE SPECIES FUNDING

Program	FY 2001	FY 2002	FY 2003
National Wildlife Refuges*	$2,694,000	$2,694,000	$3,717,000
Habitat Conservation - Partners Earmark	1,996,000	2,546,000	1,996,000
- Partners General *	3,648,000	3,719,000	3,509,000
Habitat Conservation - Coastal*	1,220,000	1,300,000	1,100,000
Fisheries - ANS	4,664,000	4,664,000	4,664,000
International Affairs	199,000	199,000	199,000
Total	$14,421,000	$15,122,000	$15,185,000

* updated or new information

Through these programs, the President budget includes an estimated $15,185,000 to combat and control invasive species. To contribute to its mission to protect and conserve fish and wildlife resources, the Service:

Controls invasive plants and animals, such as feral pigs, melaleuca, salt cedar, nutria, purple loosestrife, etc., in the 95 million acre National Wildlife Refuge System;

Works with private landowners in the Partners for Fish and Wildlife program to implement on-the-ground restoration projects that eradicate, control and manage invasive species;

Regulates the importation and interstate transport of injurious wildlife species; evaluates species to determine injurious status;

Conducts activities to prevent, control and monitor invasive species that threaten native species and ecosystems;

Provides cost-share grants to implement approved State Aquatic Nuisance Species Management Plans.

Fisheries and Habitat Conservation - Branch of Invasive Species

The Branch of Invasive Species leads the effort to implement aquatic nuisance species activities authorized under the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 (as amended, 1996) through the cooperative activities of the Aquatic Nuisance Species (ANS) Task Force.

Key efforts conducted by the Branch of Invasive Species in FY 2001 include ($4,664,000):

Provided grants to states for implementation of State/Interstate ANS Management Plans approved by the ANS Task Force;

Supported Regional Panels to develop priorities and coordinate regional/state/local aquatic invasive species activities;
Conducted detection and monitoring activities including baseline surveys of high profile areas and supported the USGS Nonindigenous Aquatic Species database;
Conducted a variety of prevention programs aimed at keeping invasive species out of the U.S., preventing spread and dispersal of those invasive species that have become established, and identifying priority pathways including the 100th Meridian Initiative, the Alaska Ballast Water Initiative, Bait Pathway Analyses, and Dispersal Barrier studies;
Supported development of new ballast water treatment technologies through the Ballast Water Demonstration Program, in cooperation with the National Sea Grant Program;
Developed and conducted cooperative control programs (i.e., ruffe, brown tree snake, Chinese mitten crab, Asian Swamp Eel) on species that have become established and are declared Aquatic Nuisance Species by the ANS Task Force;
Provided support for outreach and education programs; and
Provided support and program management to the Aquatic Nuisance Species Task Force and the Invasive Species Council; provided support for Nonindigenous Species Coordinators in all seven FWS Regions and the Washington Office to ensure that FWS Regional priorities for invasive aquatic species are brought before the ANS Task Force for cooperative action and program development.

In FY 2002, the Branch of Invasive Species will continue the activities outlined in FY 2001 and is implementing the following new initiatives ($4,664,000):

Working with the Communication, Education and Outreach Committee of the ANS Task Force, the Service will focus on the development of a top Aquatic Hitchhikers slogan and a new web site **www.ProtectYourWaters.net** to inform aquatic recreation users about actions they can take to stop the spread of aquatic invasive species.
The Service will provide support to conduct a study by the National Academy of Science to examine the economic, social, and ecological risks and benefits of both aquaculture and direct introduction of the non-native oyster, *Crassostrea ariakensis*, into the Chesapeake Bay.
An economic analysis will be conducted to assess the impacts of ANS on recreational activities, focusing on economic impacts to boating, angling and other recreational activities outlined in the Recreational Guidelines for Minimizing the Spread of ANS.
The suitability of the Hazard Analysis and Critical Control Points (HACCP) process as a quality control to prevent spread of non-target species through shipment of fish and eggs will be examined. HACCP analysis is used to prevent the spread and introductions of aquatic nuisance species.
Ecological surveys will be conducted in the Sacramento/San Joaquin River basin, Charleston Harbor, and several ports in Hawaii. These ecological surveys provide baseline information about known and suspected ANS in major water bodies and serve as the basis for assessing the effectiveness of ballast water management and other efforts to prevent the introduction of nonindigenous species into U.S. waters. Consistent with the Nonindigenous Act, new surveys of major port systems/complexes are emphasized. Past surveys have been conducted in the Columbia River and Tampa Bay.

Injurious wildlife species evaluations will be completed for brushtail possum and black carp and the appropriate Federal Register Notices will be published. Public comments on a petition to list the green iguana as an injurious wildlife species will be solicited and evaluated.

In FY 2003, the Branch of Invasive Species will continue the activities outlined in FY 2001 and FY 2002, and plans to implement the following new initiatives ($4,664,000):

Ecological surveys will be conducted on the Colorado River and Lake Superior;

Injurious wildlife species evaluations will be completed for swamp eels and snakeheads and the appropriate Federal Register Notices will be published. Using the data from risk assessments funded by the International Affairs Program in FY2002, additional species may be evaluated for inclusion on the list of injurious wildlife species under the Lacey Act; and

Additional risk assessments will be completed on several species identified as potentially invasive.

Education and outreach efforts will be expanded in collaboration with Communication, Education and Outreach Committee of the ANS Task Force and industry associations to target the other pathways that transport aquatic nuisance species.

Refuges and Wildlife

The Service continues to conduct activities to prevent, control, and eradicate invasive species throughout the National Wildlife Refuge System. The Refuge System uses an integrated pest management approach to more effectively address invasive species infestations, including the full range of integrated pest management techniques and activities.

In FY 2001, the Service minimized the use of herbicides and increased use of non-chemical integrated pest management techniques such as mechanical removal, prescribed fire and biological control to eradicate or control non-native invasive plants with the potential to degrade entire ecosystems. ($2,694,000)

In FY 2002, the Service is incorporating a full spectrum of integrated management techniques including chemical, mechanical, cultural, and biological techniques to prevent, control, or eradicate aquatic and terrestrial invasive species. As part of the Fulfilling the Promise Implementation Plan, the Service has established a multi-discipline team to develop a National Strategy for the Management of Invasive Species throughout the Refuge System. This strategy will be developed in accordance with the National Invasive Species Council Management Plan. ($2,694,000)

In FY 2003, the Refuge System's invasive species team will continue to implement the National Strategy for the Management of Invasive Species throughout the Refuge System. National level education and outreach efforts will also be conducted in an effort to raise awareness of the invasive species threat to National Wildlife Refuges, fish and wildlife, and our nation aquatic and terrestrial ecosystems. This includes $1.0 million as part of the larger requested increase specifically for invasive species projects. ($3,717,000) The following table documents the individual projects that are funded in the President's Budget request.

International Affairs

The three divisions of the Service International Affairs Program each have a role in combating invasive species. The Division of Scientific Authority develops scientific information to evaluate potentially invasive foreign species that may qualify for inclusion in the list of injurious wildlife species. This information assists the Service in making decision about the regulation of imports of these species into the United States. The Division also conducts risk analyses and biological assessments on potentially invasive species to identify those that pose unacceptable risks and should not be imported. The Division of Management Authority processes permit applications for interstate transport and import of injurious wildlife species. The Division of International Conservation, through the Wildlife Without Borders initiatives and Multinational Species Conservation Funds, works to strengthen the capacity of interested local conservation and natural resources managers, institutions, and communities in regions around the world to conserve wildlife, including species conservation and their habitats. The Division natural resource management training and capacity building activities include invasive species components.

Key efforts conducted by the International Affairs Program in FY 2001 include ($199,000):

Division of Scientific Authority

Established 4 grant agreements for the development of risk assessments covering 51 foreign species: Invasive Species Risk Assessment for Live Imported Snakes of the Family Boidae, Ecological Risk Assessment of Non-indigenous Earthworms, Invasive Species Risk Assessments for Amphibians, and Risk Assessment on Snakehead Fishes of the Family Channidae

Representative on the U.S. delegation to the Convention on Biological Diversity, Subsidiary Body on Scientific, Technical and Technological Advice, Montreal, Canada. The theme of the SBSTTA meeting was invasive species. Worked on forwarding the U.S. position on the Interim Guiding Principles.

Member of Convention on International Trade in Endangered Species, Animals Committee, Alien Species Working Group. Worked to develop a list of CITES species that are known to be invasive when introduced to other countries.

Provided technical input on the potential invasive species effects of the Chile Free Trade Agreement.

Participated in the development of the losing the Pathways of Aquatic Invasive Species Across North America workshop, Montreal, Canada.

Division of Management Authority

Processed 25 public requests for activities with species listed as injurious wildlife.

Division of International Conservation

Participated in U.S.-Russia Invasive Species Workshop, Borok, Russia, August 2001. The workshop involved identifying areas of collaboration between the U.S. and Russia.

In FY 2002, the International Affairs Program will continue the activities outlined in FY 2001 and is implementing the following new initiatives ($199,000):

Division of Scientific Authority

Establishing a grant agreement for the development of a risk assessment covering 80 foreign species of fish: Identification of Invasive Non-indigenous Fish Using the Species Analyst Model Fish and Wildlife Service representative of the orth American Strategy Task Team developing a process for working with Mexico and Canada to have a coordinated North American approach to invasive species issues.

Member of Convention on International Trade in Endangered Species, Animals Committee, Alien Species Working Group. Worked to develop a list of CITES species that are known to be invasive when introduced to other countries.

Division of Management Authority

Process approximately 25 public requests for activities with species listed as injurious wildlife.

Division of International Conservation

Continue to incorporate an invasive species component in natural resource management training and projects, as appropriate.

In FY 2003, the International Affairs Program will continue the activities outlined in FY 2001 and FY 2002 and plans implement the following new initiatives ($199,000):

Division of Scientific Authority

Establish grant agreements for the development of risk assessments for foreign species that may be intentionally imported to the United States.

Participate in international and national meetings aimed a finding regulatory and non-regulatory solutions for invasive species issues.

Division of Management Authority

Process approximately 25 public requests for activities with species listed as injurious wildlife.

Division of International Conservation

Continue to incorporate an invasive species component in natural resource management training and projects, as appropriate.

Partners for Fish and Wildlife

The Partners for Fish and Wildlife Program provides technical and financial assistance to private landowners, tribes and other conservation partners who want to improve habitat for fish and wildlife on their lands. Since the exotic invasive species problem is a National one, the Partners program often performs exotic species control as part of its restoration efforts. Landowners benefit from improved ecological health and productivity of their land, the spread of invasive species is minimized, and habitat is improved for migratory birds, inter-jurisdictional and anadromous fish, and other threatened, endangered, and declining species.

In FY 2001, the Partners for Fish and Wildlife Program received $1.996 million specifically earmarked for invasive species control. With this money, and through the cooperative efforts of our

partners (there were 131 partnership agreements for invasive species control), the Program was able to restore 1,203 acres of wetlands, 62 miles of riparian habitat, 26 miles of in-stream habitat, 42,900 acres of grasslands, and 950 acres of scrub/shrub habitat. The Partners Program worked with private landowners across the nation to remove, burn, biologically control, and combat invasives on thousands of acres of wetlands and uplands. In addition, the Partners for Fish and Wildlife program estimates that about 15% of its current general program activities, or about $3,648,000, are dedicated to addressing invasive species issues. Percentages will vary from year to year and project to project. This is first year the Service is reporting this estimate.

The following examples describe specific contributions of the Partners Program to invasive species control:

In the Southwest, the Partners Program controlled invasive plant species on 20,800 acres. Saltcedar, Russian olive, Chinese tallow tree, and nonnative grasses were removed by mechanical and chemical methods. Grassland areas were then reseeded with native grasses and other herbaceous plants and stream sides with native willow species.

In the Great Plains, the Partners Program controlled invasive plant species on 20,000 of the 40,000 acres planted with native grasses in 2001. Every acre restored to native grasses and other herbaceous plants suppresses, prevents or retards the spread of invasive plants to adjacent lands.

In Hawaii and the Pacific Islands, conservation, habitat restoration, and species recovery are centered around the control of nonnative, invasive species. The Partners Program restored and protected about 10,000 acres of habitat from alien plants and animals using fencing, manual removal, and herbicides, pesticides and rodenticides and then planted sites with native plants.

In the Northeast Region, a variety of efforts focused on invasive species control. In Maryland, more than 24 different partners have worked to control nutria, an exotic mammal that damages marshland. The Program eliminated purple loosestrife, common reed and reed canarygrass to enhance bog turtle habitat on more than 25 sites in New Jersey, Pennsylvania and New York. In Vermont, Partners projects controlled water chestnut on more than 150 acres. Multiflora rose, an invasive plant that has negatively impacted native species, was removed from more than 25 miles of riparian (stream side) habitat in New York, Pennsylvania and West Virginia. In Vermont, New Hampshire, Massachusetts and New York, purple loosestrife was controlled on 400 acres of freshwater wetlands using beetles that feed only on purple loosestrife.

Invasive species control and management continue to be an integral part of the Partners for Fish and Wildlife Program. In FY 2002, the Partners for Fish and Wildlife Program has $2,546,000 specifically earmarked for invasive species control. In addition, the Partners for Fish and Wildlife program estimates that about 15% of its current general program activities, or about $3,648,000, are dedicated to addressing invasive species issues. Percentages will vary from year to year and project to project. Efforts underway include:

In Texas, a high priority is the restoration of habitat degraded or destroyed by *Salvinia molesta*, an invasive aquatic plant that monopolizes the nutrients in the aquatic environment, prevents atmospheric oxygen from mixing with the water, and out-competes beneficial native aquatic vegetation.

In California, the Partners Program is restoring riparian (streamside) forests by removing the European giant cane and replanting with native willow and cottonwood.

In New York, the Partners Program European is using prescribed burning and physical removal to control buckthorn and Japanese honeysuckle and restore grassland habitats vital species like the bobolink, meadowlark, and vesper sparrow.

In Hawaii, working with private landowners, Native Hawaiian organizations and State agencies, efforts continue to fence off and exclude feral pigs from dryland forest habitats. Alien plants are also controlled. This major effort helps to protect and restore habitat for 7 species that are either federally listed, candidates for listing, or species of concern.

In Iowa Loess Hills, one of the world rarest ecosystems, cedar tree removal on 400 acres of private lands is the first step in restoring these hills to native prairie. The Nature Conservancy and the Golden Hills Resource Conservation and Development Program are working cooperatively with the Partners Program in this conservation effort.

The Partners for Fish and Wildlife Program plans to continue its nationwide, grassroots efforts against harmful invasives in FY 2003. Funding specifically earmarked for invasive species activities for FY 2003 is $1,996,000; however, most of the individual Partners projects have some component of invasive species control contained within them. In addition, the Partners for Fish and Wildlife program estimates that about 15% of its current general program activities, or about $3,648,000, are dedicated to addressing invasive species issues. Percentages will vary from year to year and project to project. Examples of potential projects include:

In the Southwestern United States most projects will involve control of nonnative species and replanting with natives. In riparian habitats this will mean removal of saltcedar and Russian olive.

In the Great Lakes area, restoration of sand dune habitat will include hand-removal of exotics like baby breath and spotted knapweed; a labor-intensive project.

In the Chesapeake Bay, the Partners Program will continue to provide the principal support for the Chesapeake Nutria Control/Marsh Restoration Pilot Project. The Project, a model partnership between 27 Federal and State agencies, private landowners, and nonprofit organizations involves more than 50,000 acres. Its goals include development of methods to reduce nutria populations in Chesapeake Bay wetlands to the point where they are unable to sustain a viable population.

In Massachusetts, New Jersey, New York and Maryland, restoration of habitat for the federally listed bog turtle will include removal and/or control of nonnative invasives like purple loosestrife and common reed.

The Coastal Program

The Coastal Program forges innovative partnerships with private landowners, community organizations, and Tribal, State and Federal agencies to protect and restore high priority coastal habitat. The Coastal Program does not have a specific line item for invasive species so the percentage of the allocated funds used to combat invasive species is estimated. This is the first time this estimate has been provided.

The following are a few examples of their efforts in FY 2001 to control and manage invasive species and communicate to the public what can be done to slow or halt the spread of harmful invasives ($1,200,000):

The Southern California Coastal Program teamed with the Southwest Wetlands Interpretive Association and the Southern California Wetlands Recovery Project to remove about 15 acres of the nonnative, giant reed, *Arulo donax*, in the Tijuana River Valley. *Arulo donax* aggressively replaces the high quality habitat and native species.

The Puget Sound Coastal Program initiated development of an invasive species outreach tool called he Aquatic Nuisance Species Education Box for use on the West Coast. The Sea Grant Program helped fund the development of the educational materials.

The Great Lakes Coastal Program worked to restore habitat at the North Dunes Nature Preserve in Illinois by removing eight acres of nonnative vegetation in preparation for the reintroduction of the threatened Eastern prairie fringed orchid. The North Dunes Nature Preserve is also home to 31 State threatened and endangered species.

The Great Lakes Coastal Program also put together a technical summary of existing information on the spread of aquatic nuisance species between the Great Lakes and the Mississippi River Basin to identify potential invaders, evaluate threats they pose to native ecosystems, and identify potential strategies that could prevent their spread.

The South Florida Coastal Program, along with a large number of partners, is working to restore a 27-acre coastal forest on the southern tip of Key Biscayne. The project includes the removal of invasive exotics including Brazilian pepper, Australian pine, beach naupaka, leather leaf and verbena. The area will be replanted with native species. Restoration will benefit wildlife on site and eliminate an exotic seed source for neighboring coastal habitats.

Invasive species management and control are often the first steps in restoring coastal environments. Efforts underway in FY 2002 to address problems caused by invasive species include ($1,300,000):

In Florida, the Coastal Program established and is an active member of a multijurisdictional partnership for the development of a comprehensive preservation and restoration plan for the southwest Florida coast. This plan will have a significant invasive species component.

In Washington and Oregon, the use of the Aquatic Nuisance Species Education Box, a tool for educators, will be continued in FY 2002.

In southern California, efforts to eradicate the *Arundo dona,* a nonnative giant reed, are continuing in cooperation with the Southwest Wetlands Interpretative Association and public agency land managers.

Looking forward to FY 2003, invasive species education, monitoring, management and control will continue to be a Coastal Program priority. Examples of activities for FY 2003 include ($1,100,000):

The Coastal Program will collaborate with the Coastal Conservancy, CALFED and the National Fish and Wildlife Foundation to control or eliminate nonnative cordgrasses in the San Francisco Bay estuary.

In Washington, the Program will work cooperatively with Tribes, State and Federal agencies, local governments and nonprofit groups to educate Washington citizens about the threats of aquatic nuisance species and what they can do to prevent their spread.

Other Service Programs

Invasive species are pervasive and affect almost every resource activity within the Service. Other Service programs contribute to the battle against invasive species even though they do not receive directed funding to address invasive species. The Law Enforcement Program is essential to virtually every aspect of the Service mission and is responsible for enforcing the Injurious Wildlife provisions of the Lacey Act. The National Fish Hatchery System evaluates the impact of non-native pathogens and diseases on wild fish and develops refugia and rearing techniques for aquatic organisms threatened by invasive species. Where invasive species threaten endangered, threatened and candidate species, the Endangered Species Program facilitates cooperative planning for the implementation of management actions, and contributes funding for such actions. The Endangered Species Program also administers programs for grants to states and others for funding of proposals that may include invasive species management.

The 2003 budget includes $18.0 million for the Service share of the Cooperative Conservation Initiative. These funds are available for invasive species and other natural resource restoration activities.

THURSDAY, MARCH 7, 2002.

U.S. GEOLOGICAL SURVEY

WITNESSES

CHARLES G. GROAT, DIRECTOR

MICHAEL A. KELLEY, BUDGET OFFICER

JOHN D. TREZISE, DIRECTOR OF BUDGET, DEPARTMENT OF THE INTERIOR

OPENING REMARKS OF CHAIRMAN SKEEN

Mr. SKEEN. Let me welcome the USGS Director, Dr. Charles Groat, who will discuss the Survey's 2003 budget request. For fiscal years 2002, 2003, the budget request for the Survey has included proposals to significantly reduce and in some cases eliminate entire science programs. In many cases, there is broad-based bipartisan Congressional support for these same programs, and I think I speak for the entire Subcommittee when I say we are concerned over these science programs and the impact these reductions would have on the Nation's natural resources.

We want to welcome you here this morning. Let's get down to some work with this thing. Mr. Dicks?

OPENING REMARKS OF MR. DICKS

Mr. DICKS. Thank you, Mr. Chairman.

I want to echo the Chairman's comments here. I am extremely disappointed to see this year's budget proposal submitted by the Administration. A year ago, the new Administration requested $813 million for USGS for fiscal year 2002, a $69 million reduction that included big cuts in the water resources program, cooperative mapping program and biological research programs. The Congress wisely rejected these proposals, and under the leadership of Chairman Skeen, provided a $31 million increase for the USGS rather than a cut.

Now, I want to caution you, we don't want to have you lose your job. [Laughter.]

Mr. GROAT. You read the paper this morning.

PROPOSED BUDGET REDUCTIONS

Mr. DICKS. So make sure you say you support the Administration's budget, but then we'll move on.

Here it is, a year ago, and we are in exactly the same place, looking at a budget that cuts the same programs. This is in spite of the fact that USGS programs have widespread support from other Federal and State resource management agencies, academic institutions, and the members of this Subcommittee. The National Re-

search Council has issued report after report in support of USGS programs and has even called for funding increases.

I am deeply concerned about this disconnect, the Administration's apparent disregard for the Subcommittee's judgment and these repeated attempts to disrupt a successful Federal program. Let me read off some of what was provided to us from your own budget office to highlight the 2003 budget changes. National water-quality assessment program, $5.8 million reduction. National cooperative geologic mapping, $6 million reduction. Streamgauging activities, $2.1 million reduction. Water Resources Research Institutes, $6 million reduction.

Fire science, $2.8 million reduction. Mineral resources, $1.3 million reduction. National Mapping improved Internet access, $1 million reduction. High speed performance and computing, $3 million reduction. Urban dynamics, $800,000 reduction. Volcano hazards, if anything we should be studying, $1 million reduction. Minerals information, $750,000 reduction. And it just goes on and on and on. And I'll just put those in the record.

Mr. DICKS. I must admit that I am somewhat confused as to how the Administration decided to submit a budget at these levels. I look forward to hearing the testimony of Director Groat, who has been at USGS since 1998 and should be very well versed on each of these programs and what these budget levels would mean to the work of the Survey.

So we welcome you here for your testimony, but I must say, we're disappointed in the budget that the Administration has submitted. Thank you, Mr. Chairman.

Mr. SKEEN. Dr. Groat, if you would summarize your statement, your full statement will be made part of the record.

OPENING STATEMENT OF DR. GROAT

Dr. GROAT. I'll do that, Mr. Skeen, thank you very much.

Mr. SKEEN. We're glad to have you here this morning.

Dr. GROAT. Well, this is certainly important business for us, as it is for you. Mr. Dicks, I appreciate your comments. I will submit my testimony for the record, and I want to say that I have with me this morning Ike Kelley, who's our budget officer, and behind me, our Associate and Regional Directors, who are the subject matter experts on some of these things.

I do recognize the seriousness of the cuts, Mr. Dicks and Mr. Skeen, and I recognize the challenge of being positive about a budget that has cuts in it. But I would like to take a few minutes to talk to you about some of the positive things that have happened as a result of the Administration's actions and your support for us in the past.

SEPTEMBER 11TH RESPONSE

One of the things I want to highlight is something that's probably been less publicized than most things about the USGS, and that's our response to the tragic events of 9/11. Our organization, through our EROS Data Center, and through our mapping facilities and geology and water as well, has provided a lot of support to the Administration and to the country in response to the Twin Trade

Towers crisis, and in the preparedness the country is undertaking for future terrorist attacks.

We distributed over 100,000 maps to local response groups and emergency responders in the Trade Center incident, and we're participating in the homeland defense program through the 120 cities program. We are also working hard through our National Map Program to update the Nation's topographic mapping system, which is the only continuous and uniform set of maps across the country, which are going to be increasingly important in homeland security developments.

We have pilot programs right now in our National Map Program in Delaware, Florida, Missouri, Pennsylvania, Texas, Utah, Washington, and Idaho. This is an important part of our role, in the present and in the future.

EARTHQUAKE PREPAREDNESS

There are some core mission programs of the U.S. Geological Survey that are supported in this budget, and we're very pleased to see that. You're right, Mr. Dicks, most of the funds that were added by the Congress this past year have been eliminated from our budget. But some of the funds that have been added in recent years have been retained. We're very pleased that, in the hazards area, the 2002 funding increase for the Advanced National Seismic System has been maintained, particularly in your area and many areas of the West and Midwest. Earthquake preparedness is an extremely important topic. We have been able to improve that program through the additions that have been made.

We do, in the long run though, have an overwhelming challenge of funding our earthquake preparedness program, the Advanced National Seismic System, at the levels at which it has been authorized. That is a challenge not just for this Administration, but for any administration, and for any appropriations committee.

ENERGY RELATED BUDGET INCREASES

We are also heavily involved with some increased spending authority in our new budget for the Administration's and the President's National Energy Policy. We are going to be spending an additional $2.7 million to support the National Energy Policy, and specifically the Energy Act of 2000. We will be conducting estimates of undiscovered oil and gas resources in the West. During 2002, we have some funds from the Bureau of Land Management to estimate volumes of oil and gas beneath the five study areas in the Rocky Mountains. In 2003, the increase that the Administration is proposing will allow us to work beyond those areas.

ALASKA DIGITAL MAPPING INCREASE

It also includes a million dollars for digital base maps in Alaska, particularly the National Petroleum Reserve, where increased development is planned, and where our maps will be the basis for roads and other infrastructure creation there.

GEOTHERMAL INCREASE

There is also half a million dollars of additional funding identified to support renewable energy resources. Both of you gentlemen being from the West appreciate the value of geothermal resources. We have a small amount, half a million dollars, that will allow us to update some of the work we did in the 1970s on geothermal resources and focus this initial year on cooperative work in the Great Basin region of the West.

ENVIRONMENTAL HEALTH INCREASE

We also have a million dollars to initiate a new program in the U.S.-Mexico border region. I think, Mr. Skeen, that you certainly appreciate the challenges that there are in that area from inadequate water resources along the Rio Grande, the issues related to environmental health that plague large numbers of people who make their living and live along the border. We have a cooperative relationship with the National Institute of Environmental Health Sciences, where the environmental information that we have been gathering through our core programs over the years—geochemistry, water information, rocks—allows us to make a series of maps that relate environmental stresses to environmental health issues. Clearly, adequate supplies of good water are a key part of health on the border. We plan to emphasize the ground-water aspects of that as well. So we will produce maps and documents that will be useful to local areas and to the National Institute of Environmental Health Sciences in understanding health challenges in the area.

COASTAL GEOLOGY FUNDING

Another area where we have maintained funding in this budget that was put in at the request of the Administration and supported strongly by the Congress is in the coastal area. I don't think there is any part of this country's geography that is experiencing more growth pressures than coastal areas. People are moving into them for their scenic beauty and their recreational and economic value. As you all know, coastal areas pose some significant threats in terms of natural hazards. There are difficulties with water supplies, with aggregate materials, with many resources there.

So we are maintaining that program, and we've had a very successful pilot program in the Tampa Bay area where we have an interagency, interdisciplinary program that is meshing our science with the needs of decision makers in the area to provide a pilot that we hope will be mirrored around the country as the coastal program grows. With the Ocean Commission working this year and due to complete its work next year, we hope that we will have an opportunity to work with them in developing our coastal program to meet the country's need.

BIOLOGICAL RESEARCH AND INFORMATION FUNDING

Finally, we've also had an increase, that has been maintained, that came from 2001 and 2002, an extremely important area for us. That's in the biological research centers that support the Fish and Wildlife Service. The $3.4 million that was put in in 2001 allows us to extend our science support in a more direct way to the Fish

and Wildlife Service, and we have plans to increase our interaction with other Department of the Interior bureaus in that way.

The biological Gap Analysis Program and the NBII program that were increased have been continued and supported. We feel those are on the frontiers of where we want to be going in the future.

GROUND-WATER RESOURCES FUNDING

The budget also provides increases in an area that links to what I described for the border, and that is ground-water resources. The Congress asked us to deal with the question of ground-water resources and their viability. They are the most under-appreciated, misunderstood part of this Nation's water resources, and we have some unique capabilities to help understand those better, particularly working in cooperation with States and universities. So the funding that you provided in the past to allow that program to get started has been maintained and is extremely important, I think, to the whole country.

PROGRAM DECREASES

Let me close with a few comments about the reduction. Certainly we have some significant reductions in our budget, as you indicated. I would put a note of optimism to that in the sense that, if you remember last year, we were in twice as difficult a shape as we are this year. I think the intent of the Congress did have some influence.

Mr. SKEEN. Time heals all.

Dr. GROAT. Time can heal some things and can make some things better. We think the fact that our cut has been reduced significantly this year is due to your influence and the influence of better understanding of our programs. So, despite the fact that we have a significant reduction in our NAWQA program, the intent of trying to fund that program in some other way indicates that it's not a criticism of the program itself, but is rather a question of budget priorities. The Department and the Administration had to make some very difficult choices among good programs in carrying out the fiscal policy that we are supporting. And in this case, while we lose direct support for it, which we of course don't welcome, on the other hand, we are given the opportunity to get other sources.

TOXICS PROGRAM REDUCTIONS

The toxics program that you mentioned, Mr. Dicks, is a $14 million program that has an interesting twist to it in that the budget proposes to eliminate $4 million and transfer $10 million to the National Science Foundation for that program. That reflects similar actions taken in other parts of the Government. In our case, the toxics program is not a grant-driven program. It supports laboratories; it supports long term field tests. It supports a determined pursuit of toxics in the environment and their fate and effect.

So, while the National Science Foundation is a wonderful organization that has high scientific credibility, we do have some concerns about whether the program as we carried it out would be carried out in the same way there. We're having discussions for our transition period for that program with NSF.

ELIMINATION OF WATER RESOURCES RESEARCH INSTITUTES

We also, as you indicated, will lose support for the Water Resources Research Institutes. That partnership has been a good one for us, and we have benefitted from that. That was a difficult choice that had to be made to do that.

So let me close by saying that, despite the fact that we have some cuts in programs that are valued by the Congress and by others, we have some strong support from the Administration for some of the programs that you also value. We're maintaining many activities. We have some opportunities for some new starts in areas of core capability for us, as I mentioned, in energy and water in this budget that does represent growth of those programs. So, we will continue under any budget circumstances to do the best that we can to remain strong, dynamic, and ready to meet the needs of the Nation.

With that I will close and respond to any questions that you might have.

[The written statement of Dr. Groat follows:]

Statement of
Dr. Charles Groat, Director
U.S. Geological Survey
Before The
Subcommittee on Interior and Related Agencies
Committee on Appropriations
U.S. House of Representatives
On the 2003 Budget Request
For the U.S. Geological Survey
March 07, 2002

Good morning, Mr. Chairman, and Members of the Subcommittee. I come before you today to present the Administration's proposal for the budget of the U.S. Geological Survey (USGS) for fiscal year 2003. The proposed budget requests $904 million, including $37 million for a government-wide legislative proposal to shift to agencies the full cost of the Civil Service Retirement System (CSRS) and the Federal Employee Health Benefits Program for current employees. Without the legislative proposal, the request is $867 million, a decrease of $47 million from the fiscal year 2002 enacted level. Although less than the 2002 enacted level, this request will enable us to maintain our core science and monitoring programs to continue to provide the Nation with relevant and impartial scientific information.

Before I begin, Mr. Chairman, I would like to thank the Subcommittee for its strong support of the USGS over the years. Your support for the scientific programs of the Survey has provided a wealth of valuable information to assist the citizens of this Nation in making sound decisions on environmental, resource, economic, agricultural, and social issues.

The Survey's 123-year history of excellence in the earth and biological sciences is a solid foundation from which we provide scientific solutions to many national issues. The USGS, through its scientific activities – long-term monitoring and data collection, innovative research and process understanding, and informative assessments and interpretive studies – is well poised to provide the natural science information that society demands to address critical issues, such as

- mitigating the impacts of earthquakes,
- developing strategies to detect and control harmful invasive species,
- developing a better knowledge base for the sustained development of the Nation's water resources, and
- providing information on the availability, quality, and development impacts of energy and mineral resources.

As the science bureau of the Department of the Interior, USGS provides information and technologies that are critical to achieving the missions of the Department's land and resource management bureaus. Scientific support from the USGS to these bureaus ensures that the increasingly complex management decisions for Interior's vast resources are informed by relevant, impartial, credible science.

Let me take just a moment to share a few of our accomplishments over the past year, which show that the taxpayer investment in the science and monitoring programs of the USGS has paid sound dividends for the Nation.

After the September 11 attacks on America, USGS staff provided critical geospatial data and coordination to many State and Federal agencies, helping them respond to the crisis; well over

100,000 maps were distributed. The USGS topographic maps are the only complete, nation-wide coverage of the Nation's land surface and infrastructure. As part of the process of modernizing these topographic data, we are conducting eight National Map pilot projects in Delaware, Florida, the Lake Tahoe area, Missouri, Pennsylvania, Texas, Utah, and Washington-Idaho. These pilots are the foundation upon which future partnerships for data sharing and maintenance will be built.

Our science is respected and valued. In the December issue of *Environmental Science and Technology*, 10 papers were selected for high impact in the field of environmental research over the past 35 years. I am proud that three of those papers were authored by scientists who currently work at the USGS in our hydrology programs.

We are using the Internet to maximize the availability of our information, so that taxpayers have easy access to the scientific results of their investment in our research and monitoring. The new National Water Information System online database provides 14 gigabytes of real-time and historical streamflow, ground-water, and water-quality data collected from 1.5 million sites in all 50 States, Puerto Rico, and the District of Columbia. Since the online database was formally launched last July, the number of pages served has continued to grow, and we have received many compliments praising USGS for the usefulness of this site. Furthermore, the website was selected as one of only 25 finalists in the Federal Chief Information Officers Council Excellence.Gov Awards.

Partnerships remain an essential component of how we do business, to ensure cost-effective operations. In the Tampa Bay region, USGS worked with the National Oceanographic and Atmospheric Administration to develop a seamless merged topographic/bathymetric elevation model of the Tampa Bay region. The new model is proving very useful to local planning, natural resource, and regulatory agencies. We continued to work with the Centers for Disease Control and other public health entities to provide biological and geospatial data about the spread of West Nile Virus. By the end of summer 2001, this disease had been found in birds in most States east of the Mississippi River. In addition, USGS research demonstrated that the disease can be transmitted bird-to-bird, rather than only through mosquito bites. This is a critical advance in understanding how the disease moves between birds, mosquitoes, and humans.

In Nevada, a team of hydrologists has been conducting an intensive re-study of the ground water in the Fallon area, where 16 children have been diagnosed with two forms of leukemia and 2 have died since 1997--a rate 100 times higher than expected for a community of this size. Earlier USGS reports document a broad spectrum of metals, organic compounds, and radioisotopes in the ground water; the samples collected this past summer indicated 10% of the samples have arsenic concentrations greater than 500 µg/L (a maximum concentration of 2,900 µg/L has been observed) and some uranium activities are greater than 200 pCi/L. The USGS Nevada District office has worked closely with State agencies and the CDC to design the study, and results are expected soon.

Finally, the Nisqually earthquake did NOT cause widespread death and destruction in the Seattle area. One reason certainly was the depth of the earthquake--30 miles below the surface--but another is the 15 years of work by USGS scientists to assess the seismic hazard in the region and provide the information to local officials in ways that they could use to protect and prepare communities for such events. USGS scientists have worked closely with the University of Washington, the Federal Emergency Management Agency, and others to raise awareness of the earthquake risk among local businesses--including Boeing, Microsoft, and Bank of America--and the general public, so people can take effective action to mitigate their risk. The earthquake also provided the first major test of the 20 Advanced National Seismic System stations that had been

recently installed in and around Seattle. All 20 instruments provided valuable information for immediate data analysis and damage assessments, as well as information on the effects of local soil conditions and geologic structures.

The 2003 budget request focuses resources on our core mission programs of geology, mapping, biology, and water. The budget preserves a number of significant program increases received in recent years that provide science support to Interior land- and resource-management bureaus and other high priorities. In the area of hazards, the request preserves the 2002 funding increase for continued implementation of the Advanced National Seismic System, which provides both immediate information on the intensity of ground shaking, for use by emergency responders, and high-quality data on building response, used by engineers to improve building safety. The request also includes funding to address Administration priorities. The USGS will continue to provide the scientific information that is vital to the President's national strategy for a sound energy policy. In addition to ongoing national assessments of coal, oil, and natural gas, and other energy and mineral commodities, the 2003 budget request proposes an increase of $2.7 million for USGS to step up its efforts in support of the National Energy Policy and the overall goal of increasing domestic energy production. Of that $2.7 million, $1.2 million will enable USGS to more fully implement the requirements of section 604 of the Energy Act of 2000, which requires USGS to conduct estimates of undiscovered oil and natural gas resources on Federal lands in the continental United States. During 2002, with reimbursable funding provided by the Bureau of Land Management, the USGS will estimate volumes of oil and gas resources on Federal lands in five study areas in the Rocky Mountains. The 2003 increase will enable USGS to expand this work beyond the initial five study areas. The budget includes an additional $1.0 million to produce digital base maps in Alaska, with work focused initially on potential lease areas in the National Petroleum Reserve. The mapping effort will provide resource managers with information they need to make timely and environmentally sound resource and management decisions. The USGS budget proposal supports alternative, non-fossil fuel energy development as well, with $500,000 for USGS to begin the process of updating geothermal energy assessments. The USGS will initiate this effort in the Great Basin region.

Besides these energy-related budget increases, USGS is also proposing a $1.0 million initiative to utilize its core mission expertise to study the relationship between environmental change and human health issues in the U.S.–Mexico border region. The border area is a significant contributor to our economic vitality and encompasses important natural resources. In partnership with the National Institute of Environmental Health Sciences, USGS will bring its expertise in geologic, geochemical, and hydrologic processes to bear on these issues. The proposal aims to improve the understanding of naturally occurring and introduced disease-causing agents in the environment — like radiation, pesticides, and pathogens — and their specific exposure pathways in water, air, and soil. For example, USGS will produce geologic maps showing the distribution of rock types likely to produce elevated levels of potentially toxic elements such as mercury, arsenic, and selenium.

The budget maintains recent funding increases that have enabled USGS to undertake a multi-disciplinary coastal initiative, as requested by the Congress. Coastal regions are under enormous pressure due to population growth, and USGS science will lead to a better understanding of the impacts of natural and human-induced change on the coastal environment. In 2003, the current USGS pilot study in Tampa Bay, Florida, will focus on developing a comprehensive understanding of coastal and marine systems. The study will provide Internet-accessible data and decision support systems to inform the responsible use and management of the Nation's coastal and offshore resources.

The budget proposes a $4.0 million increase for the Critical Ecosystems Science Initiative for the Everglades. This will enable USGS to provide the long-term science, analysis, monitoring, modeling, and decision support systems needed for the adaptive implementation of the Comprehensive Everglades Restoration Plan. The budget retains increases appropriated in 2001 and 2002 for base USGS biological science center operations and high-priority tactical science support for the Fish and Wildlife Service. It also retains funding increases that have accelerated the pace of the biological Gap Analysis Program and expanded the National Biological Information Infrastructure. These programs develop and disseminate data that are beneficial to land and resource managers at all levels of government.

The 2003 budget also retains funding increases provided in FY 2001 that expanded the Ground-Water Resources Program, in response to the Nation's growing reliance on these resources. There is a recognized need for more sophisticated knowledge to support sustainable development of complex aquifers and to protect inter-related surface waters and riparian habitat.

The net funding decrease for FY 2003 reflects the elimination of unrequested funding increases, many of which were for short-duration projects that are completed, and reductions to lower priority programs. The budget includes a 10% reduction to the National Water Quality Assessment Program. The budget proposes to offset this decrease with funding contributions from NAWQA customers and beneficiaries. Finally, the budget reflects a transfer of $10 million in Toxic Substances Hydrology Program funding to the National Science Foundation, where it will be used for a water-quality research grants program. This transfer reflects the Administration's goal of realigning the Federal Government's investment in research and development to give greater support and emphasis to competitive research.

In closing, Mr. Chairman, I know that the Survey will do its best to remain strong, dynamic, and ready to meet the science needs of the Nation. I will be pleased to respond to any questions you may have.



Charles G. Groat
Director, U.S. Geological Survey

On November 3, 1998, Dr. Charles G. Groat became the 13th Director of the U.S. Geological Survey, U.S. Department of the Interior. Groat is a distinguished professional in the earth science community with over 25 years of direct involvement in geological studies, energy and minerals resource assessment, ground-water occurrence and protection, geomorphic processes and landform evolution in desert areas, and coastal studies.

From May to November 1998, he served as Associate Vice President for Research and Sponsored Projects at the University of Texas at El Paso, following 3 years as Director of the Center for Environmental Resource Management. He was also Director of the University's Environmental Science and Engineering Ph.D. Program and a Professor of Geological Sciences.

Prior to joining the University of Texas, Dr. Groat served as Executive Director (1992-95) at the Center for Coastal, Energy, and Environmental Resources, at Louisiana State University. He was Executive Director (1990-92) for the American Geological Institute. From 1983-88, he served as assistant to the Secretary of the Louisiana Department of natural Resources, where he administered the Coastal Zone Management Program, and the Coastal Protection Program. From 1978-90, Dr. Groat held positions at Louisiana State University and the Louisiana Department of Natural Resources that included serving as professor for the Department of Geology and Geophysics, and as Director and State Geologist for the Louisiana Geological Survey. He also served as associate professor (1976-78) at the University of Texas at Austin, in the Department of Geological Sciences, and as Associate Director and Acting Director of the Bureau of Economic Geology.

Dr. Groat received a Bachelor of Arts degree in Geology (1962) from the University of Rochester, a Master of Science in Geology (1967) from the University of Massachusetts, and a Ph.D. in Geology (1970) from the University of Texas at Austin.

Among his many professional affiliations, Groat is a member of the Geological Society of America, American Association for the Advancement of Science, American Geophysical Union, and the American Association of Petroleum Geologists. He has also served on over a dozen earth science boards and committees and has authored and contributed to numerous publications and articles on major issues involving earth resources and the environment.

Dr. Charles G. Groat was born in Westfield, New York, March 25, 1940. He currently resides in Reston, Virginia, with his wife, Barbara. He has two grown children.

EFFECT OF BUDGET REDUCTIONS

Mr. SKEEN. Last year, this Subcommittee went to great lengths to restore unjustified cuts in the Survey's budget, indicating Congress' support for these programs. But once again, you are proposing to cut or eliminate many of the same programs.

What activities would be lost as a result of these budget cuts?

Dr. GROAT. Of the general budget cuts, Mr. Skeen?

Mr. SKEEN. Yes.

Dr. GROAT. I think the most significant activities that would be lost, totally lost, are in the area of our toxics program. Because that is a program that would be totally eliminated.

The NAWQA program, which provides baseline and long-term understanding of pollutants and watersheds across the country on a selected basis, would lose about six study units. So we would lose those units totally, from the program, but we would maintain 36 units.

So most of the cuts would not eliminate programs totally, with the exception of the toxics program, but they would reduce our activity in those areas in several cases.

Mr. SKEEN. The water situation in those States, I'd like to tell the folks around the country, we've got 12 year-old kids who have never seen a rain storm. So we appreciate the work that you have put together to take good care of this.

Dr. GROAT. I think one of the things that you recognized in your comment about kids never seeing rain is the fact that water quality, and most importantly, water quantity, is incredibly important——

Mr. SKEEN. They go hand in hand.

REPORT ON FRESH WATER AVAILABILITY

Dr. GROAT. They go hand in hand. This Subcommittee asked us to recommend to you what needed to be done to understand better the availability of fresh water in this country, and we are in the process of finalizing a report to you on that. We are also working with the Senate on a bill that would identify us as a player in assessing the availability of fresh water resources in the country.

So we recognize that water issues are preeminent to the well-being of this country and the world and hope to continue a strong role in understanding both the quality and quantity of those resources.

ENVIRONMENT AND HUMAN HEALTH

Mr. SKEEN. I notice that the President's budget proposes a new program to address the environment and human health and groundwater resources along the U.S. and Mexico border. That's what we are alluding to. Why is this such a priority, and what is the nature of problems?

Dr. GROAT. Mr. Skeen, I think that program embodies for us, and hopefully for the people that we work with, all the qualities we'd like to see in programs where there are opportunities for growth for the USGS and its partners. Ground water is a significant resource in the area. There are partners there in the State water resources research institutes and in the State geological surveys and

water organizations that can come together with us as a science organization to better understand the distribution of those resources.

It is also an opportunity to apply the environmental information that we have been gathering as part of our major programs over the years to an area of great concern to all Americans, and that is their health. So it represents the application of core U.S. Geological Survey biology, waters geology, and mapping capabilities to a very critical problem.

So it is a good program from a science point of view; it is a good program from a critical resource point of view. And most importantly, in our future, it is a good program in a partnership point of view. More and more of the work we do is going to be done with State and university partners. This program has all those elements. So I think it is a good one, and I hope that we are able to grow it.

Mr. SKEEN. I'm right with you on that particular point, because we anticipate the bringing of the extra piece of universities and water resources institutes from the region into the particular studies.

Dr. GROAT. In this year, Mr. Skeen, our intent is to focus on an area that we both know well, and that is the southern New Mexico-El Paso areas where both ground-water and health issues are very preeminent. We have good cooperation, especially with the water resources research institutes in New Mexico and Texas on that, as well as the State agencies.

Mr. SKEEN. We'd like to work with you on that.

Dr. GROAT. Very much so.

Mr. SKEEN. Mr. Dicks.

TOXICS PROGRAM TRANSFER

Mr. DICKS. Thank you. I appreciate your efforts to explain the budget, and we realize that some of these things happen downtown at OMB. You are proposing, as you said, to transfer the Toxic Substances Hydrology Program to the National Science Foundation. The toxics program has done important work in the past, including looking at mercury in the Everglades and finding new, efficient ways to clean up contaminated groundwater.

In fact, the USGS authors whose papers were listed among the most cited in the Environmental Science and Technology Journal, are from your toxics program. Have you been assured that the NSF will continue these programs? Can you comment on the specifics of the transfer in terms of the effects on USGS staff and any shifts in the focus of the program?

Dr. GROAT. Yes, sir, I can. First of all, I am pleased that you recognize the value of that program, and the fact that the toxics program deals not only with toxic materials in the environment with long term field sites and with our laboratory work, but also is a key part of some other programs in the USGS that are important. The toxics program supports Everglades, clearly, and the mercury work there. It is also an important part of the California Bay Delta program, and an important part of the amphibian program in trying to deal with the environmental factors related to those serious concerns.

The concern that we would have in the sense of a transfer to the National Science Foundation is not that they would not support quality science. They do that, and they do that very well. But the very nature of the toxics programs being an integral part of the USGS effort, not only with the toxics themselves but with other programs that depend on that expertise, is that there is no guarantee or identified way——

Mr. DICKS. That it would be sustained in the future.

Dr. GROAT [continuing]. That it would be sustained in the future through an NSF driven program. So while we are really encouraged that the Administration is not proposing elimination of the program as such, but rather is proposing a transfer, we are concerned about the impacts that that will have on what the toxics program within the USGS is intended to do.

Mr. DICKS. Remind me, what was the number last year for the toxics?

Dr. GROAT. It's a $14 million program, Mr. Dicks. The budget proposes to transfer $10 million and eliminate $4 million, adding up to the $14 million.

Mr. DICKS. Okay, so it is completely done away with. So this is one where the Committee is going to have make a decision on whether we agree with that or not.

Dr. GROAT. We have been having discussions with the National Science Foundation about a 3-year transition period, which would allow impacts on our programs to be reduced, as well as the opportunity to successfully conclude some activities. So it is not an immediate cut, totally, but it is a phased cut.

EVERGLADES RESTORATION INITIATIVE

Mr. DICKS. Who would provide the science for the Department's initiatives like the Everglades Restoration initiative?

Dr. GROAT. Some of the science that we do in those programs is not related to the toxics program. But frankly, with respect to the mercury work that you referred to and other toxics related contributions, we would no longer have the capability, because the staff that did them would not be there.

Mr. DICKS. So this would undermine the Administration's Everglades—I shouldn't say undermine. This certainly wouldn't help——

[Laughter.]

Mr. DICKS [continuing]. The Administration's efforts in the Everglades, if all of a sudden they lost one of their scientific experts who was giving advice on how to deal with this important issue. Is that not a possibility?

Dr. GROAT. The USGS contributes to the Everglades program in a very broad way. That support would be maintained. However, the component of it, which particularly in the Everglades relates to mercury and some of the effects mercury has on critical ecosystems there, would be lost. It would definitely be a negative.

NATIONAL WATER QUALITY ASSESSMENT PROGRAM

Mr. DICKS. The National Water-Quality Assessment was praised by the NRC as a program of exemplary quality and importance. Yet your request is for a decrease of $5.8 million. How will this affect

the program? What is the total number again for the National Water-Quality Assessment?

Dr. GROAT. It's a $64 million program. This reduction would eliminate 6 of the 42 study units that are supported by that $64 million. So it would not wipe out the program, but it would cause us to make some difficult choices as to which basins that are part of that program would no longer be continued in the study. And I appreciate the fact that it has been reviewed and it has received good marks for its scientific quality. We think that the quality of all of our programs, as they have been reviewed by NRC, have been judged to be good. We take that as a plus.

So this budget reduction is not picking on any particular program from a quality point of view, clearly. It is part of a difficult decision process that relates to our water activities in general.

Mr. DICKS. The current 42 study units are far below the proposed program, isn't that right, or the original program design?

Dr. GROAT. Yes. The NAWQA program has been around for a while. It has gone through two or three generations of suites of units that have been studied. The 42 is less than we had originally on the books. So the program has dwindled in size, due to the fact that funding has not increased for that program. This would be a further reduction in the scope of the program.

STREAMGAGING AND FLOOD PREDICTION

Mr. DICKS. Flood prediction has become critically important to protecting the lives of U.S. citizens. On average, U.S. flooding kills more people each year than any other single weather hazard, including tornadoes and hurricanes. The Administration has acknowledged this by including an increase of $4.5 million in the National Weather Service budget for the Advanced Hydrologic Prediction Service, to improve river forecasts and water resource management.

However, these forecasts rely on data from USGS stream gaging network. Can you explain to me why there is a $2.1 million decrease for this streamgage network?

Dr. GROAT. Mr. Dicks, I think the reduction in the streamgage network was part of the overall reduction that came about as removing things that the Congress added money to. You're clearly right, not always appreciated is the fact that much of the Weather Service's flood forecasting capability comes from use of data from our streamgage network. Reducing that network by approximately 135 gages across the country would certainly have some impact on that. It would not totally reduce the Weather Service's capability, but it would limit it.

Mr. DICKS. Well, thank you, Mr. Chairman. I have further questions, but I know there are other members who want to ask theirs at this point.

Mr. SKEEN. Thank you. Mr. Nethercutt.

RATIONALE FOR BUDGET REDUCTIONS

Mr. NETHERCUTT. Thank you, Mr. Chairman.

Welcome, gentlemen. It is troubling, really, to see the budget reductions. I know you have to make difficult choices, but with respect to water quality and flood control and fire suppression and

fire control. It seems to me, it may not be far-sighted to make these reductions. I know in my part of the State of Washington, we had some very, very serious floods four or five years ago. Little communities just got flooded out. And the whole issue of streamgaging was critically important.

As a result of those floods, and others around the country, I think there was a move to increase the number of streamgages to give predictability to the downstream communities who could at least prepare, have a little better warning as to when the water is coming in high water areas. So what is the justification, other than trying to make the size 13 foot fit into a size 12 shoe? Is there any rationality to it?

Dr. GROAT. Let me just start with the comment about the program. You are absolutely right. In response to the Congress' request that we provide a recommended program for streamgaging for the Nation, the National Stream Flow Information Program, we have identified the need for additional gages in areas that need to be supported with Federal funds, so that we don't lose them when we have cooperator challenges. The challenges to the streamgaging program come in two forms right now. First is the fact that we are having to reduce the number that we support through this budget action. But maybe more significant in the immediate near term is the fact that the States, with their difficult budget situations across the country, are having difficulty coming up with the cooperative funds that they provide for streamgages. As you know, many if not most of these gages are supported through our cooperative program, which is a 50-50 cost share.

So the decrease in Federal funding will be paralleled by some decreases in State funding, which poses a real challenge for the program. Concerning your comments about the water quality part of the water resources program and decreases there, including the toxics program, there has been a proposal for reduction of Federal funding for the program directly through appropriations to the USGS. There has been the license, in fact the encouragements for us to seek other sources of funding to continue those NAWQA study units and to continue the streamgaging program.

The difficulty and the challenge, of course, is the environment that we're working in at both the Federal and the State level. I don't think there is any lack of appreciation of the need for both flood information and water resource information. But I do think there is a difficulty in raising it to the priority that it gets the funds put toward it in comparison with other things. That reflects back on the difficult choices that I referred to before.

FIRE SCIENCE REDUCTION

Mr. NETHERCUTT. And I appreciate that you have a tough row to hoe. If you cut anything, somebody is going to be upset. But I do think water quality should be high on the list of protected programs. Certainly the very negative impact that flooding has on communities is a high priority. I note that this is the second year in a row that the Administration has proposed reducing the Survey's fire science program, the $2.8 million before and again $2.8 million this year, for 2003.

I take it, can we take it from that budget reduction that the Department feels that fire science and wildfires issues are a low priority?

Dr. GROAT. I don't think so, Mr. Nethercutt. I think in fact, given the difficult fire season of a couple years ago, that the profile of ability to deal with fires, both Forest Service forest fires and in the case of our fire science program, which is geared more toward the grasslands and other areas, is an extremely high priority. I think the challenge that we face as a science organization is having the profile of the fire science that we do high enough in the overall fire program to be appreciated.

The budget recommendation that we've put forward does say that the fire program of the Bureau of Land Management should be sought as a way to support this work. So it is not saying the program ought to be abolished, it is saying that we ought to get it through other fire funds given to the Department. It certainly is easier if it comes directly to us. But it is not a black mark on the program as such.

And we agree, it is an extremely important program. Our fire science program emphasizes biology, but we also do work in looking at the effects of fires on basins and the effects from a geology and hydrology point of view that it has on landslides and flooding, the total after-effects of fires as well. So we are a significant player in fire science, and it's only this part of the program that has the immediate change in a sought-after source of funds for it.

NATURAL HAZARDS RESEARCH

Mr. NETHERCUTT. I am informed that BLM has a rather narrow fire science mission, they can't do the kind of work that you do. I noticed your comment about Congressional adds, but I think it really is the Subcommittee's obligation to make its best judgment. Certainly this independent branch of the Federal Government has, or co-equal branch has the right and the obligation, I think, to make those judgments. It helps us to have your sense of what is valuable and maybe what is not, and where we were caught short and where we are not.

Following on Mr. Dicks' comment about the $4.5 million increase to NOAA in the budget for natural hazards research programs, and that is dependent on USGS data, I don't know if that is the same issue he was speaking of that you responded to. But there are cuts in the USGS water quality programs that NOAA increases its budget to do certain work based on scientific work by your agency. But yet we are cutting our side of the ledger.

Dr. GROAT. I think there is clear evidence that the Administration does appreciate the importance of floods and flood hazards, both in the NOAA increase, and a proposal for a $300 million increase in the FEMA budget.

Mr. NETHERCUTT. Yes, that was just pointed out to me.

Dr. GROAT. For flood plain mapping.

Mr. NETHERCUTT. That's a $300 million increase.

Dr. GROAT. Which we hope as the Nation's civilian mapping agency that we would have a role in helping FEMA spend that money, assuming they get it, for better flood plain maps.

I think what our cuts in streamgaging reflect is more a lack of understanding of the role that streamgages play in that flood protection network. That is probably as much our responsibility as anybody else's, to make sure that understanding is there. So I don't think it is any kind of prejudice against the importance of flooding, I think it is just that understanding that needs to be expanded.

Mr. NETHERCUTT. Yes, sir. We appreciate your being here, and your testimony to help us try to make our best decisions as a Committee as well. Thank you, Mr. Chairman.

Mr. SKEEN. Thank you. Mr. Kingston.

AMPHIBIAN RESEARCH

Mr. KINGSTON. Thank you, Mr. Chairman.

Dr. Groat, it is great to see you again. I saw with great disappointment you guys were cutting the amphibian research. We have a long way to go on that. That is a pretty big cut.

Dr. GROAT. Yes, sir. There is a proposed reduction of half a million dollars from that program. And that again was part of the reduction of Congressional adds to the program. We received no prejudicial language about the amphibian program as such, and we still consider it as one of the leading efforts to integrate our understanding of a very critical indicator species and a very critical part of the natural systems through a combined effort of biology, hydrology in particular, and mapping science.

So we are strongly committed to the program. We recognize the shortfall that that cut will bring, but it does not reduce our commitment to the program and our efforts to carry it out, as you and others have so adequately helped us define it.

Mr. KINGSTON. Why is it important to study an indicator species?

Dr. GROAT. Well, I think that whether we are talking about the Nation's biological resources, its water resources, or its mineral and energy resources, with the capabilities we have now to measure, to monitor things that are truly indicative of environmental health, that we have to make some good selections of those parts of ecosystems, in the case of amphibians that do really reflect what is happening to those systems, and to do a very thorough job of understanding how they are faring. The amphibians gave us a very good opportunity, because there was a clear threat. There was a clear loss of important parts of the populations, and, as it turns out, there are some very complex causes for that that really reflect the complexity of the environmental challenges we have in this country, whether they be human or natural or climate change sources of challenges.

So these indicator species and indicators of other resources are going to be extremely important. We have to do a thorough job of understanding them.

Mr. KINGSTON. Do you have any idea, could you guess where we are in the process on a scale of one to ten, how much progress we made? If ten is our destination, are we at a one or a two, are we at a seven or an eight?

Dr. GROAT. I would say probably a four or a five. I think what we have been able to do with the funding so far is to complete the monitoring and survey assessment network across the country, so we are getting a better feel each year for the state of health of the

populations of amphibians. Through our toxics program and through work coming directly through the amphibians, we are beginning to look into the relationships between the declines in populations and the stressors that are causing that. We have published some pretty good papers, I think, that reflect the growing understanding and reflect the complexity of it. Because it is complex.

I think the four relates to a better understanding of the problem, but a long ways to go in understanding the complex causes of the problem. And as you said, that will have clear ramifications for other organisms, including humans, that depend on the same environments that are threatened in terms of the amphibians.

Mr. KINGSTON. So the Committee needs to take a real strong look at that, because it sounds like we just don't need to pull the plug on something that is halfway and would have a very good benefit to everybody if we come to a good conclusion and know how to handle it.

Dr. GROAT. We certainly want to continue our activity in the amphibian program and have appreciated your support in the past.

Mr. KINGSTON. But a reduction like this would really slow it down some?

Dr. GROAT. It would certainly slow it down. It would not diminish our commitment to it, but it would slow it down, yes.

MAPPING EFFORTS IN TERRORISM RESPONSE

Mr. KINGSTON. Also, your national mapping and remote sensing data programs that you have, did they play a role in the post 9/11 aftermath?

Dr. GROAT. They did, indeed. The EROS Data Center in South Dakota is the base for our remote sensing program. We are really pleased that the support of the Landsat program, both Landsat 7 and Landsat 5, has been maintained, because it provides a space base for land remote sensing. Those images were used extensively in the response to 9/11 and are being used in the preparedness for the national defense program against terrorism.

Our mapping capabilities that come out of the EROS Data Center and out of the Central Region and our other mapping centers for geospatial information, including topographic maps and orthophotoquads, are an extremely important part not only for protection of the country and its infrastructure, but for the day-to-day business of local, State, and national governments. So we are really committed to modernizing those, because old data is not good data in that sense. We are emphasizing through our National Map Program and our participation in the 120 cities program the need to update those across the country.

MAPPING AND HOMELAND SECURITY

Mr. KINGSTON. Among other things, those maps would show emergency evacuation routes.

Dr. GROAT. Yes.

Mr. KINGSTON. Probably the most high profile example of needing that, if you have read the book Blackhawk Down, was when the rescue convoy went on the wrong street, through a series of complications. It would appear to me that this would be a key part of homeland security. Are Tom Ridge and the homeland security folks

involved with you guys on this mapping? Do they understand what a great source of knowledge this is? Do they want to increase your budget any for that reason?

Dr. GROAT. We have had continuing discussions with NIMA, the National Imagery and Mapping Agency, and with Governor Ridge's staff at the homeland security program, about the need and the value of these sorts of maps. You hit it right on the head when you talked about evacuation routes. One aspect of the USGS as a civilian mapping agency doing this and being funded to do this is that that information does become public. It is available to local responders, State responders, as well as the Federal establishment.

So our concern in that program is that we continue to do that work because it is in the public domain, and that we receive the funding necessary to do it on the accelerated basis that is needed for homeland security. So the funding issue is certainly a significant one. We have limited funds to do that. We are committing everything we can to it. And we would hope that there would be some opportunities through supplemental funding to provide that very fundamental information, which is as important to homeland security as are some of the more visible aspects of it that are receiving funding through the supplemental process.

PUBLIC AND PRIVATE PARTNERSHIP IN MAPPING

Mr. KINGSTON. I understand there are a lot of private companies that are involved in that, and that you have worked with a lot of them through grants. I think you even have an award program for somebody who's done——

Dr. GROAT. We do. In fact, much of the work that is done in preparing our maps and our input into the geospatial information system is done by private contractors. Most of it goes out through two contracts to gather the data and to actually produce the product. So it is a true partnership with the private sector.

Mr. KINGSTON. Well, I applaud you on the kind of partnership approach that you have been taking as I understand in more recent years, but I also encourage you to do that. Because as a businessman, I know as a purchaser that it is very important to have a lot of different vendors. I think for all of us, because that technology is evolving so quickly, it is in the national interest to have a lot of different players that are out there on kind of a subcontractor or independent contractor basis.

Dr. GROAT. I agree with you wholeheartedly. We do have a very diverse set of private cooperators and people that we fund privately to do this work. It is a strength.

Mr. KINGSTON. Well, thank you. It is good to see you again.

Mr. Chairman, I yield back.

Dr. GROAT. Thank you, Mr. Kingston.

Mr. SKEEN. Mr. Dicks.

WATER RESOURCES RESEARCH INSTITUTES

Mr. DICKS. The National Research Council Commission on Geosciences, Environment and Resources recently released a report on the future roles and missions of the U.S. Geological Survey. The report noted the Survey's research programs would benefit from increased interaction with industry and universities. The report cited

the Water Resources Research Institutes as an example of how enhanced collaboration with researchers at academic institutions could help the Survey to accomplish its research goals.

How does the Federal Government benefit from the work of the Water Resource Research Institutes? How do State and local governments benefit?

Dr. GROAT. Our relationship with the Water Resources Research Institutes is really emblematic of the relationships we are trying to build across the country with, in this case, university-based groups. Because they bring expertise to the science program that both complements what we have and, in some cases, extends what we have through letting other folks do the work with funding that we are able to provide.

So it also provides a base within the States, which is tied to State interests. Each Water Resources Research Institute is on a land grant college campus within the State, and its mission is to serve the State broadly as a university and specifically as an institute. So it really strengthens our relationship in doing what President Bush and Secretary Norton have made high priorities, and that is, increasing relationships with State and local groups to help provide information for sound decisions. This is one way the U.S. Geological Survey can increase our ability to do that.

So those partnerships as defined there, and also through our increasing co-location on college campuses across the country, with State and other Federal agencies, is increasing this interaction at the State and local level. We see it as an important part of how we are going to do our work in the future.

PEER REVIEW PROCESS

Mr. DICKS. Is there a peer review process in the Survey for allocating funds to science projects? If so, how does this process work?

Dr. GROAT. Our scientific programs are generally driven through a proposal and review process within the disciplines. We have a strategic plan, we have science directions, we have priorities that we march to. But within that, we have to define programs and projects. That is left to our program leaders and our scientists to make proposals, which are then reviewed at several levels within the Bureau, within the USGS, before they are accepted for funding.

Programs, as they are developed, are also reviewed by outside advisors and members to ensure that it is not just totally an internal review. So the peer-review aspect both of the programs themselves and of the products of those programs are what I think contributes to the good opinion that the NRC has had about our programs, that they are quality programs and they are objective programs.

PERSONNEL REDUCTIONS

Mr. DICKS. How many scientists and support personnel will have to be RIF'd as a result of the significant funding reductions proposed in your budget?

Dr. GROAT. Well, Mr. Dicks, we hope none. There is a potential personnel impact on the level of 249 or so people, if you add up all the reductions. But we would hope through attrition, through the

opportunity for early outs and others, that we would not have to go to that extreme.

Mr. DICKS. You think you can handle it?

Dr. GROAT. Well, I'm not sure. We don't know yet if we can handle it. That certainly is one of the tools in the quiver that might have to be called on. But we have no plans now to use that tool.

Mr. DICKS. And of course, if Congress rescues you again, then you wouldn't have to face these kinds of problems.

Dr. GROAT. We would not have to face those difficult decisions. [Laughter.]

REDUCTIONS EFFECT ON SCIENCE QUALITY

Mr. DICKS. What would be the effect of these cuts on your ability to do high quality science at the USGS?

Dr. GROAT. I would hope that, even cut down to ten people, we would still do high quality science. Because that is our hallmark. We consider ourselves credible and objective, and we are going to maintain that posture at all costs. It more has an impact on our ability to provide the suite of quality science that we think we are uniquely qualified to provide. It does not reduce the science as a whole, it reduces it in selected parts.

BASIC AND APPLIED SCIENCE

Mr. DICKS. So you would still do, it is important to have a mixture of basic science and applied science?

Dr. GROAT. Absolutely. Absolutely.

Mr. DICKS. Would the applied science be affected here by these cuts?

Dr. GROAT. Both the applied and the basic science would be affected. Our toxics program is a good example. There is a lot of good fundamental research that goes on in the toxics program to understand how, these toxic elements behave in the environment. There is also an applied element where that understanding is being applied to places like the Everglades and by people who are concerned about water treatment and water quality mitigation.

So most of our programs, hazards programs, coastal programs, are a combination of good, sound basic research that drives the applications that are important to the country.

Mr. DICKS. Thank you, Mr. Chairman.

Mr. SKEEN. We have a vote on, so I think we had better—

Mr. DICKS. Do you want to continue?

ENERGY RESEARCH

Mr. SKEEN. Does anybody have any further questions?

Mr. NETHERCUTT. One quick question. Sir, I notice that the Administration has worked very hard to get the energy policy plan through the House and it was frustrated in the Senate. I know that USGS does a lot of energy scientific research that appears to be at risk in the budget.

Can you quantify quickly for the Subcommittee how important you feel the energy research might be as it relates to the budget condition you find yourself in?

Dr. GROAT. We have actually some additional spending responsibilities under the proposed budget in the energy area, specifically the Energy Policy Act, for assessment of undiscovered resources in the West and also to provide basic mapping in the National Petroleum Reserve. We have a multiple kind of energy program that ranges from coal to oil and gas resources and a modest effort now in, if this is accepted, in geothermal resources. Given the increased emphasis on programs, we think that those will remain important.

We do not see any substantial cuts to existing programs, nor do we see substantial growth. But we would hope in the future, as this priority continues for the country, that those programs would be higher profile, and that the growth we've seen this year would be continued.

ASSESSING UNDISCOVERED ENERGY RESOURCES

Mr. NETHERCUTT. I think we can get a lot from the science that your agency provides as it relates to energy.

Dr. GROAT. I think a lot of what we do in assessing undiscovered resources in oil and gas, for example, that is not part of any regulatory or private sectors gives it some objectivity that is really needed, as you know, in the intense debate that is going on in the Congress over the energy policy.

Mr. NETHERCUTT. Thank you, Mr. Chairman. Thank you.

Mr. SKEEN. Mr. Dicks.

VOLCANO MONITORING ACTIVITIES

Mr. DICKS. You talked a little bit about monitoring volcanic activities and things of that nature, which USGS has been one of the leaders in. How are we doing on that? How do you see that program in terms of the budget? Will we be able to do the, having the monitoring capability, the sensors, all this stuff that we need to do?

Dr. GROAT. It is not growing, Mr. Dicks. We are continuing, within existing funds, to use the best technology to monitor. The fact that the technology is improving so greatly, radar interferometry, for example, and the tools that are available from space and on the ground to monitor volcanoes in a much more real time sort of basis are out there, is causing us to spend an increasing amount of our budget on these enhanced tools.

What we lack the ability to do in that case is to expand the monitoring network, say, for example, in the Aleutian Islands, where the actual impacts on air travel are important. So we have not had to cut the program, but we have not been able to grow the program, with the exception of the add that was removed in this particular approach, yes.

Mr. DICKS. Put in the, if you could add for the record, just expand upon what you could do if you had adequate resources in this area.

Dr. GROAT. In the volcano program?

Mr. DICKS. Yes. That would be important to me.

Dr. GROAT. We would be happy to do that.

[The information follows:]

VOLCANO MONITORING FUNDING

Over the past decade, the Volcano Hazards program has built a near-real time eruption monitoring system for 44 of the 70 active or potentially active U.S. volcanoes, including volcanoes in the Cascades of Washington, Oregon, and California; the island of Hawaii; and the Long Valley (CA) and Yellowstone calderas; as well as the volcanoes of the Aleutian Islands of Alaska. The volcanoes of the Aleutian Islands of Alaska pose a frequent threat to airline safety on the busy north Pacific jet routes. New resources would enable USGS to upgrade the existing monitoring program, expand the network to include additional hazardous volcanoes, and increase volcano hazard assessments and research activities.

Mr. DICKS. Thank you very much. Thank you, Mr. Chairman.

Mr. SKEEN. Thank you very much.

Mr. GROAT. Thank you, Mr. Chairman. And thank the Committee for its support in the past years, and particularly you, Mr. Skeen. We have enjoyed working with you and appreciate your understanding and support of our programs.

Mr. SKEEN. Thank you. Have a good day.

[Additional questions for the record follow:]

INTERIOR APPROPRIATIONS SUBCOMMITTEE
QUESTIONS FOR THE RECORD
FISCAL YEAR 2003 BUDGET HEARING
U.S. GEOLOGICAL SURVEY

GENERAL

1. **Question: The Committee is once again dismayed and concerned with both the size and nature of the program reductions being proposed for the Survey by the Administration. Do you believe that the survey should no longer allocate resources to science that is focused on problems of National concern, and instead just focus on the needs of the various Interior bureaus?**

Answer: As the science bureau of the Department of the Interior, a basic priority of USGS science is to provide information and technologies that are critical to achieving the missions of the Department's land and resource management bureaus. Nevertheless, the USGS will, as always, continue to work in close cooperation with more than two thousand Federal, State and local governmental entities, educational institutions, private sector firms, and non-profit organizations across the country. However, the Department and the USGS will seek partnership funding for programs that primarily benefit other Federal agencies, states and local governments. This collaborative approach will enable the USGS to better dedicate its resources to meet the needs of the Department's land and management bureaus, as well as other top-priority customers.

2. **Question: Last year this subcommittee went to great lengths to restore unjustified cuts in the Survey's budget, indicating Congress' support for these programs, but once again you are proposing to cut or eliminate many of the same programs. What activities would be lost as a result of these budget cuts?**

Answer: The budget for 2003 includes reductions for certain one time increases, lower priority programs, and also by scaling back some 2002 increases not requested by the Administration or proposing alternative sources of funding, such as cost recovery from customers or transferring program responsibilities to other organizations. The most significant activities that would be discontinued include USGS support for the Water Resources Research Institutes, high-speed processing and rapid delivery of remotely sensed data to State and local users, 129 streamgages, and aggregate minerals studies.

The 2003 budget also reflects the transfer of the Toxic Substances Hydrology Program to the National Science Foundation where it will be used for a water quality research grants program that will complement the water quality monitoring and assessment programs at USGS and other Federal Agencies. The budget also reflects a reduction in the National Water-Quality Assessment program and assumes that this amount will be offset through cost sharing from program partners and beneficiaries, thereby preserving the program's current schedule and scope.

3. Question: Last year the Congress provided $25 million to the Survey as part of the Conservation Spending Category. Your budget request proposes to reduce funds under this category by 46 percent. What is the rational for this reduction, and how will a reduction of this magnitude impact on these programs?

Answer: The 2003 budget ensures continued emphasis on USGS science programs that support the Department's role in the management of America's lands and resources and the conservation of species. At the same time, the budget continues funding to perform science functions that are inherent to the historical responsibilities of the USGS. The 2003 USGS budget achieves these goals at the request level through a strategy that includes reductions for certain lower priority programs, and also by scaling back some base programs that received significant funding increases in recent years.

The $ 1 million reduction in internet access will still allow USGS to continue to adopt new technology and implement other approaches for Internet access to its geographic, cartographic, and remotely sensed data, but at a slower pace. The $5 million reduction to the National Cooperative Geologic Mapping Program (NCGMP) will reduce funding available for grants for geologic mapping to partners in State Geological Surveys and universities and will eliminate NCGMP support for geologic mapping in three projects addressing hazards, ecosystem, and climate history studies; ground-water flow modeling; and karst and subsidence hazards evaluations. Reducing the National Streamflow Information Program by $2 million will deactivate 129 streamgages nationwide. The $1.6 million reduction for Accessible Data Transfer will result in the termination of leases for upgraded network lines to some USGS science centers and a reduction of equipment purchases.

4. Question: Funds included under the Conservation Spending Category for the Survey included cooperative programs with States and local governments like the National streamgaging program, and the cooperative geological mapping program. Is it no longer a priority of the Survey or the Department to work with State and local governments?

Answer: Many USGS programs provide extensive data and information to benefit State and local government activities. The Administration believes that these beneficiaries and other partners should contribute an additional share of the burden of funding the programs. Because of the increasing complexity of managing Interior's lands and resources, the Department is placing its highest priority for its funding of USGS science on support for land and resource management issues on Department lands.

5. Question: Your budget request proposes to zero out all Congressional priorities including those high-priority programs that have been funded by the Survey for a number of years. Why are you now proposing to eliminate such programs?

Answer: The 2003 budget ensures continued emphasis on USGS science programs that support the Department's role in the national energy strategy and land and resource management, as well historical responsibilities in hazards mitigation and

response and environmental monitoring. The 2003 budget achieves these goals at the request level through a strategy that includes reductions for one time increases provided by Congress for projects that have been completed, lower priority programs and by scaling back increases not requested in the 2002 budget. This strategy also assumes increased reliance on cost sharing by USGS partners and beneficiaries of USGS programs. The USGS budget maintains funding for high priority programs funded by Congress in recent years, including the Gap Analysis program, the National Biological Information Infrastructure, base science center funding, ground water resources program, and the coastal and marine geology program.

6. Question: Last year you proposed to shift funds from the Survey's water programs to the Environmental Protection Agency. This year you are proposing to shift the toxic substances hydrology program funds to the National Science Foundation (NSF) under the guise that NFS's merit review process results in better science. Where do you expect the Administration's budget shop will be proposing to shift these funds in the fiscal year 2004 budget?

Answer: It is not possible at this time to say what specific proposals may be included in the fiscal year 2004 budget. However, given the number and complexity of science issues that must be addressed to ensure sound management of Federal lands and resources, the Department has decided that the first and primary customer of USGS science needs to be the other Department of Interior bureaus. The Department believes USGS programs that primarily benefit other Federal agencies or State agencies should be cost-shared with those agencies. Accordingly, we will continue to seek cost-share partnerships or other alternative funding arrangements for those USGS programs that are not principally focused on the science needs of the Department's land management bureaus.

7. Question: The December 1, 2001 issue of the American Chemical Society's journal Environmental Science and Technology recognized the 10 papers that have had the greatest impact in the history of that journal. Three of these papers were authored by Survey scientists in the toxics program. In light of this, do you believe that this type of research should no longer be done by Federal scientists?

Answer: The Department believes that Federal scientists should perform basic hydrologic research; the USGS budget for FY 2003 provides $13.7 million for basic hydrologic research through the Hydrologic Research and Development Program.

8. Question: Is there a peer review process in the Survey for allocating funds to science projects? If so, how does this process work?

Answer: The USGS science programs are generally driven through a proposal and review process within the four disciplines: geography, geology, water, and biology. We have a strategic plan that provides a framework within which all the programs must work, but definition of individual projects is left to our program leaders and scientists.

These program leaders and scientists make proposals that are reviewed at several levels within USGS before they are accepted for funding.

As programs are developed, they also receive periodic external review. USGS programs have received numerous external reviews by the National Academy of Sciences, National Research Council. For example, USGS has requested that the Academy review the National Water-Quality Assessment Program five times since the program's inception in 1986. Other Academy reviews have focused on USGS science in the areas of mineral resources, hydrologic hazards, coastal and marine geology, and hazardous materials in the hydrologic environment.

Programs receive periodic external reviews from other sources as needed. In 1999, a task force of external stakeholders conducted a review of the Cooperative Water Program. USGS is in the process of implementing the recommendations that resulted from the task force review of this program.

9. Question: How important is it to have a mixture of basic and applied science?

Answer: It is imperative to have a good balance of basic and applied science. Although USGS does engage in some basic research, USGS is ever mindful that, as a Federal organization, it must be responsive to the needs of the American people in presenting solutions to the resource management problems that Federal, State, local and industry stakeholders must face every day. Thus, a large portion of USGS science is geared toward solving specific problems on the ground in real-world situations; developing new scientific methods and new technologies to assist in the responsible manaement of land, water, and living resoures; and providing the long term data and tactical science that allows the other Department of the Interior bureaus to fulfill their responsibilities as stewards of the Nation's natural treasures.

10. Question: How has the involvement of basic science in the Survey contributed to the resolution of important environmental and resources management issues of concern to both the nation and Interior Bureaus?

Answer: Basic science conducted by the USGS continues to contribute to the resolution of many important environmental and resources management issues of concern to the nation and to DOI bureaus. A few recent examples include:

- The results of a multidisciplinary study on abandoned mine land remediation have produced data and models that allow Federal and State land managers to prioritize sites for remediation and establish attainable goals for recovery of stream ecosystems that have been impacted by historical mining practices. The BLM and the U.S. Forest Service have worked closely with the USGS in applying these models to remediation of the Animas River basin (CO) and the Boulder basin (MT).

- USGS earthquake preparedness studies in the Seattle area over the last several years led to the implementation of mitigation measures that helped to minimize the number

of fatalities and injuries and reduce economic losses in the February 2001 Nisqually earthquake.

- USGS ground-water flow models of basins, such as the Middle Rio Grande Basin (NM), provide information on water quantity, quality, and movement through aquifers so that land and resource managers are able to make sound, science-based decisions on competing demands for water in areas of growing populations and increased demand for water resources.

- USGS arsenic data collected and published by the National Water-Quality Assessment program have been used in the U.S. Environmental Protection Agency rule-making process for establishing a drinking-water standard for arsenic.

As DOI's science bureau, the USGS conducts research and provides information on natural resources that allow DOI Bureaus to make informed land and resource management decisions of importanc. Most of USGS' biological research and monitoring has direct applicability to specific issues facing DOI bureaus: threatened and endangered species, invasive species, ecosystem studies, contaminants in the environment, and species management. Although some studies are unique to specific parks, refuges, or rangelands, much of the biological work has applicability to other Federal, State, and local agencies with land and resource management responsibilities. Examples of other work in support of DOI bureaus focus on mapping high-priority lands, providing resource information for the development of land use plans, and monitoring water quality and quantity - work that also addresses issues on a National scale.

The USGS conducts research and provides results of analyses, data, and information to users within Department of the Interior and other Federal, State, and local agencies, who rely on our comprehensive programs in water, biology, geology, and mapping, our national databases, and our long-term monitoring data to help them make decisions that are credible and defensible.

Environmental and resource management issues of concern to the Nation include monitoring and notification of natural hazard occurrences, the emergence and dispersion of both anthropogenic and environmental contaminants through ecosystems, water quality and availability, and minerals and energy information for resource use and for national planning. USGS national databases, based on consistent standards, are used to establish and monitor status and trends of earth (water, mineral, energy) and biological resources. The National Water-Quality Assessment (NAWQA) Data Warehouse, for example, contains approximately 9 million results or measurements and provides data on water quality to approximately 700 users daily around the Nation. USGS develops models to gain a better understanding of the earth's physical and biological processes. MODFLOW developed by USGS in the 1980's and continuously updated, is the most widely used program in the world for simulating ground-water flow. Regulatory agencies use USGS science to set standards for building codes in earthquake prone areas, for arsenic in drinking water, and for chemical and drug registration to treat diseases in fish, among others. Remote sensing data provide a synoptic view of the world, useful for monitoring the temporal effects of changes in climate on vegetation patterns and abundance.

11. Question: The Administration and the Congress often turn to the National Academy of Sciences for an unbiased assessment of various science programs including those of the United States Geological Survey. This year's budget request is inconsistent with Academy recommendations for the Survey as a whole and for a number of specific Survey science programs. Can you provide a detailed explanation for this inconsistency?

Answer: The Administration certainly agrees with the findings of the National Academy of Sciences regarding the scientific merits of the programs administered by the U.S. Geological Survey. And although the Academy has recommended the continuation or enhancement of many USGS programs based on these merits, decisions to fund programs are made within the context of the overall fiscal constraints. Because of the constraints of funding limitations and high priority objectives, the Administration had to choose among many excellent and beneficial programs to fund the objectives that are most important. In the case of the USGS, the 2003 budget maintains funding for the highest priority programs through a strategy that includes reductions for certain one time increases and lower priority programs, and scaling back some 2002 increases not requested by the Administration, and an increased reliance on cost sharing by partners and beneficiaries of USGS programs.

12. Question: How many scientists and support personnel will have to be RIF'ed as a result of the significant funding reductions proposed in your budget?

Answer: The President's budget includes a reduction of 249 FTE at USGS in conjunction with its proposed budget for FY 2003. The USGS will minimize impacts to employees displaced by budget reductions and is not planning reductions in force. USGS will utilize various personnel mechanisms, including attrition, transfers to available vacancies, and early-out and buy-out opportunities.

13. Question: What is the level of uncontrollable costs for the Survey in fiscal year 2003? Please provide an analysis by activity and subactivity of funding uncontrollable costs at 100 percent?

Answer: The uncontrollable costs for each Activity and Subactivity, upon which the budget request was built, are shown in the following table.

Activity/Subactivity	Uncontrollables included in the FY 2003 Request	Total required to fully fund uncontrollables at the FY 2003 Request Level	Uncontrollables absorbed in the FY 2003 Request
Mapping, Remote Sensing, and Geographic Investigations			
Cooperative Topographic Mapping	657	1,439	782
Land Remote Sensing	108	237	129
Geographic Analysis and	135	296	161

Monitoring			
Geologic Resources, Hazards, and Processes			
Geologic Hazard Assessments	573	1,255	682
Geologic Landscape and Coastal Assessments	587	1,285	698
Geologic Resource Assessments	770	1,688	918
Water Resources Investigations			
Hydrologic Monitoring, Assessments, and Research	1,255	2,747	1,495
Cooperative Water Program	656	1,437	781
Water Resources Research Act Program	2	5	3
Biological Research			
Biological Research and Monitoring	1,441	3,159	1,718
Biological Information Management and Delivery	140	306	166
Cooperative Research Units	123	268	145
Science Support	1,217	2,031	814
Facilities	3,979	4,115	136
Total Geological Survey	11,643	20,268	8,625

14. Question: Homeland security is not a major component of the Survey, but the Survey can contribute to this effort. We understand that the national mapping program has been approached about the possibility of producing certain mapping products of the largest U.S. cities. Are there any funds in this year's budget to provide such products?

Answer: There are no funds in the FY 2003 Budget request to provide updated mapping and imagery information related to Homeland Security issues. However, the USGS continues to be the Nation's leader in development of the National Spatial Data Infrastructure (NSDI). The NSDI represents a coordinated effort across the Federal government to guarantee that standardized, up-to-date, high quality geospatial data is accessible at multiple levels to inform policy makers on a wide array of issues, one of which is Homeland Security. USGS's commitment to the vision of the NSDI is exemplified by its leadership role in the Geospatial One-Stop E-Gov Initiative.

15. Question: We also understand that there is a need to do basic water quality research into the development of methods for detecting toxic substances. These tools could become very important for protecting the Nation's water resources. Are there funds in the budget to initiate this effort?

Answer: Two partnerships for developing and testing such methods were initiated this year in the Toxic Substances Hydrology Program: one with Sandia National Laboratory and the other with the Long-Term Estuary Assessment Group. The FY 2003 budget transfers $10 million to the National Science Foundation, where the Division of Earth Science will administer a new water quality research program open to non-Federal scientists.

16. Question: Your budget request proposes a $6 million savings in management reform initiatives in fiscal year 2003. Where exactly will these savings be achieved?

Answer: In concert with the Department of the Interior, USGS is developing a strategy for implementing the five government-wide management initiatives contained in the President's Management Agenda, which include: strategic planning of human capital, competitive sourcing, financial management improvement, expanded electronic government, and budget and performance integration. The $6 million in savings from increased efficiencies stemming from management reform will be achieved by aggressively implementing the Administration's management reform and management restructuring agenda. The USGS is currently analyzing needs, workforce structure and USGS organization to develop plans and recommendations for management actions that will result in these cost savings.

17. Question: The subcommittee notes that other Interior bureaus are also proposing management savings in their 2003 budgets, but are not providing an exact dollar amount. How is it that the Survey was able to estimate the amount of management savings it would achieve?

Answer: The Survey is working with an aggressive planning target for its management initiatives in an effort to make reforms in its workforce planning, organizational restructuring, and development of new policies and business practices.

WATER PROGRAMS

18. Question: There is bipartisan support for the USGS streamgaging program. This Subcommittee has taken action over the past several years to ensure that high-priority streamgages are not eliminated, especially those that are part of the flood warning system. Your budget proposes a significant reduction to this program. What is the specific rationale for this reduction?

Answer: The rationale of the 2003 budget is to ensure continued emphasis on USGS science programs that support the Department's role in the National Energy Strategy, land management, wildlife refuges, and public lands. At the same time, the

budget continues funding to perform science functions that are inherent to the historical responsibilities of USGS. The 2003 USGS budget achieves these goals at the request level through a strategy that includes, in certain cases, scaling back recent base program funding increases that exceeded the President's budget request for these programs. For example, the 2003 budget retains $6.2 million of the $8.3 million base program increase received in 2001 for streamgages.

19. Question: The House report language for the Survey for fiscal year 2002 stated that the Department should base its program decisions for science programs on an informed process, typically using recommendations from the National Academy of Sciences. How do the decisions to downsize the National Water Quality Assessment Program and transfer of the Toxics program to National Science Foundation relate to Academy recommendations about these programs?

Answer: These reviews explored the quality and effectiveness of the programs. Recent reviews of both were quite favorable. The budgetary decisions were not based on any concerns over quality or effectiveness. Instead, in the case of NAWQA, the budget simply assumes that less then ten percent of the total NAWQA budget can be offset through cost-sharing from program partners and beneficiaries who derive significant benefit from the program. In the case of the Toxics program, the budget reflects the Administration's goals of realigning the Federal Government's investment in Research and Development to give greater support and emphasis to external, competitive research.

20. Question: Once again you are proposing to eliminate the toxic substances hydrology program. However, this program provides the scientific foundation for a number of the Department's highest priority efforts including Everglades restoration and the CALFED initiative to name just two. If this program were to be eliminated who would provide the science behind these and other initiatives?

Answer: The budget proposes to transfer Toxics Program funding to the NSF. USGS and NSF have developed a plan to provide for the orderly phase-out of the highest priority current studies and projects over a three to four year period. The joint USGS / NSF process for identifying which projects and studies to continue to a more natural completion has not yet been completed. When the Toxics Program funding for Everglades and CALFED is curtailed, if USGS Water Quality expertise is still needed to support those two efforts, the Department will pursue the necessary funding in full partnership with the State and Federal agencies who benefit from Everglades restoration and the CALFED initiative.

21. Question: How would Survey scientists be affected by elimination of the toxics program? Do you anticipate a RIF situation?

Answer: No, the USGS does not anticipate a reduction-in-force. The Toxic Substances Hydrology Program currently supports about 90 staff positions, mostly research scientists from GS-13 to ST status. USGS will make every effort to minimize the impact of the program's elimination on these scientists and their support staff. USGS

is reviewing staff-reduction options, such as not backfilling vacancies and offering early retirements.

22. Question: Once again there is a significant reduction to the National Water Quality Assessment Program (NAWQA). The National Research Council (NRC) believes that NAWQA has become the premier program for assessing the status and trends of the nations water quality. Based on this assessment why would you reduce funding for this program?

Answer: USGS conducts scientific investigations that primarily benefit other Federal agencies, States, and local governments. These entities rely extensively on USGS to provide information to help them fulfill their own mission-critical responsibilities. This is particularly the case with the NAWQA Program, which provides extensive data and information to State and Federal regulatory agencies such as the Environmental Protection Agency. The 2003 budget presents an opportunity for these environmental agencies to increase their partnership with USGS on this program. The Department and USGS will consult with the program's stakeholders in 2002 to develop increased reimbursable funding, so that the NAWQA program can continue in FY 2003 at the current scope and schedule.

23. Question: The NRC further stated "Scientists, policy makers, and legislators must recognize that identifying and truly understanding water quality status and trends is a long-term undertaking, requiring long-term support." With water related issues moving to the forefront of national concern don't you believe that we should be providing increased funding for this program?

Answer: The NAWQA Program primarily benefits other Federal agencies, States, and local government, it is therefore reasonable that these beneficiaries should contribute to the cost of the program.

24. Question: NAWQA was designed to have a certain number of rolling study units that would allow the Survey to provide national status and trends coverage. What is the level of resources that would be required to provide such coverage?

Answer: When the NAWQA Program reached full implementation in 1991, the program was planned to operate 60 study areas (later consolidated to 59) that would cover about 65 percent of the population served by municipal supply and irrigated agriculture. In 2000, NAWQA was redesigned to 42 study units by consolidating 4 study units with others, and eliminating the remaining 13 study units. Under a fully funded program, USGS would not separate the 4 combined study units, but would add back the 13 eliminated study areas to NAWQA. The current long-term average annual cost per study area is about $1 million; that annual average would apply to the eliminated study areas as well. In addition, 8 of the 13 areas have never been assessed by NAWQA and would require intensive effort to provide for on-time, cyclical integration within the NAWQA Program design. Further, restoring the full program operating level would also require full support costs for synthesis of study results and reporting on the additional

study areas. The program support and synthesis costs average about half of the study unit operating costs, so another $8 million would be needed to bring the program back up to full operation. In addition, the USGS facilities budget provides no funds for the rent and utilities at the National Water Quality Laboratory, a facility that is critical to the operations of NAWQA. The requirements for these facilities costs are $3.6 million in FY 2002. The total additional funds of $24.6 million annually for a total of $89.1 million (covering 13 added study units, plus expanded synthesis and reporting, laboratory facility costs, and the full complement of uncontrollable cost adjustments), would allow NAWQA to operate as originally designed.

25. Question: The National Research Council's Commission of Geosciences, Environment and Resources recently released a report on the future roles and missions of the U.S. Geological Survey. The report noted the Survey's research programs would benefit from increased interactions with industry and universities. The report cited the water resources research institutes as an example of how enhanced collaboration with researchers at academic institutions could help the Survey to accomplish its research goals. How does the Federal government benefit from the work of the water resources research institutes? How do State and local governments benefit?

Answer: The Federal government benefits from the work of the water resources research institutes in several ways, including research and educational efforts that assist in the design, implementation, and assessment of Federal laws and regulations; in more efficient or effective management of federal water projects; and in the training of future scientists and engineers.

The institutes support the training of scientists and engineers by involving more than 1,200 students annually in research and information transfer projects. These students help develop much of the talent needed by Federal agencies in the implementation of the many Federal laws and regulations pertaining to water resources management.

State and local governments benefit in that the institutes serve as a focal point at their land grant universities for water resources research in their States and are often the only sources of research expertise for State and local agencies. The institutes also provide extension or information transfer activities in support of water resources management.

26. Question: How do the institutes know what water issues are important to states? Is research competitively awarded? Please provide examples of how institutes have helped states address water quality and quantity needs.

Answer: The institutes' individual program priorities are set in consultation with their State advisory committees, as required by section 104(d) of the Water Resources Research Act. Therefore, their programs are designed to address State, local, and regional water problems.

The individual research projects funded by the institutes are selected through a competitive proposal solicitation, peer review, and selection process. Recent examples of

how institutes have helped States address water quality and quantity needs include the following:

- The Arizona Water Resources Research Center published a series of reports for Pima County that were incorporated into the County's Sonoran Desert Conservation Plan, the County's update of the Comprehensive Land Use Plan, and provided the background and justification for new water conservation ordinances in the County.
- A project sponsored by the California Water Resource Center developed analytical techniques capable of detecting hormones in natural waters receiving effluent from sewage treatment plants. Most drugs were detected in extremely low concentrations, but concentrations of estrogenic hormones comparable to those that cause feminization of male fish were found. The possible presence of these compounds is especially significant to populated arid regions of California where wastewater effluents are used as drinking water sources and to augment freshwater habitats.
- The Montana Water Center, working with the Montana Bureau of Mines and Geology, has developed a geographic information system (GIS) database for the potential coal-bed methane development area of the Powder River Basin of southeastern Montana. The GIS project is used as a base by government agencies, industry, and the public to predict long-term and short-term effects of coal-bed methane extraction on water availability and quality.
- The Idaho Water Resources Research Institute sponsored a project examining the relationship between water use and water depletion, using the Snake River as an example. The resulting model helps water managers and water users understand the relationship between aquifer pumping and recharge. State agencies are using the resulting response functions in aquifer management and are likely to modify State regulations as a result.

MAPPING

27. Question: Over the past several years the Congress has provided funds for high speed performance computing for the Gateway to the Earth initiative. This program is a cooperative effort to provide remote sensing information to other Federal agencies, State and local governments, and schools. Why would you eliminate funding for such a high-priority program?

Answer: The ability to routinely acquire, process, and deliver Landsat data to a State user community within 36 hours of their acquisition has now been demonstrated. The proposed decrease reflects the successful demonstration of this technology application.

28. Question: Your budget request proposed to reduce funds for improved Internet access while in other program areas these are some modest increases to improve access to Survey information and products. Can you explain this contradiction in your budget?

Answer: The funds provided in FY 2002 were utilized for improvements in Internet access to make USGS mapping information and products more readily available to users. The USGS will continue its work in this area but at a slower pace.

29. Question: The Geospatial Information One-Stop discussed in the information technology budget appears to be a good way to use Federal resources efficiently, but it's important not to interfere with the growing commercial data industry. Will the Survey ensure that the images and data it licenses from satellite imagery companies are only used consistent with those licenses.

Answer: Yes, USGS will ensure that licensed satellite imagery that it purchases from the commercial industry will be used consistent with the license terms and conditions.

30. Question: Mapping, remote sensing, and geographic investigation are important historical functions of the Survey. With the growth of a remote sensing industry that can provide high quality images of earth from commercial satellites, the Subcommittee is concerned that the Survey may put its traditional priorities ahead of a developing private sector industry. Can the Subcommittee be assured that the Survey will work with industry and, when it's appropriate, buy and use data consistent with agreed upon contractual terms?

Answer: The USGS is actively investigating opportunities for increasing its use of commercial imagery sources in its mapping and science programs. The USGS maintains continuous and close communication with private sector remote sensing providers to maintain a keen awareness of available commercial data products, licenses, costs, and capabilities that could be used to benefit USGS programs. Over the past year, the USGS Land Remote Sensing Program hosted at least six forums for interested commercial satellite imagery providers to present their technology and data products to USGS scientists. The USGS is regularly invited to visit vendors to be apprised of their activities.

In late March 2002, USGS will host the 2002 High Spatial Resolution Commercial Imagery Workshop. This national workshop will present the cooperative work of NASA, NIMA, USGS, and industry in validating the accuracy of emerging commercial satellite data. Substantiating product quality improves market acceptance for new products, which in turn stimulates new business opportunities for industry and improves the competitive position of the U.S. in space technology. The workshop will also showcase a range of image applications by government, the private sector, and academia. In addition, USGS continues to work with NASA Stennis in investigating commercial imagery utility for earth science research in land cover, forest resources, fire fuels assessment, and other applications in the national interest. Finally, USGS co-chairs

a Federal Geographic Data Committee task force that is building an imagery strategy to complement the NIMA commercial imagery strategy.

The USGS also supports the development of the private sector by encouraging private sector organizations to become USGS Business Partners in distributing and adding value to map and geospatial data products. The USGS has 64 Business Partners that distribute its digital satellite data. By participating in the Business Partner Program, businesses receive several benefits from USGS, including bulk purchase prices, priority order processing, customer referrals, links to Business Partner web pages from USGS pages, and dedicated USGS customer service points of contact. Data products from the Landsat satellites are newly available under the terms of the Business Partner Program. While some businesses consider their sales information proprietary, and therefore USGS lacks comprehensive statistics, our Business Partner sales alone indicate that the value-added market is strong and growing, and the Business Partner Program has been a key causal factor.

31. Question: The Survey is moving toward assuming more responsibility for the acquisition, management and distribution of geospatial information, including high resolution remote sensing information to be obtained from the private sector. What progress have you made in resolving the issue of licensing commercial data, which will be required to successfully work with the remote sensing industry?

Answer: The USGS is working with DOI bureaus, other Federal mapping organizations, and industry to identify areas of opportunity to use licensed data products in their programs while complying with Federal mandates to broadly disseminate information, in a cost effective manner, for the public good. The USGS co-sponsored a national conference on licensed data with the Management Association of Private Photogrammetric Surveyors (MAPPS) and continues to meet with MAPPS and industry executives to identify and work through issues that inhibit licensed data use. The USGS developed a licensed data policy that provides innovative ways to utilize licensed data in building public domain products and will likely revise that policy to reflect new approaches needed to build *The National Map* based on flexibility on the part of USGS and industry. Finally, a key barrier to the use of licensed data products is high cost, especially to obtain very broad distribution licenses often needed by Federal agencies and their partners. Cost emerged as a key issue in the recently published Congressional Research Service's "Assessment of Remote Sensing Data Use by Civilian Federal Agencies." The USGS is developing specifications for a proposed imagery procurement contract for commercial imagery. The contract would be available for use by USGS and the broader Federal civil community. It is anticipated that a consolidated procurement mechanism will provide more favorable pricing and broader distribution licenses than are offered commercially, and that the contract would facilitate purchases by those agencies who have requirements but no contractual vehicles in place to acquire the data. It is also anticipated that this vehicle will enable the civil community to identify opportunities to form cost effective data procurement partnerships in areas of common interest. The contract would expand access to imagery for national applications and therefore supports the development of the commercial imagery industry.

GEOLOGY

32. Question: Your budget request proposes a 23 percent reduction in the National Cooperative Geological Mapping program. Once again you are proposing to reduce an important program that is funded as a cooperative program with other Federal agencies, States, and university partners. Not only are projects competitively awarded under this program, but there is a cost share requirement. If the Administration places such a high premium on competitively awarded grants why would you propose to reduce this program?

Answer: The President's budget preserves a number of significant program increases received in recent years that provide science to support Interior land and resource management bureaus and other high priorities, including funding to enhance USGS support for the Administration's efforts to facilitate and stimulate domestic energy production. Because of these other priorities, the increase that Congress provided to the National Cooperative Geologic Mapping Program in 2002 is not being requested in 2003. The USGS continues to recognize the growing need for geologic mapping across the Nation, and agrees that cost-sharing competitive grants are a good mechanism to fund this work.

33. Question: The Department has proposed a number of energy related budget increases and related initiatives relative to the Administration's energy policy. The National Cooperative Geological Mapping program can and does play a major role in identifying potential energy sources. Was there any discussion about providing additional funds under this program of energy related activities? Are there energy proposals that could be funded if resources were made available?

Answer: The National Cooperative Geologic Mapping Program (NCGMP) does indeed play a significant role in a number of energy-related projects. Geologic maps and three-dimensional databases of the subsurface are a foundation for much geologic research including energy. There are a number of energy projects that NCGMP is working on and there are a number of State energy projects that could be proposed in the future. All of these projects will have to be evaluated in the context of the overall budget in the year that they are proposed.

BIOLOGY

34. Question: This is the second year in a row that the Administration has proposed a $2.8 million reduction to Survey's fire science program. Does this reflect an Administration view that wildfires issues are a low priority? If not, how can these cuts be justified?

Answer: Wildfire issues continue to be an extremely high priority to the Administration and throughout the country, especially on public lands in the West, as well as on all lands in highly populated areas of California and Florida. Although the FY 2003 President's budget proposes a reduction to USGS, the budget recommends that

funding for the USGS fire science program be sought from the Bureau of Land Management's Wildland Fire Management account.

35. Question: Is it the View of the Administration that the Survey's fire science research is not relevant to the implementation of the National Fire Plan?

Answer: No. The USGS fire science program is very helpful to the Department and to DOI bureaus implementing the National Fire Plan. In addition to the National Fire Plan, USGS fire science research also directly benefits fire and resource management in national parks, wildlife refuges, and other public lands. Continued funding of fire research through the Department's Wildland Fire Management account will ensure that Federal fire managers have access to science to support key decisions on the ground.

36. Question: We note that the Survey's fire science program is heavily involved in studying the role of fire in the spread of invasive species on public lands, which is outside of the scope of the Interagency Fire Science Program. Does this proposed reduction reflect an Administration view that the problem of invasive species is not a high-priority?

Answer: The Administration recognizes that invasive species is one of the major problems facing public land managers today. The frequency and intensity of fire occurrence on lands affected by invasive species and the use of fire to control invasive species is very important and largely unknown. USGS fire science research plays a lead role in addressing this problem in several different ecosystems. Support for this area of work will continue. Under the 2003 President's Budget, the USGS fire science research program will continue in 2003, but with the funding provided through the Department's Wildland Fire Management account.

37. Question: Your budget proposes a $500,000 reduction to amphibian research from the enacted level. Is there no longer a need to address the worldwide decline in amphibians? How would you allocate these funds if they were restored by the Subcommittee?

Answer: The proposed reduction to the Amphibian Research and Monitoring Initiative (ARMI) is $1,000,000, including $500,000 in biological research and $500,000 funded through the Water Resources Toxics Substances Hydrology program, which is proposed for transfer to the National Science Foundation in the FY 2003 budget. There continues to be a need to address the decline in amphibians, and the 2003 budget request includes $2.0 million to continue amphibian research and monitoring.

The $500,000 increase to the Biology ARMI program in FY 2002 was used to initiate research into causes of declines, emphasizing disease, habitat change, and non-native species, and to bolster long-term monitoring of amphibians. An interdisciplinary USGS research team is using existing databases and geographic information systems to study whether amphibian declines are associated with stressors such as climate, contaminants, and changes in land use. If ARMI funds are continued in FY 2003, they will be used to continue interdisciplinary research and other current research projects

yielding promising results. Current monitoring efforts continually generate new questions about causes of declines, and some research funding would be made available to address these new questions. ARMI funding would also be used to fund collection and analysis of water quality data from amphibian habitats, and collaborative research into causes of declines and factors that may act as stressors to amphibian populations.

38. Question: You are proposing to eliminate $748,000 for the third year of a five-year study on the effect of lead mining in the Mark Twain National Forest. Recently, the firm involved in mining activities on this forest requested a permit to drill a number of exploratory holes. Given the interest in continuing its mining operations, doesn't it make sense to finish this study? If not, what are the specific reasons for discontinuing this study, other than the Administration did not request any funds?

Answer: The 2003 budget ensures continued emphasis on USGS science programs that support the Department's role in the management of the Nation's lands and resources and the conservation of species. At the same time, the budget continues funding to perform science functions that are inherent to the historical responsibilities of the USGS. To date the study has addressed hydrologic conditions in the Big Spring, the hydrologic feature that is of the most value to the region.

Additional Questions
Mr. Skeen

U.S. Geological Survey – Water Resources Investigations
Water Resources Research Act Programs

1. Question: How are the priorities for the water resources research institutes established?

Answer: The institutes' individual program priorities are set in consultation with their State advisory committees, which are composed of representatives of State and local agencies and, in most cases, Federal agencies.

2. Question: What assurances are there that institute-sponsored research is contributing to the solution of the nation's water problems?

Answer: The institutes' individual program priorities are set in consultation with their State advisory committees, as required by section 104(d) of the Water Resources Research Act. Therefore, their programs are designed to address State, local, and regional water problems. In addition, section 104(e) of the Water Resources Research Act requires that USGS "conduct a careful and detailed evaluation of each institute at least once every 5 years to determine that the quality and relevance of its water resources research and its effectiveness as an institution for planning, conducting, and arranging for research warrants its continued support..."

3. Question: What is the level authorized by the Water Resources Research Act?

Answer: The Act authorizes a total appropriation of $14 million for FY 2003. Section 104(f) of the Act authorizes an appropriation of $10 million for the institutes. Section 104(g) of the Act authorizes an additional appropriation of $4 million for a national competitive grant program supporting research on water problems of a regional or interstate nature and which relate to specific priorities identified jointly by USGS and the institutes.

4. Question: Please describe some of the accomplishments of this program?

Answer: The following are selected accomplishments for this program.

- **A project sponsored by the Water Center of the Environmental Resources Research Institute at The Pennsylvania State University demonstrated that more efficient removal of iron from streams affected by acid mine drainage can be obtained using a alternative treatment system. The alternative system provided a higher rate of iron**

oxidation, and the resulting sludge had a higher density and purity that promoted ease of handling and reuse.

- The Water and Environmental Research Center at the University of Alaska - Fairbanks sponsored a project to improve design criteria for the passage of salmon through culverts. The project has resulted in design changes that the Alaska Department of Transportation and Public Facilities estimates will save $10 million annually in culvert construction costs.
- The Arizona Water Resources Research Center published a series of reports for Pima County that were incorporated into the County's Sonoran Desert Conservation Plan, the County's update of the Comprehensive Land Use Plan, and provided the background and justification for new water conservation ordinances in the County.
- A project sponsored by the California Water Resource Center developed analytical techniques capable of detecting hormones in natural waters receiving effluent from sewage treatment plants. Most drugs were detected in extremely low concentrations, but concentrations of estrogenic hormones comparable to those that cause feminization of male fish were found. The possible presence of these compounds is especially significant to populated arid regions of California where wastewater effluents are used as drinking water sources and to augment freshwater habitats.
- The Idaho Water Resources Research Institute sponsored a project examining the relationship between water use and water depletion, using the Snake River as an example. The resulting model helps water managers and water users understand the relationship between aquifer pumping and recharge. State agencies are using the resulting response functions in aquifer management and are likely to modify State regulations as a result.

5. Question: Do you know if many of these institutes will continue to provide the research and service they currently provide without federal support?

Answer: The 2003 President's Budget proposes to discontinue USGS funding support for the Water Resource Research Institutes program, not all Federal funding. Since States and other Federal agencies provide the preponderance of the funding for the Institutes, significant funding is available to continue operations.

Additional Questions
Representative Jim Moran

1. *I believe the most vital component of good government programs is the people that manage them. In recent years, there has been strong call for federal agencies to employ "sound science" before crafting new regulations and policies. Well, in this light, I am troubled to learn that the proposed budget for the USGS will force the federal government's only earth science and biological agency to retreat from its present prominence in research and scientific inquiry.*

1a Question: Assuming your proposed budget can't be increased, should Congress be more flexible in what programs to cut and what programs to restore? What are some possible options?

Answer:. The budget proposal addresses the Administration's and USGS' highest priorities at the request level. The 2003 budget ensures continued emphasis on USGS science programs that support the Department's role in the management of America's lands and resources and the conservation of species. At the same time, the budget continues funding to perform science functions that are inherent to the historical responsibilities of the USGS. The 2003 USGS budget achieves these goals at the request level through a strategy that includes reductions for certain lower priority programs, and also by scaling back some base programs that received significant funding increases in recent years.

1b Question: Secretary Norton stated that the 249 positions that will need to be eliminated as a result of this budget can be handled through attrition. Is that your assessment?

Answer: USGS is not planning reductions in force. To the fullest extent possible, the job reductions will be accomplished through all other available FTE reduction mechanisms, such as attrition, transfers to available vacancies, and greater early-out and buy-out opportunities.

1c Question: Some within the Department claim that the USGS programs targeted for reduction will be assumed by other federal agencies. Could you provide me with examples elsewhere in the administration's budget where other federal agencies assume the cost of these programs?

Answer: The transfer of $10 million in Toxics funding to NSF reflects a broader Administration goal of aligning the Federal Government's investment in research and development to give greater support and emphasis to competitive, short-term research. The budget also includes a $5.8 million reduction to the National Water Quality Assessment Program and assumes that this amount can be offset through cost sharing from program partners and beneficiaries, primarily EPA. Additionally, funding for ongoing USGS fire ecology and biological fire science activities that support local and

regionally important science and technology needs of DOI bureaus are proposed to be provided through the Department's Wildland Fire Management account ($2.8 million).

2. In recent years water, both its quality and quantity, have emerged as national issues. In the USGS budget, you have proposed significant cuts in two important USGS water research programs: $22 million reduction ($135.5 million to $113 million) in the Hydrologic Monitoring, Assessments and Research program and no funds in the Water Resources Research Act program. It was funded at $6 million in '02.

2a Question: What is the rationale for these funding cuts?

Answer: The 2003 budget ensures continued emphasis on USGS science programs that support the Department's role in the national energy strategy, land management, wildlife refuges, and public lands. At the same time, the budget continues funding to perform science functions that are inherent to the historical responsibilities of USGS. The 2003 USGS budget achieves these goals at the request level through a strategy that includes reductions for certain lower priority programs, and also by scaling back some recent base programs that received significant funding inceases in recent years.

In the Water programs, for example, the 2003 budget retains $6.2 million of the $8.3 million base program increase received in 2001 for streamgages. The 2003 budget strategy also assumes an increased reliance on cost sharing by USGS partners and beneficiaries of USGS programs. The proposed decrease for the National Water-Quality Assessment Program assumes that the decrease in appropriations can be offset with funds provided by external customers and stakeholders that will maintain the current scope and schedule of the program. The overall reduction in USGS water resources funding also reflects the transfer of the Toxic Substances Hydrology Program to the National Science Foundation (-$10 million). In the case of the Water Resources Research Act Program, the State Water Research Institutes who receive grant funds through this program have been highly successful in leveraging their USGS grants with other Federal and non-Federal funding. It is anticipated that most of the 54 institutes will be able to continue their work, using other funding sources.

2b Question: Last year the committee provided additional funding to restore lost and upgrade existing stream gages. How will your proposed reductions affect these stream gages particularly those that are a part of the national flood warning network or a water quality program in response to homeland security concerns?

Answer: With the additional funding for the streamgaging network in FY 2000 and 2001, USGS added 37 new streamgages to the network, reactivated 73 streamgages that at one time were operational but had been inactive, and upgraded equipment at 127 streamgages to provide real-time telemetry. The funding decrease proposed in the FY 2003 budget would halt operations at 129 existing streamgages, unless Federal or non-Federal partners can provide additional program support to keep these streamgages operational. Of these 129 streamgages, 42 were newly installed or reactivated using the funding increases for the streamgaging program received in FY 2000 or 2001. The

National Weather Service uses 90 of the 129 streamgages that would be discontinued to provide flood forecasts.

The budget does not include funds for developing tools and methods to detect toxic substances in water, in response to homeland security concerns.

The Honorable Ralph Regula
Subcommittee on Interior Appropriations
U.S. Geological Survey FY 2003 Appropriations Hearing
March 7, 2002

1. Question: One project that I was intimately involved with while I chaired this Subcommittee was the restoration of the Everglades. There are a number of partners involved with this massive undertaking including the State of Florida, the National Park Service, the Army Corps and the Survey. Please explain how you see the Survey's role in this important project and describe your collaborative partnership with the National Park Service.

Answer: The Water Resources Development Act of 2000 authorized the U.S. Army of Corps of Engineers to develop and implement the Comprehensive Everglades Restoration Plan (CERP), a 30+ year effort with an estimated cost of approximately $8 billion. The CERP Plan is to be based on science, which the USGS has been providing since the early 1990's in collaboration with the Corps, DOI bureaus, and the State. The primary role of the USGS is to conduct science and disseminate information. Studies based on the disciplines of biology, water, geology, and mapping provide land and resource managers with a holistic approach to the restoration of the Everglades. The USGS collects, maintains, and disseminates information through the South Florida Information Access (SOFIA) web site (http://sofia.usgs.gov/) and develops decision support tools to aid in analysis and adaptive assessment options. USGS also has a role in working with its partners to foster communication and interagency coordination and to develop and implement an integrated science plan to ensure that the science provided by USGS addresses the restoration issues that managers face.

The USGS has engaged in collaborative partnerships with all of the bureaus and agencies that are working on the Everglades restoration. The collaborative partnership with the National Park Service (NPS) has been guided in large part by the Critical Ecosystem Studies Initiative (CESI), an initiative funded by NPS since 1996. Under CESI, NPS has funded USGS to conduct science specific to NPS needs in the Everglades, such as adaptive assessments and baseline research and monitoring. In FY 2003, the Department of the Interior proposes to integrate ongoing science, planning and interagency coordination efforts for the restoration of the Everglades by requesting that the funding for CESI be appropriated to USGS to supplement the $8.1 million in USGS base research activities. An integrated program of $12 million will facilitate leveraging of resources, maximize the value of Federal research funds, and ensure that the best available research products and monitoring and assessment tools are developed to meet the needs of the National Park Service and the Fish and Wildlife Service. As part of this streamlining, the USGS and NPS, along with the DOI Office of the Secretary and U.S. Fish and Wildlife, have developed a Memorandum of Understanding on integration of research, planning and interagency coordination supporting Everglades restoration activities.

2. Question: Your budget assumes $6 million dollars in savings through management reforms. What reforms do you plan on instituting and how did you develop this plan? Are there any costs associated with these reforms?

Answer: In concert with the Department of the Interior, USGS is developing a strategy for implementing the five government-wide management initiatives contained in the President's Management Agenda, which include: strategic planning of human capital, competitive sourcing, financial management improvement, expanded electronic government, and budget and performance integration. The USGS is still in the process of analyzing workforce skills, developing workforce plans, developing recommendations for policies and business practices for workforce development, and conducting workforce and structural / organizational analysis to identify specific actions that will result in increased efficiencies and $6 million in savings.

3. Question: Within the proposed budget, how much of your fixed costs are you expected to absorb?

Answer: FY 2003 uncontrollable cost increases for the USGS total $20.3 million. Of this amount, $11.6 million is budgeted (includes adjustments for items such as a portion of the January 2002 and 2003 pay raises, Workers Compensation charges, Unemployment Compensation charges, GSA and non-GSA leased space costs, and Department Working Capital Fund Charges). The remaining $8.6 million in uncontrollable cost increases (the remainder of the January 2003 pay raise) is being absorbed.

4. Question: What are the costs associated with transferring the Toxics program to the NSF?

Answer: The following table is a first estimate of how program expenditures would be distributed among four functions (described below) during the transition period. These are only rough estimates that would need to be refined substantially before the start of FY 2003 and beyond as specific decisions are made. Starting in FY 2003, all funding would reside in the NSF budget, and a portion of that funding would be transferred back to USGS each year during the 3-year transition period to cover costs related to completion of those current projects which NSF and USGS have jointly selected to continue to their scheduled conclusion, and site shutdown.

Annual expenditures in $ millions

Activity	2002	2003	2004	2005	2006
Completion of selected current USGS investigations	14	7	3	0	0
USGS RIF costs	0	1	1	1	0
Site shut-down	0	0	0	3	0
NSF-funded research	0	2	6	6	10
Program Total	14	10	10	10	10

Because the USGS Toxics Program involves a number of long-term projects, many of which have strong interdependencies with other institutions, care would be taken to minimize disruption of these activities during the transition. During the 3-year transition, funds would be allocated to four specific functions:

- USGS Investigations - Continuation of ongoing USGS investigations within the Toxics Program, where it is viewed as critical that they not be brought to an abrupt halt and to assure fulfillment of contractual obligations to other agencies for supplemental work they have funded in conjunction with the Toxics Program.
- RIF Costs - Payment of Reduction In Force. Contingency funds to cover the costs of potential RIFs are provided for the USGS-NSF transition plan. However, as previously explained, USGS is not planning reductions in force, and instead will manage personnel displacement through transfers to available vacancies and early retirement incentives, such as early out and buy out opportunities.
- Site Shut-Down - Decommissioning activities at USGS Toxics Program research sites not covered by new NSF-sponsored consortia. Many of these research sites have a large number of wells, caissons, and sampling equipment installed in the ground. If research is terminated at a site, the site's infrastructure must be filled in or removed for safety reasons. Termination of large-scale measurement networks also would require archival documentation to preserve the value of information gathered.
- NSF-Funded Research - Initiation of new NSF-funded research under a new study area within NSF's Hydrologic Sciences Program, focused on general water quality science at the interface of natural and human systems. The scientific and educational community funded by this competitive grant program would be expected to work in close collaboration with numerous State and local governments, and non-governmental entities. Scientists and educators with a broad range of expertise in hydrology, ecology, geology, geochemistry, biology, and information technology would participate in these activities.

5. Question: How does EROS back-up its information? Is EROS developing a secondary site and capability like that which is used by our financial markets?

Answer: Currently all new data collections (accruing at about 1 terabyte per day) have an onsite back-up copy created each day on-site. USGS is conducting a cost feasibility study for establishing an offsite duplicative archive (mirror site) for all the archive records.

6. Question: Have additional funds been requested to ensure that the information stored at the archives is adequately protected?

Answer: No. Additional funds have not been requested in the FY 2003 budget for archival/storage infrastructure upgrades at EDC.

Additional Questions
Representative Norman Dicks

1. Question: Your budget includes large reductions in high quality programs, in particular the water programs, which seem to run counter to numerous National Academy reviews which have been exceptionally positive. What was the analytic evidence used to assess USGS programs and support your funding reduction requests?

Answer: The Administration agrees with the findings of the National Academy of Sciences regarding the scientific merits of the programs administered by the U.S. Geological Survey. And although the Academy has recommended the continuation or enhancement of many USGS programs based on these merits, decisions to fund programs are made within the context of the overall fiscal constraints. Because of the constraints of funding limitations and high priority objectives, the Administration had to choose among many excellent and beneficial programs to fund the objectives that are most important. In the case of the USGS, the 2003 budget maintains funding for the highest priority programs through a strategy that includes reductions for certain one time increases and lower priority programs, and scaling back some 2002 increases not requested by the Administration, and an increased reliance on cost sharing by partners and beneficiaries of USGS programs.

2. Question: A lot of the proposed reductions are justified as an attempt by the Administration to get other people to pay for USGS science. Do you believe that it is reasonable to expect such a large increase in outside funding?

Answer: Many USGS programs benefit other Federal agencies or State agencies. The Department does believe that it is reasonable for other Federal agencies, states and local governments to contribute to the costs of programs for which they are the primary beneficiaries.

3. Question: The budget proposes a $6 million dollar savings as the result of "organizational restructuring and workforce balancing". Can you explain where these dollars will come from?

Answer: In concert with the Department of the Interior, USGS is developing a strategy for implementing the five government-wide management initiatives contained in the President's Management Agenda, which include: strategic planning of human capital, competitive sourcing, financial management improvement, expanded electronic government, and budget and performance integration. The $6 million in savings from increased efficiencies stemming from management reform will be achieved by aggressively implementing the Administration's management reform and management restructuring agenda. The USGS is currently analyzing needs, workforce structure and USGS

organization to develop plans and recommendations for management actions that will result in these cost savings.

4. Question: I'm sure you're familiar with a lot of the attention that has been focused on the Department's endangered species science. I am talking specifically about the Canada Lynx situation and the recent National Academy review of the Klamath decision. Can you explain the role of the USGS in supporting Interior's endangered species responsibilities?

Answer: The USGS is a science agency and has no regulatory role in the Endangered Species Act. However, USGS contributions to the science used in decisionmaking by Interior bureaus are many, both direct and indirect. Regarding the listing process, USGS products are a major source of information for the U.S. Fish and Wildlife Service (FWS). In many cases, USGS data is "the best available data" about the habitats of species considered for listing, which is required under the Act for listing. Furthermore, USGS produces information on the life histories and habitat needs of individual species that is a resource for FWS in considering listing or delisting of species under consideration. Frequently, USGS scientists, particularly biologists, are invited to participate in recovery teams. However, as a general rule, they do not chair any of the recovery teams; they simply provide expertise and information.

Finally, regarding the two controversial issues mentioned in the question, USGS researchers were not involved in providing direct support to either of those recent cases. In the case of the Klamath Basin, USGS data was used in the development of the biological opinion regarding lake levels, but USGS scientists did not interpret it.

5. Question: Is there more that the USGS can be doing in terms of providing scientific expertise on endangered species issues?

Answer: The Geological Survey currently conducts a wide scope of research and monitoring activities which contributes to decisions regarding environmental and natural resource issues. Yes, the USGS has the expertise to do additional research to provide needed information in these areas, and will do such research as planned and budgeted for in the 2003 President's Budget.

6. Question: We have heard a lot about this Administration's support for domestic energy production and their Energy Plan. What role does the USGS play in this effort?

Answer: The USGS conducts assessments the Nation's and the World's oil, natural gas, and coal resources and the environmental and economic impacts of their development.

The USGS is working to fulfill the recommendations listed in the President's National Energy Policy, published in May, 2001. First, USGS is continuing to conduct investigations of the geologic, hydrologic, and climatic nature of the Yucca Mountain (Nevada) site and surrounding areas that are relevant to the ability of the site to contain and isolate nuclear waste, and will publish those results in a timely manner. In addition, the USGS has just

completed a petroleum resource assessment of the National Petroleum Reserve-Alaska and will release the results May 16, 2002. Third, the USGS is working with the Bureau of Land Management (BLM), the U. S. Forest Service (USFS), and the Department of Energy (DOE) to develop a scientific inventory of energy resources on Federal lands. The basins studied initially (in FY 2001) are the Uinta-Piceance Basin, Colorado and Utah; the Montana Thrust Belt, Montana; the Powder River Basin of Wyoming and Montana, the Ferron-Wasatch area of Utah, and the Paradox-San Juan Basins, New Mexico, Utah, and Colorado. The results of these assessments will be released in FY 2002. The BLM and USDA-FS will inventory restrictions on oil and gas development, and DOE will provide reserve information for these five areas.

The increase of $1,200,000 in the President's budget request would enable the USGS to expand its estimation and allocation of volumes of undiscovered oil and gas resources on Federal lands beyond the initial five study areas in the Rocky Mountains. The USGS would continue its consultation and collaboration with the BLM, USFS, and DOE to prioritize areas selected for the next round of evaluation.

7. **Question: It seems that the other DOI Bureaus are beginning to ramp up some of the science work they are doing. I know there have been discussions in the past about using the USGS as the sole science provider to DOI Bureaus versus having a science capability in other places. Where do we stand on this issue? How can we ensure that other DOI Bureaus won't begin to duplicate USGS efforts?**

Answer: The U.S. Geological Survey is the lead bureau responsible for the development of an integrated science approach that will address the research, monitoring, assessment and coordination needs of all the bureaus within the Department. These needs are considered through a collaborative process, involving all parties concerned, but giving USGS the predominant role in all science initiatives and concerns.

The USGS will continue to consult and collaborate with the land and resource management bureaus at the regional and headquarters levels to identify and prioritize the bureau's most pressing science needs and to ensure that USGS is responsive to these needs. This process will foster interagency cooperation in areas of common geographical interest.

Additional Questions
Representative Maurice Hinchey
New York City Watershed

In the past USGS has proposed funding to help investigate issues of concern to the NYC watershed, such as: investigating the effects of forest-harvesting techniques on nitrogen cycling in the Neversink watershed, and examining the effects of suburban development on the chemical quality of ground water that discharges to local streams in the Croton River watershed.

1. Question: What is USGS currently doing, and are there any new proposals for the NYC watershed lands?

Answer: USGS is conducting a number of projects that are investigating issues of concern in the New York City watersheds. The projects are being conducted in cooperation with the New York City Department of Environmental Protection (DEP) and the New York State Department of Environmental Conservation (DEC) as part of the USGS Cooperative Water (Coop) Program. Several of these projects have been ongoing for several years. For example, USGS operates a water-quality network in cooperation with the DEP for the purpose of providing streamflow and water-quality data for selected streams within the New York City watersheds. Several other projects are investigating the occurrence of pesticides-herbicides in the City watersheds. One of these is focusing on the Croton Reservoir System to determine the effects, if any, of pesticide-herbicide residues on the resident populations of stream algae and invertebrates. Another project is monitoring occurrence and trends in pesticide-herbicide concentrations at key outflow and inflow points in the New York City reservoir system.

In 2002, USGS began a new, 4-year project to assess forest health and soil nutrient status and to use this information to determine how forestry management practices affect water quality in the New York City watersheds west of the Hudson River. This research builds on a previous USGS study that investigated the effects of forest harvesting on water-quality in the Neversink watershed. The new project is a comprehensive investigation being conducted by a consortium of scientists led by USGS. It includes investigators from the Institute of Ecosystem Studies and SUNY College of Environmental Science and Forestry. The USGS-led project is being conducted in collaboration with U.S. Forest Service research that is underway in the watersheds.

USGS recently began discussions with the DEC on the possibility of a new project to investigate organic wastewater contaminants, such as pharmaceuticals and hormones, in the New York City watersheds.

2. Question: How is this budget request going to assist communities in dealing with issues related to urban/smart growth, and protecting natural resources?

Answer: In FY 2003, USGS plans to continue projects currently underway with the New York City Department of Environmental Protection (DEP) and the New York State Department of Environmental Conservation (DEC) as part of the Cooperative Water Program. These projects include operation of a monitoring network that provides streamflow and water-quality data for selected streams within the New York City watersheds; monitoring the occurrence of pesticides-herbicides in the City watersheds, including in the New York City reservoir system; and a study of forest health and soil nutrient status to help determine how forestry management practices affect water quality in the New York City watersheds west of the Hudson river. Results from all of these efforts

contribute to the knowledge base that local planners can use in making decisions about development, to implement urban/smart growth practices while protecting natural resources.

Everglades Science

3. **Question: USGS has several ongoing scientific research and monitoring projects in the Everglades and South Florida. How will the proposed cuts of $6 million to the National Water-Quality Assessment Program and $14 million to the Toxic Substances Hydrology Program -- affect the ongoing USGS studies regarding the sheet flow of water across the Everglades, the abnormally high levels of mercury in the Everglades food web, the complex interaction of groundwater and surface water in South Florida, and how the Everglades ecosystem is being altered by high levels of phosphorous, pesticides, and other contaminants?**

Answer: The National Water-Quality Assessment Program does not fund any studies directly related to the Everglades restoration effort; however, NAWQA is conducting work in the South Florida Drainages study unit. It is not yet known which NAWQA study units may be adversely affected by the proposed cost sharing that is to begin in FY 2003. The decisions to contribute to the costs of the programs will be made individually by those that primarily benefit from the information derived from the NAWQA programs. The Toxic Substances Hydrology Program currently funds about $1 million of USGS research in the Everglades. These studies are focused on aquatic cycling of mercury, ground-water/surface-water interactions as related to water quality, and development of a surface-water flow model that incorporates the effects of resistance caused by Everglades vegetation. The USGS and the National Science Foundation are in the process of determining which studies will be continued after the transfer of the program.

Climate Change

4. Question: What efforts has USGS been undertaking in the past and what have we learned, and how does this budget show the Administration's commitment to addressing this issue?

Answer: Research at USGS contributes directly to the U.S. Global Change Research Program's intellectual framework of a whole-system understanding of global change (i.e., the interrelationships among climate, ecological systems, and human behavior). USGS examines terrestrial and marine processes and the natural history of global change, including the interactions between climate and the hydrologic system. Studies seek to understand the character of past and present environments and the geological, biological, hydrological, and geochemical processes involved in environmental change. USGS supports a broad area of global change research, with a focus on understanding the sensitivity of natural systems and impacts of climate change and variability, surficial processes, and other global change phenomena on the Nation's lands and environments at the regional scale. Specific goals of the program are: to improve the utility of global change research results to land management agencies; to emphasize monitoring the landscape and developing technical approaches to identifying and analyzing changes that will take advantage of a burgeoning archive of data; and to emphasize the response of biogeographic regions and features.

USGS research in hydroclimatology monitors trends in the accumulation and dissipation of snow and ice stored in selected U.S. benchmark glaciers; investigates the relations between climatic conditions and regional hydrologic variability, including long-term patterns and trends in hydrologic extremes; and develops improved procedures for simulating hydrologic processes and conditions in global climate models. Biogeochemical cycling research is developing an understanding of the interactive influence of climate and ecosystems on carbon cycling by understanding the exchanges of water, energy, and nutrients between the atmosphere and land surface. Research in Alaska is developing an understanding of boreal soil carbon dynamics and the historic and modern interactions among climate, surface temperature and moisture, fire, and carbon sequestration. Land cover trends research is developing an understanding of rates, patterns, and impacts of landscape changes in North America and their consequences for carbon stocks. Vegetation change research is developing a detailed history of vegetation change and models of possible future changes in North America to better understand future carbon stocks. USGS climate change research also provides the scientific knowledge and technologies for conservation, rehabilitation, and management of ecosystems needed by public land management agencies. Data sets resulting from USGS land-surface characterization are used to characterize and map the Earth's surface, model land surface processes, detect changes over time, project the response of the land surface to changes in climate and other environmental influences, and investigate the impact of land cover changes on the environment. Finally, USGS operates and continually enhances the capabilities of the EROS Data Center to serve as the National Satellite Land Remote Sensing Data Archive, by maintaining existing datasets, adding new ones, and converting older data sets from deteriorating media to modern, stable media. This archive supports all research components that investigate the land surface and the ecosystems it supports.

The FY 2003 President's budget demonstrates the Administration's commitment to climate global change research by maintaining funding for USGS research in these areas.

5. Question: Are there any new initiatives or increased levels of resources being devoted to climate change research?

Answer: The FY 2003 budget continues funding for USGS Climate Change research at the FY 2002 level.

INTERIOR APPROPRIATIONS SUBCOMMITTEE
QUESTIONS FOR THE RECORD
FISCAL YEAR 2003
BUREAU OF LAND MANAGEMENT

General

1. It appears that BLM resource programs such as land resources, wildlife and fisheries, cultural, threatened and endangered species, and recreation management are receiving funding cuts while planning and energy-related programs are receiving funding increases. The BLM is a multiple-use agency, so why is the funding for these conservation-oriented programs being reduced? What activities will no longer be accomplished?

   Answer: The BLM renewable resource programs are not sustaining funding reductions at the expense of other programs. As a proposed budget structure change, approximately $9 million from renewable resource type programs has been shifted to a new challenge cost share activity. These funds will continue to be directly applied to the BLM's highly successful challenge cost share program to address fisheries, wildlife, threatened and endangered species, cultural, and recreation resources. An additional $10 million is also being requested in this new activity under the Cooperative Conservation Initiative (CCI) to provide new funds to achieve restoration of natural resources and to benefit wildlife habitat. These new funds will provide additional conservation capability through competitively awarded conservation challenge grants.

   BLM's 2003 budget also requests an additional $1 million for habitat conservation plans, $2 million for management of National Landscape Conservation System units, and $1 million to advance science in land management. These requested increases, when included with the additional funds requested for the CCI, comprise a $14 million requested increase for conservation of resources compared to the $10.2 million requested for energy development.

   Additionally, some of the $10.2 million increase requested for energy development supports BLM's ability to comply with these other multiple use mandates. Increased energy and minerals development will require increased support to ensure compliance with the Endangered Species Act, Section 106 of the National Historic Preservation Act, and the National Environmental Policy Act. Part of the requested funding will be used to support field surveys and reports for those lands expected to be explored or developed, for Section 106 consultations with State Historic Preservation Officers, for conferencing or Section 7 consultation requirements with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service, and for preparation of required NEPA documents.

Furthermore, it should also be noted that updated land use plans are critical to BLM's ability to effectively and efficiently comply with its multiple use mandates and protect natural resources. The 2003 budget proposes an increase of $14 million to expedite the completion or amendment of land use plans to guide the management of all resources.

2. Has the Bureau increased its law enforcement responsibilities as a result of September 11th events and, if so, how have you accomplished new homeland security responsibilities while maintaining regular enforcement activities?

Answer: The Bureau has increased its homeland security responsibilities through a shift in emphasis within BLM's broad portfolio of law enforcement and resource protection activities. These increased responsibilities have included providing personnel to serve as air marshals for the FAA, security duty at the Main and South Interior Building, actions related to critical infrastructure protection, security assistance for Bureau of Reclamation dams, and increased border patrol/first responder duties. Homeland security has always been a duty performed by Bureau law enforcement officers. Prior to September 11, this work was performed on a secondary basis to other law enforcement and investigative activities. Since September 11, the Bureau has intensified protection of critical infrastructures, the national borders, government facilities, employees, and visitors.

3. What is the Bureau doing to guarantee the safety of the country's physical infrastructure, such as energy-producing facilities and water supplies?

Answer: A large portion of the nation's critical infrastructure in the west is located on lands administered by the BLM. These facilities include transportation, electric power (Western Area Power Substation at Waterflow, NM), oil & gas production-distribution facilities (Trans Alaska Pipeline/El Paso Natural Gas Distribution Control Center), and water supply systems (Central Arizona Project). The BLM is working with the Department of the Interior, Office of Homeland Security, and the FBI to identify, perform assessments, and initiate protection plans for these critical facilities. The BLM has already identified 17 critical infrastructure choke points, and 306 other potentially critical assets.

In order to meet these needs, the Bureau's law enforcement officers have been asked to prioritize the protection of the country's physical infrastructure that is located on public lands. To meet these new priorities, patrols have been increased as well as the investigation actions of all incidents or situations that involve components of our nation's Critical Infrastructure Protection (CIP) facilities. The Bureau has prepared several instruction memoranda to provide guidance to all employees on how to assist our law enforcement officers in protecting infrastructures located on public lands. The Bureau has initiated discussions with local law enforcement agencies on how we can work together to better protect infrastructure needs through cooperative law enforcement agreements. The BLM is developing coordinated CIP security plans with the private entities responsible for the CIP facilities. In most situations, the BLM law

enforcement officers or resident county deputy sheriffs will be the most efficient method of providing security at these facilities due to their remoteness.

4. How are you coordinating homeland security issues with other Federal, State, and local agencies?

   Answer: The National Law Enforcement Office (NLEO) has hired one full-time employee and shifted priorities for several existing employees to work on coordination of homeland security with other Federal, State, and local agencies. The NLEO staff will also be working on the inventory of infrastructure and facilities located on public lands, and initiate threat and vulnerability assessments. This work will be coordinated with the Federal Bureau of Investigation, Office of Homeland Security, Department of the Interior, and the various State and local law enforcement agencies dealing with this issue. Members of the NLEO recently attended training at the Federal Law Enforcement Training Center to get an overview of what is being done in protecting critical infrastructures by all the Federal agencies and their contractors.

Cooperative Conservation Initiative

5. The Bureau is requesting an additional $10 million to establish a cooperative conservation initiative. This initiative appears to be a duplication of the Bureau's existing challenge cost share program. What are the differences between these programs?

   Answer: The purpose of the Cooperative Conservation Initiative is similar to the CCS program, but solely focuses on restoration of natural resources and/or the conservation, establishment, or improvement of habitat for wildlife. Where applicable, the program will reflect efforts to resolve conflicts through incentives and cooperation to achieve intended conservation goals. The CCI is also expected to further diversify the partners that will participate in the program and provide more emphasis on project performance and outcomes.

6. What criteria will be established for project selection for the cooperative conservation initiative?

   Answer: The criteria developed to date follow:

   Ranking Criteria: The CCI ranking criteria will be more specifically developed jointly among the three bureaus of BLM, FWS and NPS so that the program would be ready to proceed in October 2002, with approval of the Congress. Examples of types of criteria that will be considered include enhancement or protection of wildlife; restoration of streams and riparian areas; number of partners and degree of involvement, financial and otherwise; and size of match.

   Applicants will have to have partners—States, local governments, Tribes, non-governmental organizations, the private sector, and/or private individuals—for the receipt of any funds. In addition, coalitions of partners are encouraged.

Projects will be nominated through the bureaus' field units for the CCI operating account funds.

•Selection Criteria: Eligible projects/programs could be either new or expansion projects in accordance with the purposes stated above. New projects could be a demonstration project, a pilot, or replication of a project succeeding elsewhere. For expansion of existing projects, CCI funds can only be used for the new and expanded portion.

- •Projects will be selected competitively based on the benefits derived from the project. Bureaus will look for innovative ideas from partners and joint federal/partners decision-making mechanisms will be reflected in approved applications for funds.

- •Applications will 1) identify stakeholder involvement in the application and 2) be required to identify benefits to be achieved as well as timelines for accomplishing clearly defined goals.

•Selection Process: The Directors of BLM, FWS, and NPS each will make final decisions on competitive applications for funds, with final review by the Secretary for the CCI operating accounts. However, project ideas are intended to be generated in the field rather than by Washington headquarters.

•Duration of Projects: The length of projects will receive no commitment beyond one year for the operating accounts but opportunities for renewal will exist.

•Administrative Costs: Bureau administrative/overhead costs will be no more than two percent of the total for the operating account programs.

•Mechanisms for Fund Transfer: Cooperative agreements, contracts, and memoranda of understanding will be used for the operating account CCI programs.

•Reporting Requirements/Accountability: Recipients of the CCI operating account projects will be required to quarterly report program progress and financial status. The Directors of the BLM, FWS, and NPS or their designees will meet quarterly with the Department to discuss progress of the program.

7. Will the BLM consider projects on non-Federal land? If so, under what conditions and how will you determine the appropriate balance between investments on public vs. private lands?

Answer: The BLM will consider projects on non-Federal land under the authority of the Wyden Amendment (Section 124 of PL 104-208 as amended by Section 136 of PL 105-277). Any expenditures on private land must have a clear benefit to biological resources on public land administered by BLM. The BLM will review and select projects, whether on Federal or non-Federal lands, based on the merits of the proposals and the resource benefits to BLM-managed land.

8. In your existing challenge cost share programs, what success have you had in receiving partner contributions?

   Answer: The Bureau's CCS program has been very successful in receiving partner contributions. The number of partners that participate in public land management is growing each year. The BLM list of national-level resource conservation partnerships exceeds 100. Many of these partnerships contribute matching funds to the challenge cost share program either directly or through local chapters in each state. In addition to the national-level partnerships, challenge cost share projects often receive funding from state agencies such as fish and game departments, heritage programs, forestry divisions, oil, gas, and mining divisions, colleges and universities, local companies, livestock permittees, and local clubs.

9. In fiscal year 2002 the Subcommittee urged the Department and its land managing bureaus to study seriously the benefits to be derived from the utilization of pulse technology in its fleet and battery management programs. What is the status of your investigation?

   Answer: The Department is currently reviewing pulse technology efficiencies that could be realized in DOI agencies. It is expected that some savings and efficiencies could result from using pulse technology, however additional study and review is necessary to determine the applicability of this technology to DOI motorized fleet configuration. Issues such as the decentralized vehicle distribution, maintenance outsourcing, and other similar issues are being reviewed.

10. The Subcommittee has become aware of the economic and environmental benefits of pulse technology based on the experience of the military services. Do you believe there would be similar benefits to the Department and its bureaus?

    Answer: The Department is reviewing pulse technology efficiencies that could be realized in DOI agencies. It is expected that some savings and efficiencies could result from using pulse technology, however additional study and review is necessary to determine the applicability of this technology to DOI motorized fleet configuration. Issues such as the decentralized vehicle distribution, maintenance outsourcing, and other similar issues are being reviewed.

Planning

11. The Bureau is asking for a $10.2 million increase to support key actions in the President's National Energy Policy including increased and faster processing of oil, gas, and coal permits. Conferencing or consultation can result in lengthening the permitting process. What steps will the Bureau take to ensure that the President's Energy Policy is implemented in a timely manner where proposed or listed species occur?

Answer: Although the $10.2 million is directed to increased energy development on Federal lands, this funding will also be used to support Endangered Species Act consultation and conferencing requirements associated with this increased energy development authorization processing. The BLM has also recently taken actions to improve its ESA consultation procedures. The BLM entered into an agreement with the U.S. Fish and Wildlife Service, U.S. Forest Service and National Marine Fisheries Service to implement a streamlined ESA Section 7 consultation process in August 2000. Since establishment of the agreement, the BLM conducted nine interagency training sessions across the country with Fish and Wildlife Service, Forest Service, and National Marine Fisheries Service to facilitate land use plan consultations as well as to support completion of programmatic and project level consultations. Over 1,500 personnel were trained in expedited ESA Section 7 consultation procedures. The use of these new procedures is expected to provide more timely support to accelerated energy development use authorization processing.

In addition, the Bureau has set up an interagency Consultation Assistance Team with the U.S. Fish and Wildlife Service and National Marine Fisheries Service to work with each of the BLM State offices and respective Fish and Wildlife Service and/or National Marine Fisheries Service offices to ensure early and effective coordination and cooperation.

12. The BLM is requesting a $1 million increase to initiate the development of conservation plans in three regions. When will the conservation plans be completed and how much additional funding will be required?

Answer: The time required to complete the conservation plans will depend upon how much of the required assessment information needs to be gathered or whether information is readily available from organizations such as The Nature Conservancy or other natural resource agencies or organizations. Implementation costs will be determined as the conservation plans are developed. Based on the BLM's ongoing effort to develop regional strategies for sagebrush and grassland habitats, plans may take three to five years to complete.

13. Would it be possible to complete one entire plan rather than initiate 3? What criteria were used to select the prairie and plains, Wyoming Basin, and the Colorado Plateau?

Answer: BLM lands provide habitat for 235 federally listed species, about 50 species proposed for listing, and more than 1,000 sensitive species. In addition there are at least eight species occurring on BLM managed land within multiple states that could potentially be listed within the next year. To slow down the rise in threatened and endangered species, additional effort is needed to develop and implement conservation plans and agreements for species that are sensitive species, candidate species or are species proposed for listing.

Because of the large land area that BLM manages and the potentially threatened species and habitats that occur on BLM land, it is more effective to begin efforts in as broad an area as possible. As multiple land uses put additional pressure on

species habitat, species could continue to decline. Assessment of species and habitat conditions are needed to determine strategies that are needed for species recovery and conservation. The criteria used to select the three focus areas were the number of listed, proposed, and sensitive species within a potential area, the habitat threats within the area, as well as the current and future land use trends within the area.

Rangeland Inventory and Monitoring

14. Last year the Committee included instruction related to "Improving Information on the Nation's Rangelands" as contained in House Report 107-103, Department of Interior and Related Agencies Appropriations Bill, 2002. As referenced in the language, have you chartered an interagency group to address rangeland information needs?

    Answer: Representatives from the agencies within the Departments of the Interior and Agriculture have been working together to charter a group as required in House Report 107-103. To date, a draft Charter, calling for representation of senior level management from the Bureau of Land Management, United States Forest Service and the Natural Resources Conservation Service, responsible for providing management leadership and direction to the Nation's private and Federal rangelands, has been developed. As appropriate, other Department of the Interior and Agriculture agencies will be involved in implementation of the Group's responsibilities. It is anticipated the Charter will be finalized in three months.

15. Do you expect to meet the 9 month time frame established for completing a coordinated 10-year plan and budget for standardized soil surveys and ecological classification?

    Answer: By August 5, 2002, within the 9-month time frame outlined in HR 107-103 the Bureau expects to submit to the Committee a 10-year strategy to complete standardized soil surveys and ecological classifications. Additional work items needed to identify and coordinate specific actions required to accomplish the goals of improving the availability and use of information on the Nation's rangelands will continue past August 5.

16. What are your goals for the 10-year plan and what benefits do you expect standardized soil surveys and ecological classification to provide?

    Answer: It is anticipated the 10-year plan will identify minimum parameters required for standardized soil surveys; areas that require additional surveys to meet minimum requirements and plans for coordinating this work with other survey work to be completed on BLM lands. At this time, specific goals for the 10-year plan have not been developed.

    The 10-year plan is also expected to outline a strategy for standardizing the ecological classification process between agencies within the Departments of the

Interior and Agriculture. A standardized process allows for consistent ecological classification reporting nationwide.

17. What plans do you have to provide leadership and staffing to ensure implementation of coordinated actions called for in the 10-year plan?

Answer: The leadership and direction required to ensure implementation of the 10-year plan will be provided by the Interdepartmental Rangeland Inventory, Assessment and Monitoring Group. This group of senior level management representatives from the BLM, U.S. Forest Service and the Natural Resources Conservation Service will be responsible for providing management leadership and direction to the Nation's private and Federal rangelands. As appropriate, other Department of the Interior and Agriculture agencies will be involved in implementation of the group's responsibilities.

Staffing needs will be a key component to address in order to successfully implement the 10-year plan. Dramatic increases in the federal work force to achieve implementation of the 10-year plan are an unrealistic expectation. Increased use of expanding technology and outsourcing to non-federal sources are expected to contribute significantly to accomplishing the goals and objectives of the 10-year plan.

18. How are you involving non-governmental organizations in the analysis process?

Answer: To date, limited discussions with individuals from non-governmental organizations have taken place. The intent is to use small teams with knowledgeable individuals from both the Federal agencies as well as professional societies such as the Society for Range Management, industry groups, etc., during the development of the 10-year plan. Once a preliminary strategy is developed, more formal contact with the non-federal organizations will occur.

19. Will the 10-year plan address the long term need to keep such data current beyond the initial 10 year cycle?

Answer: Long-term maintenance and updating of rangeland information is critical to evaluating the success of the federal agencies in achieving their mandates. The 10-year plan will strive to identify processes for periodic monitoring and assessment of rangeland information that can be used to assure the long-term maintenance of such information.

20. Will the 10-year plan address the age, accuracy, and relevancy of the agencies' current rangeland data?

Answer: The 10-year plan will address similarities and differences in rangeland information currently collected between agencies and Departments, as well as a listing of consolidated acres requiring additional soil survey and ecological classification. Age, accuracy, and relevancy of current rangeland information

will be considered as strategies to address standardization of monitoring and assessment methodologies are developed.

21. Do you intend to coordinate with educational institutions in forecasting the need for personnel trained in rangeland management?

Answer: As efforts are undertaken to develop and implement the 10-year plan for completing standardized soil surveys and ecological classification, coordination with educational institutions will be part of those efforts. The need for people trained in the various aspects of rangeland management from wildlife and livestock management, hydrology, soils, etc., is continuous.

Construction and Maintenance

22. This Committee has provided significant funding in 2001 and 2002 for the Infrastructure Improvement initiative. What reductions to the maintenance backlog has the BLM achieved with this funding?

Answer: In FY 2001, the first year of the Infrastructure Improvement initiative, the Bureau of Land Management directed the additional $25 million to the following work:

- Initiated work on 136 of the highest ranking projects on the FY 2001 Five-Year Deferred Maintenance and Capital Improvement Plan.
- Conducted survey and design work for 12 projects that will be initiated in 2002.
- Initiated projects essential to accommodate the 25 million visitors expected for the Lewis and Clark Bicentennial in 2003-2006.
- Performed urgent renovations and modifications to Wild Horse and Burro (WH&B) facilities.
- Performed corrective actions still outstanding from baseline Compliance Assessments - Safety, Health, Environment (CASHE).
- Conducted condition assessments of 6,530 miles of BLM roads maintained at Maintenance Levels 4 and 5 (the highest maintenance levels).
- Conducted accessibility condition assessments of the highest priority recreation facilities.
- Conducted condition assessments of the highest priority historic properties.
- Installed photovoltaic systems at off-grid locations.
- Developed the Facility Asset Management System (FAMS).

The Bureau of Land Management received $28 million in FY 2002, the second year of the Infrastructure Improvement initiative. This funding has been directed to 82 deferred maintenance projects, 53 corrective actions arising from compliance assessments at BLM facilities, and survey and design work for five deferred maintenance projects scheduled for FY 2003. In addition, BLM will expand its condition assessment program and continue development and testing of the Facility Asset Management System (FAMS).

23. What conditions led to the Bureau's maintenance backlog, and once the backlog has been eliminated, how will the Bureau prevent it from recurring?

Answer: Competing requirements in a constrained funding environment restricted the availability of funds for regularly scheduled repairs and preventive maintenance. Growing populations and heavy demand for recreation and other BLM services in the West that have caused "premature aging" of existing facilities is another contributing factor to the backlog. Once the backlog is eliminated, the BLM will need to carefully balance priorities to ensure that annual maintenance funding and infrastructure improvements keep pace with operational requirements.

24. What is the status of the BLM's Facility Condition Assessment and what information has it provided?

Answer: Condition assessments are performed to determine the fitness of an asset as evaluated against the maintenance level established by management. The level of fitness is tabulated in four categories: (1) good, (2) fair, (3) poor, and (4) unsatisfactory. The Bureau of Land Management performs annual condition assessments on a routine basis and comprehensive condition assessments on a schedule with intervals that vary for each type of facility.

Condition assessments performed in FY 2001 have identified in excess of $50 million in new deferred maintenance work. Beginning in FY 2002, BLM will determine the current replacement value of a facility as part of the condition assessment process. Knowing the current replacement value will allow BLM to use the industry standard Facilities Condition Index (FCI) as a method of measuring the condition and change of condition of facilities. The FCI is the ratio of accumulated deferred maintenance to the current replacement value and it is an indicator of the depleted value of a constructed asset.

25. BLM receives funding for annual maintenance and operations. How do operations and annual maintenance funding levels affect BLM's ability to reduce its deferred maintenance backlog. Are funding levels in annual maintenance adequate to prevent additional projects being added to your 5-year maintenance plan?

Answer: Inadequate operations and annual maintenance funding levels adversely affect the deferred maintenance backlog, as do the growth in the number of capital assets.

The Bureau of Land Management is in the process of re-engineering its annual maintenance program operations in order to obtain data that accurately reflects the workloads and costs associated with regularly scheduled repairs and preventative maintenance. The Facility Asset Management System will include a module to better capture and track workload and cost information. Improved costing and work inventories and a re-designed business process will assure more accountability and predictability in the BLM's annual and preventive

maintenance activities and substantial improvements in our critical infrastructure.

Wildland Fire Management

26. What measures have been established to allow the Bureau and its partner agencies to determine whether you have been successful in implementing the National Fire Plan?

Answer: The Interior bureaus and Forest Service are cooperatively developing more meaningful performance measures to evaluate the success of the wildland fire management program. This common set of interagency performance measures will be utilized by the Interior bureaus and the Forest Service to provide nationally consistent, standardized direction for implementing, evaluating, and monitoring the National Fire Plan. The Departments worked in close collaboration with other Federal agencies, State and local governments, Tribes, and other interested parties in developing these performance measures.

The performance measures are integrated into the Department's Strategic Plan that is currently under development. Interior bureaus and the Forest Service will implement these performance measures beginning in 2004, although the agencies will begin gathering this workload and performance data in 2003 in order to establish a baseline. Related performance outputs and associated workload measures are being developed to measure interim performance in improving prevention and suppression, reducing hazardous fuels, restoring fire adapted ecosystems, and assisting communities.

27. Describe your efforts to include States as partners in implementing the National Fire Plan?

Answer: The Interior bureaus and the Forest Service are working with the States, Tribes, and other stakeholders in a collaborative approach for reducing wildland fire risks to communities and the environment. In each State we are using a collaborative stakeholder group of Federal, State, and local government officials to prioritize fuels treatments to ensure that available funding goes to high priority projects. This collaborative effort is designed to address the needs of communities identified by the States as being at risk from wildland fire.

A series of National Fire Plan coordination meetings have been conducted with the full involvement of State foresters. The State foresters were active in the meetings as presenters, panelists, respondents, and questioners. In addition, the Interior Hazardous Fuels Treatment agency leads are working with State foresters to coordinate all fuels management initiatives.

The Bureaus provide education to communities through the FIREWISE program. FIREWISE is a program implemented by State Foresters and Federal partners along with county and local governments, as a common strategy for educating homeowners and communities about effective measures for protecting their property from wildland fire. The States have also been our partners in the

development of the concept plan for a new interagency fire program analysis system. The system will consolidate preparedness data in four current electronic systems and will be used by all of the participating agencies to prepare for upcoming fire seasons.

28. What is the total backlog of deferred maintenance and capital improvement needed to fully implement the National Fire Plan? How long will it take to complete these construction projects at the current annual funding level?

Answer: The Department is engaged in an ongoing effort to eliminate the backlog of construction and deferred maintenance projects. The deferred maintenance backlog will be reduced and eliminated over time in a way that balances available funding with other high priority Wildland Fire Management program needs. The Department is currently focusing on the highest priority projects that correct critical health and safety issues.

The agencies have identified 76 priority projects totaling $46.2 million to be undertaken over the next five years. Among the projects are fire stations, dispatch facilities, airtanker base facilities, vehicle storage facilities, hotshot crew facilities, bunkhouses, and storage facilities.

29. I understand the Department is reviewing the processes it uses to determine preparedness funding needs. What improvements in this area should this Committee expect to see now and in your 2004 budget request?

Answer: In the 2004 budget request the bureaus will continue their efforts to unify their budget justifications by identifying common program initiatives under the National Fire Plan. The Interior bureaus and the Forest Service, in cooperation with State Foresters, completed a strategic assessment of current budget planning analysis capabilities and desired improvements in late 2001. The assessment resulted in a publication entitled "Developing An Interagency Landscape-Scale Fire Planning Analysis and Budget Tool". The agencies intend to build on the recommendations in this report as we work to develop a new planning and budget model that will consolidate the data contained in four different preparedness planning systems currently in use into a single uniform process that will meet the needs of all the participating Federal agencies.

30. What has become of the Most Efficient Level funding calculations on which your budget requests used to be based?

Answer: All wildland fire management activities within the Departments of the Interior and Agriculture are guided by fire management plans (FMPs). Our goal is to achieve the most cost-efficient and technically effective fire management program level that meets resource objectives while minimizing costs of suppression and resource damages. The Department expects to convert from four separate preparedness systems into a single planning analysis tool by 2004. Until the new planning tool becomes available, the bureaus will continue to use existing planning analyses to identify a program level that will allow them to achieve performance targets identified through the National Fire Plan.

31. When will the interdepartmental cohesive strategy for fuels management be completed?

Answer: The Joint Forest Service/Department of the Interior Draft Cohesive Fuels Strategy is still in the development process. In the interim, the Forest Service and the Department of the Interior issued a memorandum on March 20, 2002 setting out priorities and guidelines for focusing fuels treatment efforts. These priorities and guidelines are consistent with the direction in the Draft Cohesive Fuels Strategy and have been incorporated into the agencies' directions for fuels treatment project selection for 2003. The Wildland Fire Management program expects that the final Cohesive Strategy will be completed in time for 2004 project selection.

32. How is this strategy linked to the 10-Year Comprehensive Strategy between the Federal Government and the States?

Answer: The Cohesive Strategy will provide the fuels management component of the implementation plan for the 10-year Comprehensive Strategy.

33. The newly developed interdepartmental policy for emergency stabilization and rehabilitation has greatly expanded the scope of activities, which can be funded under this program. The Committee notes that, while the scope of this policy has expanded, the budget request for rehabilitation is $20 million for the BLM and $3:7 million for the U.S. Forest Service. How do you intend to rehabilitate more land with more expensive seed with less money?

Answer: If the drought continues in much of the west and if there is an active fire season, there could be difficulty in completing projected emergency stabilization and rehabilitation needs. The amount of rehabilitation that will be required is dependent on the severity of the preceding fire season. For example, 1,283,214 acres of Interior land were burned by wildfire in the 2001 fire season. This was a 49 percent reduction from the 2,515,590 acres that burned in 2000. Since far fewer fires escaped in 2001, less rehabilitation funding is required in 2002 than in 2001.

34. Interior's rural fire assistance program requires 90/10 cost share arrangement while the Forest Service requires a 50/50 match. Why is there a difference between the two agencies? To get the "biggest bang for the buck" shouldn't Interior adopt a 50/50 match?

Answer: The rationale for adapting a 90/10 cost share ratio for Interior was based on the fact that many of the small rural communities in the vicinity of Interior-administered lands would not be able to provide a 50 percent match and would be effectively prevented from procuring the necessary fire training and protection equipment for their fire departments. Since many of the Western States coordinate the distribution of both Interior and Agriculture fire assistance funds, the same matching percentage amounts could achieve some level of

administrative efficiency. The Department will continue to monitor this program and periodically evaluate the cost share requirements.

35. Has the current program level successfully addressed the needs of rural fire departments for cooperative assistance? If not, what remains to be done?

Answer: The Rural Fire Assistance Program will provide financial assistance to 1,085 rural fire departments in FY 2002. In addition, the average size of the grants will be larger in 2002 and 2003, providing more comprehensive assistance to selected fire departments.

36. Each of the bureaus distributes a portion of the rural fire assistance funds. What would be lost, if anything, if these funds were distributed centrally based on the priorities of the individual bureaus? Why not just have a national priority list?

Answer: The ability to leverage the funds is a local function that could be lost if the funds were to be distributed from the national level instead of the State and local level. The use of national criteria to guide the distribution of funds at the State or regional level is a workable concept that allows for national direction with local input to the final distribution of the funds to specific rural fire departments.

Local managers have better knowledge of the needs within their areas of responsibility than the national offices. Local relationships are generally strengthened as a result of interactions between the local RFD's and the local Interior bureau personnel. These relationships pay multiple dividends during interagency wildland fire situations.

National distribution of the RFA funds from a central priority list would not deliver more funding to the RFD's nor would it necessarily place the funds in the highest priority locations. National distribution could remove the local influence from the process and possibly reduce the incentive for the RFD's to participate.

37. We understand many of your planned hazardous fuels projects will require restoration work. Are you being successful in leveraging funds from other programs to complete this work? If not, explain why, and what are the needs for the short- and long-term?

Answer: The Department's success in leveraging funds from other programs and partners is improving every year. Interior has been successful in collaboration, cooperation and leveraging services and funding from local, State, and tribal governments and other stakeholders (such as The Nature Conservancy, Rocky Mountain Elk Foundation, National Mule Deer Foundation, Wild Turkey Federation, National Cattleman's Association, and local associations).

The Cohesive Strategy will specifically align resource and fire programs within the Interior bureaus and the Forest Service with a common purpose of reducing risk to communities and improving landscape health. Other resource programs

are being challenged to contribute significant funds for restoration activities following hazardous fuels treatments.

The Department's short-term strategy is to work closely with our partners and stakeholders to conduct risk assessments, develop mitigation plans, identify priority projects and strategies, and carry out rehabilitation and restoration projects. Efforts to identify long-term strategies to reduce risks to the public, communities, and the environment will be addressed by the recently designated Interagency Wildland Fire Leadership Council.

Land Resources

38. Your budget indicates that base funding is provided for watershed assessments. Why are watershed assessments necessary in order to renew a livestock grazing permit?

Answer: Watershed assessments provide a basis for looking at overall watershed health and impacts of various uses. Watershed based assessments: 1) provide managers with an evaluation of the cumulative effects of authorized activities, 2) identify if and where changes in management are needed to meet land use plan goals, and 3) give managers opportunities to work with stakeholders and affected interests to develop terms and conditions in grazing permits that will provide sustainable livestock grazing. Watershed assessments provide current information to be used in the environmental analysis document needed to complete processing of a grazing permit.

39. What is the relationship between weed control and fuels treatments to overall land health and sustaining livestock and wildlife uses on public lands?

Answer: Weed and hazardous fuel treatments promote overall land health for sustainable use. The spread of weeds, fire suppression over decades, and increased fire severity can result in a cycle that increases the extent and number of introduced weeds, as well as the size and severity of subsequent wildfires. This may result in changes to plant communities and overall land health. Without active management, increases in weeds and hazardous fuels will destroy habitat and reduce the amount of forage available for livestock and wildlife.

In the Great Basin, for example, large, recurrent fires over broad landscapes have replaced sagebrush with cheatgrass. This cycle has reduced livestock forage, severely impacted habitat required by sage grouse and a host of other species that are dependent upon sagebrush ecosystems, increased the Basin's susceptibility to catastrophic wildfires, and has limited other public land uses. Fuel or weed treatments alone cannot restore altered vegetation to a healthy sustainable condition. Treatments to reduce hazardous fuels should be aligned with the prevention and treatment of weeds in order to restore and maintain land health and habitat for wildlife, and to sustain uses of public lands.

Oil and Gas

40. What is BLM doing to reduce the approval times for applications for permit to drill for oil and gas, as authorized in the President's National Energy Policy?

Answer: As part of the BLM's National Energy Plan, the Bureau established a working group to review and evaluate various reports and data concerning expediting the Application for Permit to Drill (APD) process. These ideas were presented to industry and the public at several public outreach meetings in Denver March 18-21, 2002. The working group is in the process of reviewing the public comments received at the meetings and will address issues identified as problems or impediments.

Two areas that have already been identified for streamlining and improved efficiency are allowing electronic submission of APD's and streamlining the cultural clearance steps within the process. Both of these actions, which will begin immediately, will reduce the inefficiencies of the process and eliminate duplication within the system.

41. How will the findings of the Energy Policy Conservation Act study be used in developing "Time Sensitive" energy-related land use plans?

Answer: The BLM will review Energy Policy Conservation Act inventories and incorporate the information as appropriate into the time sensitive land use plans. This review will include evaluations of lease stipulations, and use terms and conditions associated with energy development activities. In addition, consistent with the President's National Energy Policy, the information will be used to develop alternatives to facilitate energy development while still providing necessary environmental protections. The Energy Policy Conservation Act findings will also be used in specific environmental documents which will establish a variety of multiple-use management goals as well as standards and objectives to guide management activities.

42. Has the Powder River Basin Oil and Gas Draft Environmental Impact Statement been completed? If not, when is final EIS expected to be completed?

Answer: The Powder River Basin Oil and Gas Draft EIS has been completed and the Final EIS is expected to be issued in August 2002.

43. What is current backlog of coalbed methane APD's and how long will it be before the backlog is eliminated?

Answer: The number of pending APDs in the Powder River Basin totals to approximately 2,500. Several hundred of these applications have been returned to applicants due to incomplete data, or are returned when the operator notifies the BLM of a change in their plans to drill. The BLM receives 1,000 to 1,500 new applications for development in the Powder River Basin each year. Current funding allows for the processing and approving of about 1,300 APDs per year in

the Powder River Basin. In addition, completion of the Powder River Basin EIS will help to expand the number of APDs that the BLM can process.

44. What is BLM doing to resolve the coal and coalbed methane conflicts?

Answer: The BLM is in the process of clarifying and strengthening its existing coal/coalbed methane conflict resolution policy. Various potential recommendations and approaches are being considered to resolve the conflict. The goal of the BLM's existing policy is to ensure conservation of the coal resources while optimizing coalbed methane recovery, and to optimize the return to the public while protecting public safety and the environment. The BLM is working to achieve this policy by facilitating agreements between the lessees and ensuring that lease terms relating to resources conservation are strictly enforced.

45. What is the Bureau doing to prevent drainage of coalbed methane resources onto non-Federal lands?

Answer: The BLM is working diligently to process APDs in the Powder River Basin in part to prevent drainage of coalbed methane resources. Upon completion, of the Powder River Basin Oil and Gas Draft EIS, the BLM expects to be able to expand the number of APDs that it can process. However in the interim, an Environmental Assessment (Wyodak CBM Drainage EA) was prepared and the associated Record of Decision was approved in March 2001 to specifically address the drainage of Federal coalbed methane by non-Federal wells. Based on the Environmental Assessment and Record of Decision, an additional 2,500 Federal coalbed methane wells can be approved to avert the loss of Federal coalbed methane and associated royalties. The BLM, currently has approved about 1,500 of the 2,500 drainage protection wells. The remaining 1,000 drainage protection wells will be authorized by August 2002.

Mining Law Administration

46. The Committee notes that mining claim maintenance fees have declined over the past four years, and are projected to decline further in 2003. These fees are used to offset the BLM's Mining Law Administration program, including mining claim administration, as well as industry activities and use authorizations under the Mining Laws. What are the main reasons for the decline in the number of claims being maintained or located and the resultant reduction in fees?

Answer: There are several factors influencing the decline in new claim locations and retention of existing claims and resultant fees. The first is the general international depressed state of the gold and copper industries. There is an oversupply problem which keeps prices low. Secondly, much of the gold and copper industry has moved into South America and Indonesia, followed by the zinc and rare metals groups. Thirdly, all exploration in the United States on public lands is focused around existing mines with their capitalized infrastructure. This strategy provides more reserves to feed the existing mill (the existing investment), extend the life of the mine (and the return on capital), and

the permitting requirements are marginal (amendments to existing permits, not new startups).

47. Has the workload in the mining law administration program declined at a similar rate as the decline in mining claim maintenance and related fee collections? Provide specific types of work associated with mining law administration and the trends in these workloads.

Answer: The workload has generally been rising and the emphasis is changing. In 1999, BLM processed 1,150 mining operations and notices of intent, compared to 925 in 2001. BLM conducted 2,003 surface management inspections in 1999 compared to 4,200 in 2001. BLM currently has a backlog of 6,500 inspections and compliance actions under 43 CFR 3809. In 2003, BLM will be able to conduct about 3,180 inspections. BLM will conduct 123 validity examinations in 2003 compared to 90 completed in 1999. Litigation defense is also consuming more staff time and resources as minerals staff work for the Department of Justice on takings claims and with the Solicitor's Office on mineral contest actions increases.

48. How do you expect the new hardrock mining regulations to effect the workload in the mining law administration program? Provide specific information on how these regulations will affect BLM's workload in the mining law administration program.

Answer: Implementation of the new hardrock mining regulations are expected to have an effect on BLM's mining law administration workload. For example, under the new regulations, all mining operations currently authorized under a notice of intent must advise BLM of an extension in writing and then be followed by the posting of a financial guarantee for reclamation. Mining operations authorized under a plan of operation will require additional environmental assessments and development of reclamation plans. Mitigation assessments will also need to be developed. Operations that choose to terminate will require compliance inspections for reclamation and site cleanup.

There are currently 5,449 mining operations authorized under a notice of intent and 968 operations authorized via plans of operations. These operations will require review for proper financial guarantees and inspections for compliance beginning on January 23, 2003, to comply with the new regulations.

Land Use Planning

49. How much of the $14 million for amending outdated land use plans is allocated to the minerals extraction portion of the resource management plans?

Answer: Resource Management Plans are developed to guide the management of all resources, including minerals, energy, soil, water, air, cultural, wilderness, forage production, and others. It is not possible to estimate amounts of funding allocated within each of these resource management categories. Even a plan amendment analyzing a primary issue such as "energy development" must

consider the development of energy resources in the context of the use and protection of all other important resources within the area. However, the President's 2003 budget outlines the development or amendment of 24 plans where energy development is considered a major issue. Of the $14 million requested program increase, approximately $6.2 million would be allocated to plans being developed or amended in the energy development areas.

50. Is there an appropriate balance of this requested funding that will go to plans for areas more focused on BLM programs such as wildlife, fisheries, threatened and endangered species, watershed improvement, recreational use, and protecting historical and cultural resources?

Answer: Yes, there is an appropriate balance in the distribution of the $14 million requested increase in planning funds. As described in the previous answer, it is not possible to estimate planning costs associated with individual program areas. Resource Management Plans are developed to guide the management of all resources. However, of the $14 million additional funds requested for land use planning, approximately $6.2 million would be allocated to plans being developed or amended in the energy development areas, $2.4 million would be allocated to plans being developed for National Landscape Conservation System Units, and $5.6 million would be allocated to plans outside of significant energy development or NLCS areas and for general planning support.

51. What portion of the $14 million will be directed for National Landscape Conservation System planning efforts?

Answer: The President's 2003 budget outlines the development or amendment of 20 National Landscape Conservation System plans. Of the $14 million requested land use planning increase, approximately $2.4 million would be allocated to plans being developed or amended in the NLCS.

52. What are the decision-making criteria for selecting BLM's time sensitive plans?

Answer: The Bureau has initiated a major effort to update the entire land use planning base for BLM managed lands. In 2002, the BLM is working on more than 73 individual land use planning efforts, including 21 planning projects identified as time sensitive. These planning efforts are scheduled for completion within 6 months to 3 years.

The selection of priority and time sensitive plans is made within the context of national, regional and local priorities. Careful consideration is given to national priorities, such as the National Energy Policy; planning needs for new units of the National Landscape Conservation System; threatened and endangered species litigation and protection; and other legislative mandates or court requirements. Funding was allocated to expedite the completion of the "time sensitive" plans while continuing progress on other priority plans. Of the total $14 million requested program increase, approximately $3 million would be allocated to plans identified as time sensitive.

53. What will the BLM do to ensure that the schedule for revising and amending plans will not exclude other important resource issues as you pursue accelerated energy development?

Answer: All plans related to energy development must meet the same legal, regulatory and policy requirements as all BLM land use plans. BLM is committed to completing collaborative land use plans which address the full array of multiple uses in consideration of the tremendous resource values found on BLM lands. BLM is responsible for ensuring that all land use plan decisions are reasonable, well supported by the accompanying NEPA documents, and responsive to public issues and concerns.

54. Several recently designated BLM National Monuments were scheduled to begin land use plans in 2002. When will the Department authorize the publication of Notices of Intent to begin planning in the Federal Register for these national monuments?

Answer: On April 24, 2002, the BLM published notices in the Federal Register to initiate the planning process on the following eleven monuments: Arizona-Aqua Fria; Grand Canyon-Parashant; Vermillion Cliffs; Ironwood Forest; Sonoran Desert; California-California Coastal; Carrizo Plain; Colorado-Canyons of the Ancients; Idaho-Craters of the Moon; Montana-Upper Missouri River Breaks; and Oregon-Cascade-Siskyou. Additionally, advisory councils have been formed at the Carrizo Plain National Monument in California and Canyons of the Ancients National Monument in Colorado.

NLCS, Cultural, Recreation

BLM has had the National Landscape Conservation System in place for about 2 years now. It is my understanding that this system was put in place to improve the management, as well as public understanding and visibility of BLM's specially designated areas.

55. What improvements and advancements have taken place concerning the management and public awareness of these areas as a result of establishing the NLCS?

Answer: Most NLCS units have realized a significant increase in public visitation. In order to respond, BLM has improved its outreach materials, increased the presence of its on-the-ground staffing, and has responded to the most critical public health and safety issues. The BLM is working on templates to improve the quality of the information and maps, on improving the usefulness of the signs, and on the delivery of environmental education and resource interpretive program to better reflect the demands of the recreating public. In addition, the BLM has identified critical public health and safety and resource protection needs and is taking steps to address these needs.

In addition, the BLM has initiated new land use plans for all of the recently designated National Conservation Areas and is addressing the recommendation

for designation of wilderness, wild and scenic rivers, and national scenic and historic trails by Congress in all on-going land use plans. All of the newly designated National Monument land use plans are pending a Departmental release of the Notices of Intent to initiate the land use planning process. All of BLM's land use plans will incorporate the Secretary's 4Cs (consultation, cooperation, communication, all in the service of conservation) with State and local governments, tribes, and interest groups.

56. Some of the National Monuments were designated in a controversial manner as evidenced by public and congressional concern at the time. Has the public embraced the designation and operation of these new monuments? If so, can you provide some specific examples of where and how?

Answer: In March of 2001, Secretary Norton sent letters to more that 200 elected county, state and congressional representatives as well as tribal representatives soliciting their views regarding the National Monuments that had recently been designated. The Secretary's letter was widely publicized and more than 7,000 pieces of mail were received from the general public. While the responses received from local groups were not universally favorable, a significant majority of the mail from the general public favored the national monument designations. The general public as well as the state and local governments have articulated an extremely high level of interest in being involved in the development of the land use plans for these newly designated areas. This combined with the broad support from the visiting public demonstrates that the protection and preservation of these unique resource areas is valued by the American public.

57. BLM requests an increase of $2 million in the budget for additional management capability for NLCS units. How much of an increase above base NLCS funding for NLCS units does this represent?

Answer: In FY 2002, BLM has allocated approximately $49 million for management of National Conservation Areas, National Monuments, Wilderness, Wild and Scenic Rivers, National Historic Trails and National Scenic Trails - the National Landscape Conservation System units. The $2 million in the President's Budget for FY 2003 represents about a 4% increase in management capability for these units. All of the new designations have raised the public expectations for these areas. To meet these expectations, without additional funding, BLM has used base funds from surrounding offices and programs to address only the highest priority health, safety, visitor services and resource protection needs within units of the NLCS.

58. What is the status of the 17.2 million acres of Wilderness Study Areas (WSAs) under BLM management?

Answer: In 1991, the Administration submitted legislative recommendations for 22.9 million acres of WSAs. Approximately 5.7 million acres of the acreage included in the legislative package have been designated as wilderness or released by the Congress. The remaining 17.2 million acres of WSAs are being managed in the interim under the Congressional mandate to prevent impairment

of their wilderness values. The BLM would welcome the opportunity to work with Congress to resolve the long term management of these remaining areas.

59. Our nations cave and karst resources are fragile, easily disturbed, and often non-renewable. They are provided statutory protection through existing laws, regulations, and Bureau polices. How effectively is the Bureau implementing these laws, regulations, and polices, and what ongoing management practices are in place to insure protection of significant caves?

Answer: The intensity of cave management programs across the Bureau varies depending on the number of caves or karsts and available resources to implement programs. Where cave and karst resources are identified, and incorporated in our Land Use Planning system, management practices can include a list of both administrative and on-the-ground measures to protect the resources as appropriate. The BLM strongly encourages the use of assistance agreements to strengthen the program.

60. How are you addressing potential conflicts between caves/karsts and extractive use authorizations, such as oil and gas development?

Answer: The key to avoiding potential conflicts in resource use allocations involving caves and karst resources is identifying these resources and their significance, and providing appropriate protection through the planning and administrative system. Many field offices are still in the resource identification phase and have not determined the significance of their resources.

Resolution of conflicts between extractive operations and caves can be resolved through a better understanding of the needs of industry and the BLM and the mutual development of mitigation measures that protect the cave resource and, where appropriate, provide for economic development of natural resources.

A Cave and Karst Task Force was convened to determine the best course of action to resolve resource management concerns. The task force included representatives from the oil and gas industry, Federal agencies, and academia. The task force developed and BLM is in the process of implementing a set of precautionary measures and special conditions to allow oil and gas drilling and production while still providing reasonable protection of the cave and karst resources. The process of refining specific techniques of cave and karst protection is ongoing as advancements are made in speleology and in the petroleum industry.

61. The public has a right to expect a fair return off the public lands commercial ventures, including outfitters and guides, vendors, and concessionaires. Revenues from such operations could help to pay the cost for providing specific and special uses of the public lands by those who use these services. What are you doing to ensure that the users of the public lands are paying for the costs of providing that opportunity?

Answer: Currently, the Bureau has a scheduled fee for all commercial recreation operations of 3 percent of gross revenues from the permitted activity. The BLM's new Final Rules for Recreation Permits on Public Lands, when approved, will help address the issue of getting fair returns for special recreation uses of the public lands. In addition, the BLM and U.S. Forest Service established a team to review the 3 percent federal return amount to determine its validity.

62. Access to our public lands is very important to citizens in the West, and in many cases, to the economic well-being of the local communities. Compliance with environmental laws and an increasingly litigious atmosphere in many States appears to threaten this access. What are some important measures we can take to allow continued access while providing the necessary level of protection to the resources and values of these lands?

Answer: BLM was established under the principles of multiple use, which requires us to provide the public with a range of the benefits of land ownership, including access, and ability to use and enjoy the resources of these lands. Simultaneously, we are required to provide for sustainable use of these lands without significant resource impacts or conflicts with other uses.

Over the last 30 years, motorized access to and across public lands has been the focus of much attention. BLM is working to improve the access issues in the following ways: 1) BLM is updating land use plans to address and incorporate access issues, and 2) BLM reached out to the public in 2000 to build public support for better management and issued the ***BLM National Management Strategy for Motorized Off-Highway Use on Public Lands.*** BLM is continuing to build a consensus and develop workable solutions to public access issues and to increase the public's awareness that access and resource protection can successfully co-exist.

63. A few years ago the BLM launched an effort to involve the public in developing a strategy for managing Off-highway Vehicles on public lands. As part of the public information that was included in the strategy, the Bureau recognized the need to update land management planning to better manage motorized use on public lands. How is this effort proceeding, and what follow-up measures will be necessary?

Answer: ***The BLM National Management Strategy for Motorized Off-Highway Use on Public Lands*** was issued in January, 2001, after almost a year of public outreach and involvement. The document included public input from 49 "listening meetings" and from almost 20,000 comments which were submitted to the Bureau. As a strategy, the BLM viewed it as an opportunity to solicit good ideas about management solutions from the public, and to ask for support for some of the hard work that we will need to do.

One of the recommendations of the strategy was to establish state OHV or access coordinators in every BLM state office. An OHV strategy team of state coordinators has been established. The state coordinators will help the Bureau work closer with other Federal, State, and local land managers to improve OHV

management in each state in an effort to lower the impacts of OHV use and to preserve access opportunities.

As another outgrowth of the process to improve BLM's management of OHV activities, the agency revised the Land Use Planning Handbook, and has launched a series of new or updated Land Use Plans. Forty-seven initiated land use plans address OHV and transportation planning. For most of these, motorized travel management is a major focus.

Enterprise Architecture/Information Technology

64. It is my understanding that the BLM has made significant progress in developing an enterprise architecture to serve as a framework and foundation for development of information technology investments. The Department is now beginning the process of developing a Department level enterprise architecture. Please describe the status of the Bureau's enterprise architecture and how it is being used to guide information technology investments.

Answer: The BLM enterprise architecture (BEA) has been in development for over 2 years, and is now realizing tangible benefits from applying architectural concepts and principles. For example the BLM has:

- Identified work processes through process modeling and identified areas for potential process improvements and increased data quality and sharing.
- Developed a conceptual target architecture that promotes the use of reusable system components and logical enterprise data stores. BLM expects increased savings and efficiencies in system development and maintenance projects with this industry accepted architecture approach. This results in tangible, measurable benefits and savings in terms of both time and resources.
- Established assessment criteria to evaluate business cases to ensure architectural alignment.
- Increased its capability to know what technologies are in use anywhere in the Bureau, to avoid software and hardware conflicts, and to pool major acquisitions for least cost and maximum product consistency.

The BLM enterprise is now able to begin taking advantage of potential efficiencies in data management and processing. It is able to identify the major flows of data and information among various BLM business processes and organizations, and define a preferred and streamlined model of the business of the BLM.

The BLM has created the Information Technology Investment Board (ITIB) to oversee both new and existing investments in information technology. All proposed national systems are presented to the ITIB to ensure adherence to BLM's approved Information Technology Investment Management policies and procedures which are in accordance with General Accounting Office's Select-Control-Evaluate process.

65. What has been the effect on BLM information technology investments and capabilities of BLM being further ahead of the Department in the development of an enterprise architecture?

Answer: BLM has shared its Technical Reference Model format and content with the Department, and this will encourage even greater consistency between BLM and the Department. BLM has also openly shared its architecture documents with other DOI bureaus.

While BLM is ahead of the Department in this effort, the two organizations are addressing different levels of detail and different priorities. BLM is also providing the benefit of its experience in architecture development to the Departmental effort. It may be anticipated that the other bureaus will follow the architectural framework that results from the combined efforts of BLM and the Department.

66. Does the enterprise architecture developed by the Bureau offer opportunities for savings in time, cost and technology for the Department and bureaus who are now beginning to develop their architectures? If yes, how could the Department and other bureaus use the information, data and products from the enterprise architecture experience of the Bureau to streamline their development process?

Answer: BLM is working through its Lead Architect, Chief Information Officer, Departmental working groups, and others to ensure that the potential for sharing BLM's architecture products is recognized and pursued wherever useful. The Department collaborated with BLM and others in developing its own enterprise architecture, and in doing so benefited from BLM experience in developing Technical Reference Model principles and analysis structures. The Department is already saving time and money by using the Technical Reference Model principles and analysis structures, some of which were developed by the BLM. The Department and other bureaus could reduce their costs, and reduce risk, by adopting or adapting the concepts, formats, and principles of at least the following BEA or related products:

- The Technical Reference Model for IT: structure, formats, and content.
- The Architecture Catalog.
- The BLM's detailed adaptation of the GAO Information Technology Investment Management methods, in order to work in a decentralized organization, which is typical of DOI bureaus.
- Beneficial use could be made of the guidance issued to date on data management roles and competencies, training recommendations, standards development methods, and data stewardship organization.
- Experience and direct benefits from the consolidated IT purchases that are an outgrowth of the IT architecture work. Examples include the consolidated purchase of enterprise management software and the planned acquisition of a single enterprise license for geospatial technologies.

- The business plans developed for BLM programs offer insights that other Bureaus can use when they set about improving their own business processes for parallel activities.

Use Authorizations

67. The BLM budget request includes additional funds to begin to address the backlogs of use authorizations that have developed over the past several years. What progress will the 2003 budget request allow BLM to make in reducing the backlogs of use authorizations that exist in energy, rights-of way, recreation or other programs? Provide specific data to support your answer.

Answer: The 2003 budget request will allow the BLM to process 7,450 conventional and unconventional oil and gas APD's. Approximately 3,000 pending APDs will remain unprocessed. The BLM also expects to process 50 percent more geothermal APD's, including support for Indian activities. The BLM expects to process 16 geothermal APD's and 450 oil and gas APD's on Indian lands. The BLM will also identify ways to expedite the process of approving Applications for Permit to Drill. This will include identifying and implementing process improvements and using information technology to facilitate more efficient well permit processing through electronic commerce with industry and regulatory agencies, as well as greatly improved NEPA analysis capabilities by using Geographic Information System technology. The Bureau 2003 request includes a $2 million increase for energy-related rights-of ways. BLM will cut the number of backlog right-of-way applications by 40% from 1,000 to approximately 600. The BLM does not have a backlog of special recreation use authorizations.

68. Is the 2003 budget request appropriately balanced in addressing use authorization processing and inspection and enforcement and other compliance aspects of authorizing uses of public lands?

Answer: Yes. The BLM has requested $10.2 million to support key actions in the President's National Energy Policy. The 2003 budget positions BLM to make significant contributions to a comprehensive, long-term energy strategy which includes inspection, enforcement, and compliance capability. The budget will provide for 28 percent more oil and gas APDs and 15 percent more oil and gas leases, while at the same time providing for 23 percent more oil and gas environmental compliance inspections on public lands and 25 percent more inspections of oil and gas operations on Indian lands. In 2003, BLM expects to hire an additional 18 employees to provide for this increased inspection and enforcement capability.

69. Does the budget request sufficient resources to prevent future backlogs or needs for compliance, inspection, and enforcement from stepped up use authorization processing? Specifically indicate how.

Answer: The BLM has requested additional funding in the 2003 budget to address the APD backlog and leasing and inspection needs. The requested

funding will help make significant progress to reduce, but not eliminate, the APD backlog because the BLM receives new APD's as current APD's are being processed.

70. The BLM budget request indicates that BLM is coupling grazing permit renewals with priority watersheds and land health evaluations. How does this process improve the Bureau's ability to process expiring grazing permits with full regulatory review requirements?

Answer: Coupling grazing permit renewals with high-priority land health evaluations ensures that expiring permits linked to priority watersheds receive first attention on an annual basis. Issuing grazing permits in high-priority watersheds will include a full evaluation of rangeland health standards, analysis of environmental impacts, and consultation regarding effects on threatened and endangered species. This will allow the BLM to issue fully processed permits based on current data and reduces the probability of litigation based on inadequate environmental analysis.

71. In using this process, will BLM be evaluating and renewing or changing permit conditions before permits expire? How does this improve the permit renewal process and how does this benefit the grazing permit holder?

Answer: By evaluating watersheds on a priority basis, some allotments on grazing permits will be reviewed prior to the expiration of the permit. If land health standards are not being met because of current livestock management, the manager and permit holder can develop terms and conditions for a new permit which would be designed to make significant progress toward achieving the standards. The permit would be issued before the beginning of the next grazing year in accordance with regulations. If no changes are needed, a new permit would not be issued before the existing permit expires. This process benefits the permit holder by reducing legal challenges to livestock grazing on high priority areas.

72. There was a significant "spike" in the number of expiring permits that had to be renewed in FY 2000 because of the permit issuance schedule. What steps have you taken to ensure that there will not be a similar issue with a very large and unmanageable number of grazing permits requiring renewal reviews over a short time span in the future?

Answer: The "spike" in grazing permit renewals can be reduced by issuing permits as watershed based evaluations are completed, rather than waiting for the next "spike" in expiration dates. Gathering monitoring data and evaluating rangeland health standards on lower-priority watersheds will be deferred until high-priority areas are completed. Permits in these low priority areas will be renewed under the current appropriations language , and then fully processed when the watershed assessment is completed. Reviewing some non-expiring permits in priority watersheds will also help eliminate renewal "spikes."

73. The Bureau is requesting an additional $10 million to establish a cooperative conservation initiative. What criteria and guidelines does the Bureau presently employ in the operation of its existing challenge cost share program (CCS)?

Answer: CCS funds are flexible for spending in the Range, Riparian, Forestry, Cultural, Wildlife, Fisheries, Threatened and Endangered Species, Recreation, and Oregon and California Grant Land programs depending on the merits of project proposals and resource benefits to be derived. Projects submitted for CCS funding must be matched at a ratio of 1:1 or greater of non-Federal to Federal dollars or in-kind or material contributions. A cap of 10 percent is placed on allowable BLM internal charges against CCS funds. The following table indicates the criteria for challenge cost share projects:

Guidelines	Considerations (The proposed project...)
Would the proposed project accomplish cultural resource protection objectives, as defined in approved plans?	• Protects significant cultural or paleontological resources • Provides long-term protection for cultural or paleontological resources • Enhances or provides educational benefits for the public
Would the proposed project accomplish recreational resource management objectives identified in approved plans?	• Enhances or provides accessible recreation opportunities • Reduces user or resource conflicts or impacts • Enhances or provides interpretive, educational or informational visitor services or facilities
Would the project significantly improve land health by restoring key ecological components, such as native plant communities, riparian vegetation, or ecological functions?	• Benefits multiple species and/or habitats • Achieves a variety of resource management objectives • Conserves an area documented for unique biodiversity or benefits Federally listed species recovery and/or special status species conservation • Demonstrates benefits to priority areas as identified by landscape-level assessments • Produces lasting, broad-based, on-the-ground results • Demonstrates benefits to priority watersheds, improves Clean Water Act Section 303d waters and/or benefits Unified Watershed Assessment Category 1 waters • Project is identified within a Coordinated Resource Management Plan
Does the project address Department, Bureau, State, or local priorities, including strategic plan goals or identified "Directors Priorities"?	
What is the status of the project planning?	• An Environmental Assessment, including clearances has been completed • The project survey and design have been completed • Signed MOUs, Assistance, or Cooperative agreements are in place
How long will it take to complete the project?	• The project is an ongoing project that was funded prior to 2003 • The project be completed within one year • The project require multi-year funding • A portion of the project can be completed within the first year, even if the project requires multi-year funding

74. What criteria and guidelines will the Bureau be developing, if any, in the allocation of funds under the new cooperative conservation initiative?

Answer: The criteria developed to date follow:

Ranking Criteria: The CCI ranking criteria will be more specifically developed jointly among the three bureaus of BLM, FWS and NPS so that the program would be ready to proceed in October 2002, with approval of the Congress. Examples of types of criteria that will be considered include enhancement or protection of wildlife; restoration of streams and riparian areas; number of partners and degree of involvement, financial and otherwise; and size of match.

Applicants will have to have partners—States, local governments, Tribes, non-governmental organizations, the private sector, and/or private individuals—for the receipt of any funds. In addition, coalitions of partners are encouraged.

Projects will be nominated through the bureaus' field units for the CCI operating account funds.

•Selection Criteria: Eligible projects/programs could be either new or expansion projects in accordance with the purposes stated above. New projects could be a demonstration project, a pilot, or replication of a project succeeding elsewhere. For expansion of existing projects, CCI funds can only be used for the new and expanded portion.

- Projects will be selected competitively based on the benefits derived from the project. Bureaus will look for innovative ideas from partners and joint federal/partners decision-making mechanisms will be reflected in approved applications for funds.

- Applications will 1) identify stakeholder involvement in the application and 2) be required to identify benefits to be achieved as well as timelines for accomplishing clearly defined goals.

•Selection Process: The Directors of BLM, FWS, and NPS each will make final decisions on competitive applications for funds, with final review by the Secretary for the CCI operating accounts. However, project ideas are intended to be generated in the field rather than by Washington headquarters.

•Duration of Projects: The length of projects will receive no commitment beyond one year for the operating accounts but opportunities for renewal will exist.

•Administrative Costs: Bureau administrative/overhead costs will be no more than two percent of the total for the operating account programs.

•Mechanisms for Fund Transfer: Cooperative agreements, contracts, and memoranda of understanding will be used for the operating account CCI programs.

•Reporting Requirements/Accountability: Recipients of the CCI operating account projects will be required to quarterly report program progress and financial status. The Directors of the BLM, FWS, and NPS or their designees will meet quarterly with the Department to discuss progress of the program.

75. Answer: Exactly how is this new initiative different from your existing programs?

Answer: The purpose of the Cooperative Conservation Initiative is similar to the CCS program, but emphasizes restoration of natural resources and/or the establishment or expansion of habitat for wildlife. Where applicable, the program will reflect efforts to resolve conflicts through incentives and cooperation to achieve the intended goal. The following types of projects cannot receive CCI funding; however, they would qualify for CCS funding: Recreation, Cultural, Hazmat, or remediation of abandoned commercial operations. CCI projects must achieve the actual restoration or habitat expansion. Also, research and outreach projects are not permitted.

76. Will you be serving a different clientele under the new conservation initiative?

Answer: The number of partners that participate in public land management is growing each year. Under the new conservation initiative, the Bureau expects to maintain partnerships with all of its current partners and develop partnerships with new partners. Currently, the BLM list of national-level resource conservation partnerships exceeds 100. Many of these partnerships contribute matching funds to the challenge cost share program either directly or through local chapters in each state. In addition to the national-level partnerships, challenge cost share projects often receive funding from state agencies such as fish and game departments, heritage programs, forestry divisions, oil, gas, and mining divisions, colleges and universities, local companies, livestock permittees, and local clubs.

77. Will you require legislative language to implement the new conservation initiative?

Answer: The Bureau of Land Management believes that no specific authority is required beyond the general guidance on public land management found in the Federal Land Policy and Management Act. However, Congress has indicated its desire for the BLM to enter into such partnerships on several occasions. The Bureau Challenge Cost Share program was started in 1985 when Congress appropriated $300,000 to facilitate the recovery of the desert bighorn sheep. The appropriation directed the BLM to work with the private sector to obtain a $300,000 match in funding or in-kind services. In 1986, an additional $300,000 in CCS funds were provided. In 1987, Congress provided $600,000 to continue the Challenge Grant Program for fish and wildlife activities with the following direction:

> "Rather than distribute the funds by type of project, the Committee urges the Bureau to develop a proposed distribution based on the availability of matching funds, the priority of the project proposed, and other factors."

The Challenge Grant Program received a funding increase of $2 million through the 1988 Interior and Related Agencies Appropriation Act with up to $400,000 for threatened and endangered species. The 1990 Interior and Related Agencies Appropriation Act provided additional guidance on expanding the program further: "modest cost-shared challenge grant programs modeled on the wildlife challenge program should be initiated in recreation and cultural resources management programs (House Conference Report 101-264)."

ADDITIONAL COMMITTEE QUESTIONS SUBMITTED FOR THE RECORD

STRATEGIC PETROLEUM RESERVE

Question: The President announced that the remaining capacity in the Strategic Petroleum Reserve would be filled with royalty-in-kind oil from the Gulf of Mexico. What specific resources do you need to implement this policy?

Answer: The MMS estimates that $3.2 million will be required in FY 2002 and an additional $6.7 million will be needed in FY 2003 for MMS to be able to support the initiative. These amounts include costs for crude oil transportation; contract support for allocation and quality bank management; added costs for two implementations of the Liquids Management System to include first the delivery of minimum functionality to support the SPR initiative and a later implementation to complete the LMS needed to support competitive RIK sales; and administrative and travel costs.

Question: Based on our analysis, your fiscal year 2003 budget does not include transportation costs of about $6,000,000 to continue to fill the Strategic Petroleum Reserve. How do you propose to find these funds?

Answer: The MMS is pursuing a reprogramming to meet the FY 2002 resource requirement to support the SPR Initiative. Regarding FY 2003, MMS has reviewed its budget resource request and determined that funds will not be available to meet the estimated additional resource requirement of $6.7 million. In its approval of the FY 2002 reprogramming proposal, the Congress directed the Department and MMS to work with Congressional staff to identify alternative approaches to address this requirement for FY'2003.

Question: What are you doing to ensure that your budget contains the $6,000,000 in transportation costs you will need through fiscal year 2005 to fill the Strategic Petroleum Reserve?

Answer: Consistent with the Congressional direction, the Department and MMS are developing alternative approaches to address this requirement for FY 2003.

INTERNET SHUTDOWN

Question: As part of the ongoing Indian trust fund litigation, MMS is still restricted from Internet access. When do you expect to be reconnected to the system?

Answer: On March 20, 2002, MMS was notified that its application service providers were allowed to reconnect to the Internet. This action allows MMS to bring up the Minerals Revenue Management systems for the collection and distribution of royalties and other revenues. On March 21, 2002 MMS was notified that it could begin reconnecting remaining MMS Internet services.

Question: What has been the impact of the shutdown on your operations? On the reengineering system?

Answer: The MMS tried to reduce the impact on its operations by making estimated payments to the States. Regarding Indian receipts, MMS provided daily advice of revenue receipts to the Office of Trust Fund Management (OTFM) for deposit to interest bearing accounts, thus avoiding late disbursement interest costs to MMS. Where it could, MMS relied on other means of technology to accomplish its work. The effect of the shutdown on MMS operations and on the reengineered Minerals Revenue Management system (MRM) can be categorized in four primary areas: impacts on public health and safety, impacts of non-compliance with laws or regulations, economic impacts on our constituents, and all other impacts.

Impacts on public health and safety:

- Loss of connectivity precluded MMS from communicating broadly to the public regarding real or perceived public health and safety issues.
- Following September 11, 2001, the MMS Pacific Regional Office instituted a system of alerting all state and federal platform operators, law enforcement and the U.S. Coast Guard of any suspicious activities around platforms. The system was based on e-mail since it provided an instantaneous and uniform method of sharing information. The Region relied on telephone and fax, which are slower, less reliable and not as easily available to the operations for sending and receiving information.

Impacts of non-compliance with laws or regulations:

- The MMS is required by the Federal Oil and Gas Royalty Management Act of 1982 (P.L.°97-451), Mineral Leasing Act (30 U.S.C. 191), and Mineral Leasing Act for Acquired Lands (30 U.S.C. 355) to disburse to state governments a share (typically 50 percent) of mineral revenue receipts derived from leases located within state boundaries. Disbursement of these revenues to states is required by the end of the month following the month of receipt by MMS. Without automated systems support, MMS was unable to perform information processing necessary to timely identify, calculate and accurately pay states mineral revenue share as required by law. MMS made estimated payments to states based on historical collections and current receipts, but will be required to correct these payments once actual data is available.
- Public access through the Internet to MMS Environmental Impact Statements was eliminated, undermining MMS s efforts to better serve the public through electronic access to EISs and related MMS scientific documents.
- The Arctic Council is currently reviewing the Arctic Offshore Oil & Gas Guidelines published in 1997. The MMS played a leadership role in the development of the guidelines, which represent a minimum standard for oil and gas operations in the Arctic acceptable to eight Arctic nations. The MMS was unable to review and respond in a timely manner to comments proposed by NGO s (non-governmental organizations), the general public, and regulatory agencies of interested Arctic nations.

- Owners/operators were not able to download applications and parameters for royalty relief (NTL 2002-NO2 and NTL 99-G04). Royalty relief applications can be in the magnitude of $100 million.
- The MMS had to use less efficient means to collect price data or publish price thresholds needed for royalty relief lease administration.
- The shutdown impacted the submittal of information required of permittees upon completion of activities concluded under 30 CFR 251 for geological and geophysical surveys.
- Lack of access to the Internet/e-mail affected the timeliness of determinations of new producible lease status (NPL) under 30 CFR 250.116. Prior to the Internet shutdown, approximately 25 percent of the requests for NPS determinations were made through e-mail. This included maps and log sections that were sent electronically. Not only were initial requests received more rapidly than conventional mail, under this process, but any missing data could be referenced to the Operator in a quick turnaround. The shutdown hampered MMS s efforts to comply with GPEA, the Government Paperwork Elimination Act, which gives MMS until 2003 to offer operators a means of submitting transactions electronically. The shutdown negatively affected MMS s ability to gather Operators opinions regarding working with MMS to produce electronic solutions in response to GPEA requirements.

Economic impacts:

- Individual Indian mineral owners were immediately impacted by the Internet shutdown. They did not receive in a timely manner royalty revenues to which they were entitled and on which many are dependent to meet their day-to-day living expenses.
- States also experienced impacts on their operating budgets. In particular, many state and county governments are dependent on mineral revenue distributions to fund their education systems and road construction and maintenance activities.
- Overall, these revenues average more than $500 million per month. MRM is statutorily required to pay interest on delayed disbursements of revenues to impacted states and Indians. Late disbursement interest will be paid from MRM s annual appropriation. Currently, there is extremely limited funding for this purpose.
- The MRM s compliance work was severely impacted by lack of systems support to access information data bases and data manipulation tools used to audit mineral revenue payments. Additional revenue collections were delayed or lost due to the statute of limitations.
- The MRM was unable to receive, process and store mineral revenue and production information in its accounting systems. A broad base of users, including MMS, BIA, BLM, states, tribes and industry payors and operators who submit this information or otherwise rely on it were adversely impacted.
- Daily operational activities in the RIK program are heavily dependent on access to commercial data, and these efforts have been adversely impacted.
- The RIK Credit Risk Management activities were impacted because credit checks of current RIK purchasers could not be performed timely without access to Internet financial news and online credit evaluation web sites.

- The RIK pre-qualification instructions and financial documentation necessary for evaluating potential RIK bidders under Invitations For Offer could not be accessed on the MMS RIK web site.
- The RIK daily sales/marketing/contract administration activities for gas were impacted because MMS could not timely access: volumes that are used to invoice MMS purchasers for gas deliveries; cash out prices for those contacts that are cashed out every month; transportation charges MMS is responsible for paying (or crediting MMS s purchasers for when they pay MMS); and pipeline revisions on volumes for previous months.
- The MMS invoicing may not be timely in some cases because MMS could not see what payments came in on its financial system.
- The MMS s ability to monitor gas markets was severely reduced.
- The RIK daily sales/marketing/contract administration activities for oil were impacted because MMS is unable to gather information needed to complete research for the upcoming Strategic Petroleum Reserve (SPR) fill: tariff data, pricing data, pipeline flow data, production data, and similar data.
- The MMS was unable to communicate effectively and efficiently with potential purchasers and operators of RIK to fill the SPR or to timely receive nominations from the current operators of RIK properties. This required industry to submit these nominations via fax which is not typical industry practice.
- The MMS was unable to timely obtain publicly available pricing information inherent to the RIK contracts MMS is administering.
- Several on-going joint research projects with industry and academics involving millions of research dollars were delayed due to the shutdown.
- Staff could not access DOE and EIA websites that are used to obtain information on oil and gas prices, forecasts, and other economic indicators.
- Staff could not access important scientific documents and oil company announcements that they ordinarily use in conducting day-to-day work to ensure receipt of a fair market value on lands leased on the OCS. The quality and timeliness of MMS s economic analysis were negatively impacted.

Other Impacts:

- Significant segments of the Minerals Revenue Management organization were impacted due to lack of information and systems support tools needed for mission accomplishment. Furthermore, MRM was unable to communicate with or otherwise share information with states, tribes and other Federal agencies dependent on information collected and stored in MRM data bases.
- Staff could not access important scientific documents and environmental data based on the Internet that they use in conducting day-to-day work to ensure that MMS activities comply with environmental laws. The timeliness of MMS s environmental analyses suffered as a result of the Internet shutdown.
- E-mail is an integral part of day-to-day communications between MMS employees and their counterparts in other Federal and state agencies as well as customers in the private sector. Eliminating this as a means of communication seriously reduced

MMS s ability to efficiently meet its responsibilities to effectively manage the OCS oil and gas program and serve the public.

- Access to information potentially affecting MMS operations was significantly impacted by the Internet shutdown. In addition to scientific information and interagency communication, the MMS requires access to local community information sources (e.g., newspapers). Without this access, MMS s outreach efforts and ability to monitor community issues pertaining to oil and gas issues was stymied, and the bureau could not anticipate or respond to important opportunities to exchange information that may affect public understanding of MMS programs.
- The MMS receives many inquiries from the public and other agencies regarding environmental studies, reports, and information. Since there is no Internet access to Environmental Studies Program Information System or the MMS home page, staff had to copy reports and mail out information. This is a much slower, costlier, and inefficient method of responding to customer requests for information.
- The MMS experienced difficulties in determining the status of leases being held by lessees beyond their primary term. This, in turn, affects lease sales.

Question: How has the shutdown impacted your work with the offshore Minerals Management System? With the Bureau of Land Management? With Indians? With States?

Answer: MMS was unable to communicate with or otherwise share information with states, tribes and other Federal agencies dependent on information collected and stored in MRM data bases. As with MMS, these organizations experienced downtime due to the lack of data and were required to develop alternative processes to function without the normal data flow.

Question: Because of this computer shutdown, will you have to pay any penalties under the Prompt Pay Act? If yes, what do you estimate these penalties to be? If you have to make payments where will the money come from?

Answer: Payments to vendors under the Prompt Payment Act were not affected by the Internet shutdown. These payments are scheduled with the U.S. Treasury Department through a dial up access rather than over the Internet.

Question: Because of the computer shutdown, will you have to pay late interest payments to States and tribes? If yes, what do you estimate these payments to be? If you have to make payments where will the money come from?

Answer: The MMS is required by the Federal Oil and Gas Royalty Management Act of 1982 to pay interest to States and Tribes in those circumstances when the MMS does not make timely disbursement of revenue receipts. The MMS is not currently able to estimate the late disbursement costs that will be incurred by MMS due to the computer shutdown. As the systems are restored we will be able to conduct the processing of information necessary to determine the late disbursement interest owed. Steps have been taken by MMS to mitigate the late disbursement impact of the shutdown

by making monthly estimated disbursements to State governments. The MMS will continue for several months its strategy of making estimated payments to States to mitigate its late disbursement interest costs.

Regarding Indian receipts, MMS provides daily advice of revenue receipts to the OTFM for deposit to interest bearing accounts, thus avoiding late disbursement interest costs to MMS. Most Indian Tribal receipts are made through lock boxes and other payment approaches that provide Tribes with immediate access to receipts. Allotted receipts, however, must be processed through OTFM to be disbursed to individual Indian mineral owners. OTFM disbursements were affected by the inability to connect to the Internet.

The MMS will be required to pay late disbursement interest costs from its annual appropriation. Specific funding for late disbursement interest costs is not included in MMS s FY 2002 cnacted budget, or budget rcquest for FY 2003.

ROYALTY-IN-KIND

Question: What is the status of MMS s royalty-in-kind pilots?

Answer: The MMS is currently operating the following pilot projects:

Wyoming Oil Pilot — Currently approximately 4,000 barrels per day of Federal royalty oil are being disposed of through competitive sales. The pilot is being operated in close coordination with the State of Wyoming who has also included royalty oil barrels from State lands as part of the pilot.

Gulf of Mexico OCS Natural Gas Pilot — Currently approximately 350,000 mmbtu per day of royalty in kind natural gas is being disposed of through competitive sales. This pilot has been merged with the Texas 8 (g) pilot that the MMS operated from 1999-2001.

Gulf of Mexico OCS Oil Pilot — Currently approximately 51,000 barrels per day of royalty in kind oil is being disposed of through competitive sales. These sales will end March 31, 2002. The royalty in kind barrels are now being dedicated to the Strategic Petroleum Reserve Initiative.

Strategic Petroleum Reserve Initiative — Oil royalty in kind deliveries to the Department of Energy commenced April 1, 2002, at a rate of 60,000 barrels per day.

Question: When can the Subcommittee expect to see a comprehensive report detailing the results of the royalty-in-kind pilots?

Answer: The MMS anticipates providing four reports outlining the results of the royalty-in-kind pilots. Once all four reports are completed, a consolidated summary will be prepared.

For the Wyoming Oil RIK Pilot, MMS issued a draft report in March of 2001. Based on questions raised during a hearing before the House Resources Committee, Subcommittee

on Energy and Mineral Resources, MMS is preparing an addendum and plans to issue the final report this spring.

For the remaining pilots, MMS intends to issue draft reports for public comment on the following schedule.

Pilot	Completion Date
Texas 8(g) Gas RIK Pilot	Spring 2002
Gulf of Mexico Gas RIK Pilot	Fall 2002
Gulf of Mexico Oil RIK Pilot	December 2002

We plan to issue a consolidated final report in spring of 2003.

OFFSHORE MINERALS MANAGEMENT

Question: You are requesting an additional $5 million for Gulf of Mexico workload. Please explain how deepwater operations are impacting your programs in the Gulf?

Answer: Minerals Management Service s (MMS) workload in both shallow water and deepwater has increased and remained strong. These challenges involve several components including:

- Long term activity levels will remain strong as smaller independent companies look for opportunities to develop oil and gas resources in the shallow water.
- Activity levels in the shallow water should increase as more companies take advantage of the new MMS incentive for royalty relief for deep gas. Many companies responded to this in Sale 182 held on March 20, 2002.
- Drilling and development activity should continue at high levels in deepwater as companies continue to drill the large inventory of leases they own and file development projects on the deepwater discoveries they have already made.
- The MMS believes that deepwater production will continue to expand significantly through at least 2006-2007 as existing discoveries are brought on line.

For these reasons MMS is requesting $5 million and 21 FTE to support its Gulf of Mexico program.

Question: Your budget proposes a reduction of $1 million to the California office. Could you provide us with an analysis showing how this reduction is consistent with the current California office workload. What specific activities, if any, will not be done as a result of this proposed reduction?

Answer: The Pacific Region performs the full range of MMS s responsibilities for offshore activities in Federal waters off the coast of California. These include platform

inspections, safety and environmental management, review of industry plans for operations, etc. The $1 million reduction represents the first step of a larger management reform initiative to streamline our activities through a review of workloads and priorities within the Pacific Region. The MMS recognizes the importance of the oversight of operations in the Pacific Region. However, MMS believes it can benefit from a review of its operations in the Pacific Region without jeopardizing current operational needs. The overarching goal remains to achieve efficiency without compromising management of ongoing operations to ensure safe and environmentally sound OCS operations. The full range of activities currently performed by the California office will continue.

Question: Your budget request proposes $100 million in offsetting collections which is a reduction from prior years. Do you see the decline in rents and bonuses continuing?

Answer: Due in part to moratoria and lack of industry interest in the remaining OCS areas, the OCS program is essentially a leasing and development program in the Central and Western Gulf of Mexico (GOM). Under the Deep Water Royalty Relief Act of 1995 (DWRRA), leasing in the CGOM and WGOM was of great interest to industry, especially from 1996 - 1998. The deepwater leases awarded in those sales have 10-year lease terms, so they will not begin to expire and become available for leasing again until 2007. Thus, the number of prospective blocks available for leasing now is less than in previous years. In addition, because the better blocks tend to get leased first, the remaining unleased blocks are of lower geologic quality. The leases on which exploration is successful no longer pay rentals. The leases that expire or are relinquished, likely will be the lower-valued tracts that will receive less bidding interest in future sales. Therefore, without much interest in the Alaska OCS areas, the future trend for OCS bonuses and rentals is expected to decline.

Question: Do you see increased leasing activity in the deep water as potentially offsetting the current decline in rents and bonuses?

Answer: Although we expect future leasing activity in deepwater in the GOM to continue to be of interest to industry, we do not foresee the number of tracts receiving bids and being leased reaching the high levels of 1996 — 1998. Currently, most of the better blocks in deepwater already are under lease. Any blocks that expire or are relinquished over the next 5-10 years likely will be those of less interest to industry (i.e., those that did not merit exploration when originally leased). Hence, they should receive lower bonus bids if they are bid on at all on re-offering. Without opening new GOM areas to industry, even with continued interest in the deepwater GOM, aggregate rents and bonuses therefore are expected to decline in the future.

Question: Have you fully funded your uncontrollable costs? If not, what percentage is funded. What resources would you require to fully fund your uncontrollable costs?

Answer: Uncontrollable cost estimates for FY 2003 total $6,642,000; $3,915,000 of this amount has been requested in the FY 2003 budget as an increase and MMS will absorb $2,727,000 through program efficiencies.

Question: The Subcommittee understands that legislation is being considered that would allow the industry to swap leases in the eastern Gulf of Mexico for leases in the western and central gulf. Does the Administration have a position on this proposed legislative proposal? What are the estimated costs associated with this legislation?

Answer: The Administration does not have a position for this legislation as it is currently being drafted by Congress.

ELECTRONIC GOVERNMENT INITIATIVE

Question: You are proposing an increase of $8.7 million to begin reengineering your Offshore Minerals Management program with the goal of creating a more citizen-centered E-Government operation. What do you envision a citizen-centered E-Government operation to be?

Answer: The OMM initiative will increase both the effectiveness and efficiency of OMM s programs by improving the quality of service to citizens, businesses, other governmental agencies, and internal staff. A citizen-centered e-Government operation will focus on providing secure online access for the public, including the regulated industry, to the regulatory processes and information stores of the Offshore Minerals Management (OMM). This will include online rulemaking; 24-hour a day/7-days a week online submittal of applications and reports, as well as status tracking of applications; and online access to the results of environmental, engineering, and other OMM studies and data. Examples:

- Develop a standard data model and data exchange standard for use by other oil and gas regulatory agencies, including other Federal agencies, State agencies, and international regulatory bodies. Leverage existing efforts. Provide other regulatory agencies, as appropriate, access to industry submitted information.

- Provide a one-stop portal so that industry can submit requests along the lifecycle (e.g. plans, permits, sundry notices, suspensions of operations, etc.). Provide a means for electronic reporting and submittal of required data and information to MMS.

- Provide a web-based tracking system to allow for public comment on OMM s rulemaking activities, environmental impact statements, and 5-year plans. Provide easy to use geographic-based user interfaces to access and extract publicly available information from our databases.

- Provide a one-stop portal that allows users to self-identify and customizes the interface based on needs.

Question: Are you working with industry on this reengineering effort? If yes, exactly how are you collaborating?

Answer: We are working with industry on this re-engineering effort. We have met with focus groups of the American Petroleum Institute (API), Offshore Operator s Committee (OOC), Independent Petroleum Association of America (IPAA), and National Ocean Industries Association (NOIA) to ensure that we address their concerns. An early prototype for an electronic permitting system is currently being developed that will be beta-tested with operators from the offshore oil and gas industry representing membership of each of these associations. Additionally, we are working with related data standards groups such as the Petrotechnical Open Software Corporation (POSC), Petroleum Industry Data Exchange (PIDX), and Public Petroleum Data Model (PPDM) to develop a standardized logical data model and appropriate data exchange standards. We will continue to meet with, and include, the oil and gas industry associations and data groups throughout the life of the project.

Question: What are you doing to coordinate this effort with the recently reengineered Minerals Revenue Management system? How will the two systems operate together?

Answer: We are currently developing the OMM business and data models that represent the OMM processes, both internal and external. The OMM model is oriented around physical operations, and largely composed of relational data (spatial, geological, geophysical, oceanographic, and socio-economic). The Minerals Revenue Management (MRM) model is oriented around financial operations, and largely composed of product-stream data and financial data. As we develop the OMM architecture, we are looking for the touch points with MRM and will integrate them, as appropriate. A representative from MRM will be on our Integrated Project Team (IPT). We anticipate that at least the customer architecture and production data from the OCS will be common areas. Should significant touch points, in addition to production data and customers, be identified as our revised data model emerges they will also be integrated.

Question: How does MMS manage its information technology operations?

Answer: The Associate Director for Administration & Budget serves as the MMS Chief Information Officer (CIO). The Chief of the Information Resources Management Division (IRMD) in Administration and Budget serves as the MMS Deputy CIO. Together they are tasked with providing overall IT management direction for the Bureau. The CIO and the Deputy CIO work closely with the Department s CIO Office and the other Bureaus to assist in the formulation of Departmental enterprise architecture and IT policy. Responsibility for carrying out the Departmental IT policy within the MMS rests with the IRMD.

Day-to-day IT operations are carried out by program level IT offices in the Administration & Budget, Minerals Revenue Management, and Offshore Minerals Management organizations.

The bureau has two councils established to review MMS IRM policies and plans. They include:

- A Council of Information Management Officials (CIMO), comprised of a senior IRM manager from each program area; and
- An Information Resources Management Review Council, comprised of the MMS Deputy Director, the four Associate Directors, and the Chief, IRMD.

The CIMO recommends steps necessary to (1) ensure a bureau-wide approach for addressing and introducing new technologies, (2) implement the Department s policies and procedures, and (3) support all major information technology and management functions that provide for effective management of information technology inside and outside the bureau that relate to the MMS mission. The Chief, IRMD, chairs the CIMO.

The IRMRC, in consultation with the Department s CIO, recommends policy and standards to the Director, and reviews all ADP acquisitions and systems development requests that exceed $100,000. The Associate Director for A&B serves as Council Chair, and the Chief, IRMD, as Executive Director.

The MMS has contracted with Accenture to provide enterprise-level support for its e-mail systems, NT domain, and wide area network (WAN). The MMS is studying opportunities to better leverage enterprise-wide approaches to IT management and support through working groups and the (CIMO).

Question: What is the management structure for oversight of the Bureau s information technology operations?

Answer: The Department s CIO provides oversight of MMS s IT investments. However, MMS s internal management structure consists of a number of advisory groups which form an IT governance. The IRMRC recommends Bureau-wide IRM policies and standards, updates the MMS IRM Strategic Plan, and reviews all significant IT initiatives following Departmental IT policies and OMB Capital planning guidance.

The CIMO is an advisory group to the Information Resources Management Review Council (IRMRC) and makes recommendations to the IRMRC on strategic IT issues and IT policies for approval. The CIMO was chartered to ensure a Bureau-wide approach for addressing the introduction of new technologies, implementing Bureau-wide IT policies and procedures, and supporting all major IT and management functions that provide for effective management of IT within the Bureau.

The CIMO is advised by a series of working groups covering the networks and servers (Infrastructure Technology Group), desktops (Client Working Group) and IT security

(Security Working Group). Each working group has representatives from each of the program areas and is chartered to provide enterprise level review and support for MMS IT initiatives.

Question: Has the Bureau completed development of an information technology architecture? Please describe it.

Answer: The Departmental enterprise architecture, currently under development, is the blueprint MMS will use to develop its IT architecture plan. To assist in the development of the Departmental enterprise architecture, MMS is actively participating on ten Domain Architecture Teams (DATs). Each DAT focuses on a specific aspect of the architecture, such as web development and collaboration tools. The work product of the DATs will form the foundation of the Department of the Interior Information Technology Enterprise Architecture.

The MMS already employs the basic concepts of an IT architecture. This is evident in the adoption MMS-wide of standards for desktop software (Microsoft Office), server operating system (Microsoft NT and Microsoft Windows 2000), enterprise network architecture, and enterprise-level security policies. In addition, the MMS s IT governance system (see above) provides the controls necessary to ensure compliance with existing standards and a means to provide strategic planning and adoption of new standards, as necessary.

ENVIRONMENTAL STUDIES PROGRAM

Question: Your budget proposes to reduce the environmental studies program. How will this reduction affect your operations?

Answer: The ESP research allows us to study current issues and conduct environmental monitoring related to oil and gas activities and marine minerals development, as well as conduct research on evolving topics such as methane hydrates, biotechnology and invasive species. The reduction should not effect current OCS operations since our process works to fully fund priority projects.

Question: Will the reduction in the environmental studies program impact the conduct of future lease sales?

Answer: No. One of the principal applications for ESP results is the Environmental Impact Statement prepared for lease sales and it is particularly important to have up to date scientific knowledge to form the basis for sound decision making. With the completion of the new 5-year leasing program, funds should be available to compensate for the small reduction.

Question: Will the reduction in the environmental studies program affect the ability of companies to explore and develop the leases they purchased at previous sales?

Answer: No. The ESP places an emphasis on post-lease studies designed to monitor the impact of oil and gas activities on the environment and provide information for operational decision making. Companies will be able to explore and develop the leases they purchased at previous sales, subject to meeting the requirements of all necessary permits. The MMS studies, in general, are designed to contribute to the knowledge base and enhance the MMS decision making process and those efforts will continue.

STATEMENT OF

R. M. "JOHNNIE" BURTON, DIRECTOR
MINERALS MANAGEMENT SERVICE, DEPARTMENT OF THE INTERIOR

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

HOUSE OF REPRESENTATIVES

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to testify today on the Fiscal Year (FY) 2003 budget request for the Minerals Management Service (MMS). We have looked closely at our ongoing operations and responsibilities and this request reflects our best assessment of the funds needed to carry out critical MMS programs during FY 2003.

The MMS is requesting $281.0 million, including $10.4 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the Federal employee health benefits program for current CSRS employees. Without the legislative proposal, the request is $270.6 million, a net increase of $ 11.1 million above the 2002 enacted level, and includes both programmatic and uncontrollable cost increases.

Our budget request is based upon our accomplishments in successfully implementing and completing past budget initiatives. It is also based upon the challenges confronting us during the next fiscal year and beyond, which are the reasons for the increases in budgetary requirements. The request includes funding to:

- manage the increased workload and complicated industry requirements for drilling and production-related activities in the Gulf of Mexico Region,
- provide additional resources to keep pace with the increased demand on our revenue management network and enterprise systems,
- acquire an automated liquids (oil) management system to support the pilot royalty-in-kind programs, and
- begin a five year e-government initiative that will deliver web-based, paperless transactions and better manage data, resulting in reduced future costs and improved information delivery to citizens.

The MMS manages the nation's oil, natural gas, and other mineral resources on the Outer Continental Shelf (OCS), and collects, accounts for, and disburses revenues from offshore federal mineral leases and from onshore mineral leases on Federal and American Indian lands. To carry out this mission, MMS manages two very important programs – the Offshore Minerals Management (OMM) Program and the Minerals Revenue Management

(MRM) Program. These programs provide major economic and energy benefits to the Nation, taxpayers, states and the American Indian community.

The MMS has leased and currently manages more then 40 million acres of the OCS. More than 13.1 billion barrels of oil and 146.4 trillion cubic feet (tcf) of natural gas have been produced from the OCS since 1953.

From an economic standpoint, MMS will account for a projected $4.2 billion in Federal receipts in FY 2003. MMS will also account for an additional $200 million in receipts for American Indian tribes and individual American Indian owners, and $39 million in shared mineral revenue receipts with coastal states. The Federal receipts include $2.8 billion from OCS receipts and $1.4 billion from onshore receipts. From a taxpayer's perspective, that converts to:

- $1.9 billion deposited to the General Fund of the U.S. Treasury;
- $674 million in mineral revenue payments made to onshore states;
- $897 million transferred to the Land and Water Conservation Fund;
- $536 million credited to the Reclamation Fund; and
- $150 million for the Historic Preservation Fund.

The receipts I have described above are derived from the accomplishment of the Bureau's two program missions. MMS has recently celebrated its 20th anniversary, and during this relatively short time these two programs have experienced dramatic and profound changes in the business, energy and government climates in which they operate. These changes have challenged MMS to keep pace, and I believe that the bureau has risen to the challenge. I would now like to review a few of MMS's recent achievements and what MMS sees as its challenges for the future.

OMM Program Achievements

OCS and the Nation's Energy Supply

The OCS continues to play a critical role in supplying the nation's energy needs. It is estimated that oil and gas production from the OCS will account for over 25 percent of the country's total production in FY 2003. The average combined shallow and deepwater production in 2003 is estimated to be about 587 million barrels of oil and 5.1 tcf of gas.

Record Setting Activity in the Gulf of Mexico (GOM)

Drilling in the GOM deep water has increased dramatically over the last decade. Today, deepwater drilling continues to be at an all time high with over 45 rigs drilling in water depths of over 1,000 feet, compared to just nine in 1990. The number of wells drilled in a single year in water depths greater than 200 meters reached a record high of 302 in 2001, and a record 1,408 well starts were drilled in the GOM last fiscal year. This is a 52% increase from the 928 well starts drilled in FY 1995.

Safety remains a top priority.
The MMS regards the safety of personnel, the environment, and operations as top priorities. Prevention is our most important safety strategy. The continued movement of industry into deeper waters and the overall increased industry activity in the GOM have increased both the level and complexity of monitoring and ensuring safe OCS operations. Likewise, there has been a significant rise in the number of operators on the OCS, some without the same level of experience as the more seasoned operators.

MMS continues to work with industry and other agencies to ensure the continued safety of offshore operations. In 2002, the MMS will be authorized to inspect and enforce U.S. Coast Guard safety regulations on fixed OCS platforms. By authorizing MMS to also check for compliance with Coast Guard safety regulations, we avoid duplicating functions, reduce Federal costs, and increase the frequency of these critical safety inspections.

OMM Program Challenges

Meeting Future National Energy Needs
The U.S. is the most mature petroleum-producing region in the world. Much of the Nation's easily located oil and gas has already been extracted. Despite this, domestic discoveries and reserve additions over the past decade have replaced 100 percent of the natural gas and 79 percent of the crude oil produced during this period. Advanced technologies have allowed economical access to domestic resources that are concentrated in deeper formations, tighter zones, deeper water, more sensitive environments, and increasingly more unconventional settings. In 1998, the U.S. Department of Energy (DOE) estimated that two-thirds of the 603 billion barrels of known oil reserves in the U.S. remained untapped.

While new sources of energy may be on the horizon, oil and gas will continue to be important during the next 20 to 30 years, and the DOE estimates that dependence on oil and gas will increase significantly during that time. Because of this dependence, MMS programs are vitally important to the security of the Nation and the well being of the national economy. One such example is our royalty-in-kind program that will enable MMS to meet the President's November 2001 directive to fill the Strategic Petroleum Reserve.

Demand for oil and gas uncharacteristically declined in 2001. This is attributed mainly to the decline in air travel after September 11th and an unseasonably warm winter. Nevertheless, demand for oil is expected to increase once again in 2002. By 2003, DOE projects annual average petroleum demand to exceed 20 million barrels per day for the first time.

While oil production on the OCS is projected to increase through 2010, the long-term overall U.S. oil production is projected to decline. This decline is projected at an average annual rate of 0.7 percent between 1999 and 2020, to 5.1 million barrels per day. The share of U.S. oil demand met by net imports is projected to increase from 56 percent in 1999 to 70 percent in 2020, an average annual increase of 2.5 percent

U.S. demand for natural gas is projected to increase from 22 tcf in 1998 to as high as 29 tcf by the year 2010 and 31.3 tcf by 2015. This is a 50 percent increase over what the Nation consumes today. If the OCS is expected to maintain the same percentage contribution towards future U.S. gas consumption, the annual gas production from federal waters will have to increase 7 to 8 tcf. Natural gas is clearly the fuel of choice for the Nation's future energy use because it is a cleaner burning fuel.

Safety and Environmental Protection

While development of offshore mineral resources has already meant billions of dollars in revenues to the United States, MMS is responsible for ensuring that those economic benefits are not made at the expense of safe operations and environmentally responsible development. The move into deeper water and the overall rise in activity have increased both the level and complexity of monitoring OCS operations. The number of operators drilling in the GOM has increased over the past several years by about 30 percent. Some of these new operators are not as experienced as those that have been working in the GOM for a longer time. There is also a much greater reliance by all operators on the use of contractors. In addition, the offshore industry downsized significantly throughout the 1980s and 1990s. All of these events have reduced the pool of skilled offshore workers. The presence of workers with a minimum of offshore experience is placing an added burden on the inspection and compliance program.

One of MMS's top priorities is ensuring that industry maintains its excellent safety and environmental record as the level of activity increases in both amount and complexity. From a safety perspective, recent statistics indicate that the rate of injuries and illnesses for offshore workers is less than half the rate for the private sector as a whole. On the environmental front, since 1985, over 63 billion barrels of oil have been produced from the OCS with only 0.001% spilled. Natural seeps contribute more than 150 times this amount to the marine environment. Maintaining the OCS's good safety and environmental record is critical to preserving the public's confidence in the integrity of the program and to facilitating further OCS production. If a serious incident were to occur and we were prohibited from further development of these promising areas, the Nation would lose the significant contributions that the Offshore Program makes to the economy in the form of revenues and secure supplies of oil and natural gas.

Deepwater Production

Production from deepwater wells continues to increase as compared to prior years. In 1985, for example, only six percent of the GOM's oil production came from deepwater wells as compared to over 50 percent in FY 2001. Natural gas production from deepwater areas in the GOM increased from less than 1 percent of total gas production in 1985 to over 20 percent in FY 2001. As discussed earlier, drilling activities continue to reach record highs in the GOM.

The continuing increase in production and drilling activities in the GOM places additional workload demands on MMS in the areas of environmental assessments, field determinations, engineering, inspection, and production and deepwater operation plan reviews.

Maintaining a Viable OCS Program

One of the agency's core responsibilities in managing OCS leasing and development is to ensure that our leasing decisions fully consider the possible risks to coastal communities and environments of offshore development, and that our regulatory efforts ensure the highest degree of safety and protection possible in day-to-day operations.

The MMS is entering the final stages in the development of its next OCS 5-Year Program covering the 2002-2007 timeframe. The comment period on the Proposed Program and the draft environmental impact statement closed in January 2002. A final EIS will be prepared and a proposed final program will be submitted to the President and Congress in April 2002. Following a 60-day waiting period, the Secretary is scheduled to approve the new program in June with an effective date of July 1, 2002.

Expanding Electronic Government

Since the oil and gas resources of the OCS, though abundant, are ultimately exhaustible, MMS must manage these resources in the most prudent manner possible. To do this, MMS must impose complex requests and reporting requirements on the oil and gas industry. It must also share information, analysis, and databases with other government and public entities. Together, these management responsibilities create intense pressure for automation of many recurring processes. To fulfill each of its mandated tasks, MMS must facilitate the exchange of OCS-related information within a complex network of stakeholders (industry, other agencies, states, the public). That fact is the basis of OMM's e-Government vision.

OMM's e-Government framework consists of investment in core infrastructure, such as a regulatory data model, redesigned web-enabled corporate database, document management, security, and a data warehouse to support its business functions. A strong OMM infrastructure will support web-based, customer-responsive solutions; facilitate internal analysis; and set a foundation for future integrated systems. Additional investments will support processes such as permitting, inspections, Freedom of Information Act, public commenting, and industry reporting. To ensure that the foundation is flexible, capabilities will be built in a coordinated and modular fashion, using commercial off-the-shelf applications and outsourcing when feasible. MMS's approach is driven by customers and stakeholders, focused on mission and strategy, process-efficient, and technology-enabled.

MMS will also work closely with the Bureau of Land Management to ensure data exchange compatibility with future onshore oil and gas program applications.

FY 2003 Budgetary Impact

To address these challenges, we are requesting $5.0 million to accommodate the increased demand for services in the GOM region, and $8.7 million as first-year funding for development of OMM's E-government initiative.

Minerals Revenue Management Program Achievements

Reengineered program, processes, and systems

FY 2002 brought the culmination of many fundamental changes that were presented in the *Roadmap to the Future* published in November 1998. In FY 2001, the MRM realigned its organizational structures and resources to support the reengineered business processes that will yield the significant and recurring benefits sought from the royalty reengineering initiative. In its realignment MRM also changed its name from Royalty Management Program to better reflect the program's mission. The new MRM organizational structures were developed based on extensive input from employees and in close consultation with industry, State, and tribal partners.

In FY 2002, MRM implemented a new systems infrastructure to support our reengineered business processes. These fundamental changes to organizations, infrastructures, and processes require significant new skill sets, bringing opportunities to build knowledge of new systems, understand relationships, develop expertise, and refine processes. The two reengineered end-to-end business processes support the continued emphasis on our Indian trust responsibilities as well as help us achieve our stretch goals.

- The Financial Management Process manages the information and money that flows through the MMS to program beneficiaries. The new process shortens the receipt and distribution cycle, providing beneficiaries with access to their funds sooner.
- The Compliance and Asset Management Process ensures that all revenues, whether received through in-kind or in-value royalties, are paid timely and accurately. This process introduces fundamental change to the way MMS has historically done compliance work. Instead of focusing on payors in evaluating royalty payments, the MRM now focuses on properties and producing areas. This new process introduces a significant reduction in business cycle time, with a goal of completing all compliance work, including audit, within 3 years or less after the payment was made. With the property and producing area focus, this process also well positions the MRM to support its royalty in-kind asset management strategies.

Consummate Asset Manager

The asset management concepts developed through reengineering and demonstrated by the RIK pilots and operational model support MRM's mission to be "the best in the business", pursuing fair market value and cost-effective collection and disbursement of royalties whether collected in-kind or in-value. MMS is currently focusing its development of the RIK asset management strategy in the Gulf of Mexico. At present, about 84 percent of the Federal oil and gas revenues are produced from leases on the Outer Continental Shelf. Most of these revenues come from the Gulf of Mexico, which offers the following asset management advantages:

- Close proximity to market centers
- Access to extensive systems for the delivery of mineral production to buyers
- Relatively few lease contracts to administer

In FY 2002, MMS began the development of the automated infrastructure to support the gas RIK program. When complete, this development effort will provide the needed tools to

support gas RIK business processes. MMS expects to complete implementation of the RIK gas automated infrastructure in early FY 2003.

Indian Trust Responsibilities

In accordance with the Department's American Indian trust responsibilities, MMS has a special dedication to the tribes and individual American Indian mineral owners. MMS serves American Indian tribes and individual American Indian mineral owners by ensuring that they receive accurate returns for mineral production on their land. Distribution of payments is made twice monthly for revenues collected for leasing and production activities on Indian lands.

In response to feedback from the Indian community, MRM proposed a separate royalty valuation rule for crude oil produced from Indian leases. The new rule, when final, will add more certainty to the valuation of oil produced from Indian lands, eliminate reliance on posted oil prices, and address terms unique to Indian leases. The rule is expected to result in additional Indian oil royalties of approximately $4.7 million.

In Farmington, New Mexico, MMS participates in a Departmental effort, implementing a new concept in serving our Navajo constituents. The Farmington Indian Minerals Office (FIMO) unites employees from the Bureau of Indian Affairs (BIA), Bureau of Land Management (BLM), and MMS, under one director for outreach, inspection, enforcement, and mineral revenue compliance services to industry and American Indian stakeholders. The FIMO office was established as a permanent DOI office on September 28, 2001. In addition, the Department's Indian Minerals Steering Committee, made up of representatives from BIA, BLM, MMS, and the Office of Special Trustee for American Indians (OST), is assessing the feasibility of expanding the program to other geographic areas having a significant population of Indian mineral leases and lessees.

Minerals Revenue Management Program Challenges

Continuous Improvement

MRM's reengineering initiative has provided a new financial system, a robust data warehouse, and an array of new tools and applications for financial management and mineral revenue compliance. When fully realized, the reengineering initiative will dramatically modernize both the financial and the compliance and asset management business processes and supporting systems. MRM plans to gradually introduce additional enhancements, especially in the area of mineral revenue compliance. As these changes are embraced and applied by the compliance staff, the environment will continue to allow for more and more changes and improvement. This phased approach was anticipated from the outset of the reengineering effort in order to allow for staged implementation as more knowledge is acquired and applied.

These new processes and system enhancements address MRM's continuous improvement objectives for mineral revenue compliance. However, several offsetting factors contribute to the need for an overall increase in operations and support funds during FY2003 to support MRM's new information technology environment:

- ◊ Robust new tools and capabilities will improve MRM's ability to accomplish its mission and goals but will require ongoing maintenance and support.
- ◊ The new systems and tools, coupled with growing requirements for remote access, place an increased demand and a growing dependency on MRM's networks and enterprise systems. This requires continuous upgrades to ensure a stable, secure computing and communication backbone for the new systems.
- ◊ Industry is anticipating major cost increases for enterprise software systems (database, operating systems, office automation, etc.) upon which our new systems and networks rely. For the past 5 years, IT professionals' salaries have been increasing at a rate greater than 10% per year in the Denver area. The only way MRM has been able to maintain adequate funding for its primary IT providers is by reducing enhancement work performed on systems scheduled for replacement because of the reengineering effort. The cumulative effect of the increased costs of IT professionals and the implementation of the reengineered system prevent a similar approach in FY 2003.

Expanding RIK Opportunities

The President's November 13, 2001, decision to fill the SPR greatly expands the role of RIK in the Gulf of Mexico (Gulf). When completed in 2005, MMS will have delivered approximately 120 million barrels of crude oil taken in-kind from Federal leases in the Gulf to onshore market centers for utilization by DOE in filling the SPR. There are associated transportation costs and a need to expedite the oil RIK system as a result of the President's decision to fill the SPR. MMS has requested funding for an automated oil RIK system in FY 2003, which will enable the program to handle the added SPR effort. Timing for the implementation of the oil system depends on funding availability.

The SPR RIK initiative at 130,000 barrels/day and the continuation of the Small Refiner Program at some 50,000 barrels/day, will result in much of the Gulf oil production royalties being taken in-kind.

FY 2003 Budgetary Impact

To address these challenges while maintaining our accomplishments, we are requesting $2 million to cover increasing automated systems operations and maintenance costs. Additionally, we are requesting $6.015 million to fund development of the automated infrastructure to support the expanding oil RIK program.

MMS's FY 2003 Budget Request - Highlights

The MMS budget request totals $281 million, a net increase of $21.5 million or slightly more than 8 percent above the 2002 enacted level of $259.5 million. The $21.5 million increase combines program decreases of $14.3 million with $3.6 million for uncontrollable and related cost changes (primarily pay raises and GSA rent increases); $21.8 million for programmatic increases, and $10.4 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS and the FEHB Program for current CSRS employees. In addition to the programmatic increases described above for the OMM

Program (+$13.7 million) and the MRM Program (+$8 million), we are requesting the following decreases:

- a decrease of $0.8 million for the Center for Marine Resources and Environmental Technology which will be eliminated due to higher priorities for oil and gas exploration and extraction; and
- a decrease of $0.8 million for the Marine Minerals Technology Center which will be eliminated due to higher priorities for oil and gas exploration and extraction;
- a decrease of $0.5 million for the Offshore Technology Research Center that will have funding reduced due to higher priorities for oil and gas exploration and extraction;
- a decrease of $3.0 million for the Royalty Legacy System, which was replaced by the reengineered system in FY 2002;
- a decrease of $2.2 million for the Environmental Studies Program that will allow for the continuation of existing projects and starts for limited but critical new projects;
- a decrease of $1 million in the Pacific OCS Regional office from a review of its operations; and
- a decrease of $6.0 million for the completed gas management system acquired in FY 2002 in support of continuing RIK pilots and longer-term projects.

Revenue Sources

FY 2003 Proposed Operating Appropriations/Offsetting Collections *dollars in thousands*	
Royalty and Offshore Minerals Management	$174,640
Offsetting Collections	$100,230
Oil Spill Research	$6,105
Total	**$280,975**

The MMS receives funding for operations from three sources: the Royalty and Offshore Minerals Management (ROMM) appropriation, Oil Spill Research (OSR) appropriation, and offsetting collections (primarily from rental receipts from offshore leases). Since 1994, when MMS received authority to retain a portion of OCS rental receipts (offsetting collections) the share of the agency funded with appropriated funds has decreased substantially. The share of MMS's total budget funded from offsetting collections peaked in FY 2000 at 52 percent. In FY 2003, approximately 37 percent of MMS's funding is proposed to come from offsetting collections.

Several years ago, dramatic increases in leasing activity in the GOM made it possible to shift a larger portion of MMS funding from direct appropriations to offsetting collections. The increased GOM activity was made possible by new technologies that allowed exploration and development in very deep water. Examples of these new technologies included the rapid expansion in the availability of high quality 3-dimensional seismic data, inexpensive geo-science workstations, and seismic processing advances that allowed geo-scientists to look below the previously impenetrable layers of salt. In addition to the technological advances, Congress enacted legislation (Deep Water Royalty Relief Act of 1995) that has encouraged deepwater exploration and production.

The combination of very favorable geologic characteristics, technological advances, and economic incentives caused leasing in the GOM to increase almost ten-fold between 1992 and 1997. In 1998, however, the number of tracts leased in the two GOM sales declined by 37 percent from the record levels of 1997. While 1998 marked the first time that the number of tracts leased in the GOM had declined in the past several years, the number of total active tracts actually increased in 1998 by over 12 percent. In 1999, the number of new tracts leased (333) fell 71 percent below the 1998 level and 81 percent below the peak level reached in 1997. In FY 2000, the number of tracts leased (553) in the GOM increased by almost 70 percent over FY 1999. In FY 2001, the number of tracts leased grew again as 753 new leases were issued.

While FY 2000 and FY 2001 saw the number of tracts leased increase, MMS does not expect new leasing activity to return to the FY 1996 – 1998 level in the near future. Because of this lower level of new leasing activity, MMS is requesting the cap on currently authorized offsetting collections be lowered to $100.230 million in FY 2003.

In addition to appropriations for operations, MMS receives appropriations for distribution of the states' share of onshore mineral receipts. In FY 2003, MMS estimates that the states' share of these onshore mineral receipts will be approximately $674 million. This amount is slightly more than our FY 2002 estimate of $670 million.

FY 2003 Proposed Permanent Appropriations *(dollars in thousands)*	
Mineral Leasing Associated Payments *(MLAP)*	669,880
National Forest Fund Payments to States *(Forest Fund)*	3,475
Payments to States from Lands Acquired for Flood Control, Navigation, and Allied Purposes *(Flood Control)*	951
Total	**$674,306**

Conclusion

Mr. Chairman, that concludes my written testimony. At this time I would be happy to answer any questions you or other Members of the Subcommittee may have regarding any aspect of our budget request for FY 2003.

STATEMENT OF FRANK M. DE LUISE, RESTORATION PROGRAM MANAGER
U.S. DEPARTMENT OF THE INTERIOR

FOR THE HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

I am pleased to present the Department's Natural Resource Damage Assessment and Restoration Program's budget request for Fiscal Year 2003 to the Committee. The 2003 request will allow the Restoration Program to continue to move forward in restoring and protecting natural resources for the continued use and enjoyment of this and future generations of the American public.

We are pleased with the accomplishments the Restoration Program has achieved over the last few years, and are excited about meeting the challenges ahead. The 2003 budget requests a total of $5,875,000, an increase of $378,000 over the 2002 enacted level of $5,497,000. Within the requested increase is $41,000 to help fund uncontrollable cost increases, and $337,000 for costs associated with the Administration's government-wide legislative proposal to shift full cost of the Civil Service Retirement System pension and Federal Employee Health Benefits for current employees to agency salaries and expenses accounts.

For 2003, the Restoration Program continues to emphasize efforts to increase the number of on-the-ground restorations undertaken with restoration funds received in settlement. Our resolve to increase restorations is strengthened by a marked increase in settlements and deposits into the Restoration Fund, resulting in a dramatic increase in the funds available for restoration. For 2001, settlement receipts (excluding *Exxon Valdez* oil spill funds) totaled over $93 million for the year, compared with an average of $10.7 million over the previous nine years. By the end of 2001, nearly $140 million in settlement receipts were available to the natural resource trustees for restoration projects. Additional funds are held in various court registry accounts as well.

The significant increase in settlement receipts is a positive indicator of the successes the Program is having in settling cases, including settlements in a number of long-running cases (the Montrose Chemical site, CA; the Iron Mountain Mine site, CA; the Housatonic River PCB site, MA; and most recently, a partial settlement agreement at the Fox River/Green Bay site, WI). We must now ensure that the Program is prepared to move forward in the timely implementation of appropriate restoration actions, most often in concert with our other Federal, State, and Tribal co-trustees, and enlisting a variety of national, regional, and local non-profit conservation organizations. To date, the Restoration Program has no funding in its base budget for restoration support. Up to this point, we have relied upon bureau program managers to plan and implement restoration actions. However, it has become clear that due to competing bureau priorities and limited resources within those bureaus, the funds deposited for restoration are outpacing the Program's ability to put them to use. The 2003 budget proposal addresses this problem by the creation of a new activity under the Restoration Program that will provide technical assistance to field staff in implementing restoration actions and provide for a broader range of restoration options as well as a trouble-shooting capability for completing those restorations. A redirection of $250,000 in base funds will be covered by the Damage Assessment activity in 2003. These funds will be used primarily for dedicated professionals in such fields as contracting, project

management and land acquisition procedures to support the biologists and contaminant specialists in achieving restoration.

In a related action within the Restoration Program Office, we have reprioritized and redirected our efforts and recently reclassified a vacant regulatory-based position as an Assistant Program Manager - Restoration. The Assistant Program Manager for Restoration will provide leadership, develop partnerships, and serve as an ombudsman and national point of contact in the implementation of restoration activities. This reclassification was done within available base funds and current FTE levels.

The Restoration Program, in support of the Secretary's "Four C's" has made significant strides in coordinating with other Federal, State and tribal trustees, as well as with industry groups at the program and policy level. We have significantly improved our coordination with the National Oceanic and Atmospheric Administration and the States through the Association of State and Territorial Solid Waste Management Officials. We have also begun meaningful dialogue with a number of individual companies and a variety of trade groups. Lastly, we have continued to enhance our close coordination with the U.S. Coast Guard's National Pollution Funds Center.

The purpose of this coordination is to focus on getting to restoration in a more timely and efficient manner through cooperative approaches in conducting damage assessment and restoration activities. This is being accomplished by working with other trustees to address policy and operational differences so that trustees can "speak with one voice" on cases and enhance program consistency and predictability.

We are working closely with the U.S. Coast Guard's National Pollution Fund Center to streamline and expedite the process whereby they provide funds to trustees to initiate certain oil-spill related damage assessment activities and/or to perform emergency restoration activities. We are also working with NPFC to assist them in developing their claim review and appeals processes.

Our efforts with industry groups are aimed at identifying and addressing areas of mutual concern, developing a framework for conducting cooperative assessments, and forging better relationships through education and understanding of each parties' interests, constraints, and operating philosophies.

Looking ahead, I believe the Restoration Program will continue to be successful in conducting assessments, cooperating with our fellow trustees, and with the responsible parties, and in reaching negotiated settlements. As the Program evolves, we must place added emphasis on getting more restoration projects implemented on-the-ground and completed. We believe the FY 2003 budget request is a prudent step in this direction. With the Committee's continued support, the Department is confident that the Restoration Program will continue to restore and protect our Nation's land and water resources, while rising to meet new challenges, without placing a financial burden on the taxpaying public.

INTERIOR APPROPRIATIONS SUBCOMMITTEE
FY 2003 QUESTIONS FOR THE RECORD
OFFICE OF INSULAR AFFAIRS

General

1. **Question: You state in your justifications that island economies have been depressed for several years. Your fiscal year 2003 proposal, however, requests nearly $8.7 million less in discretionary assistance. How do you reconcile the apparent conflict in these two positions?**

Answer: The additional funding in the fiscal year 2002 appropriation included $2.2 million for one-time costs associated with forgiveness of a FEMA loan and a technical assistance study in the Virgin Islands. The remainder of the additional funding was to increase impact aid associated with Micronesian immigration to Guam, the Northern Mariana Islands and the State of Hawaii. The Department is addressing the impact issue in the context of renegotiation of Compact financial assistance. That being said, the Department is concerned about the most effective allocation of resources to assist the islands we serve. Compact renegotiation, which is currently underway, and renegotiation of financial assistance under the Covenant with the Northern Marianas, which will begin in the near future, offer the Federal government an opportunity to re-evaluate the use and allocation of compact funding. The Department plans to take advantage of this opportunity during the fiscal year 2004 budget process.

2. **Question: In the general statement, you say that there has been a significant improvement in infrastructure over the last two decades, particularly for utilities; but much less so for schools and hospitals. Should, we shift our funding requirements accordingly and provide less money for utilities and increase funding for schools and hospitals?**

Answer: Yes, this is particularly true for electrical utilities, but less so for water, wastewater and solid waste utilities where major deficiencies still exist in all insular areas. This shift can be reflected in mandated infrastructure plans, that exist for the freely associated states, American Samoa, and the Northern Marianas. There is no Federal requirement for an infrastructure plan for Guam or the Virgin Islands. With limited exception, the condition of hospitals and clinics in most of the insular areas is poor and should be a major priority. Schools are an even greater problem, both in terms of overcrowding and poor conditions. We hope the greater priority being assigned to the health and education sectors in the new Compact will carry over to the infrastructure as well as the operational aspects of the program.

3. **Question: What is the status of the Interagency Group on Insular Affairs? Is it still active and will its goals be pursued by the new Administration?**

Answer: The Interagency Group on Insular Affairs was created by Presidential Memorandum, which does not carry over from one Administration to another. For this reason, the Interagency Group is inactive; but its general goals of giving the islands a forum, recognizing unique island needs, and improving interagency coordination, are still valid.

4. **Question: What will the group achieve in the next year? Isn't it useful to have such a group to coordinate these activities among Federal departments?**

Answer: The Interagency Group is inactive. However, there seems to be widespread consensus among Federal and island leaders, about the usefulness of a forum like the Interagency Group.

5. **Question: You still have no director for the Office of Insular Affairs. When do you expect to get this position filled?**

Answer: Secretary Norton recently announced the appointment of David Cohen, an attorney from California. Mr. Cohen is of American Samoa descent and has a background in business, economics and project financing. Furthermore, the Secretary announced that the job would be upgraded to the Deputy Assistant Secretary level to demonstrate the Department's strong commitment to resolving the long-standing economic and infrastructure challenges facing the insular areas.

American Samoa

6. **Question: Last year, the Committee directed OIA to withhold money from the operations grant if the American Samoan Government (ASG) had not completed a financial recovery plan and entered into an MOU with the Department. What is the status of those two documents?**

Answer: The ASG submitted an "Initial Fiscal Reform Plan" in August 2001. Since then, OIA has been in discussions with ASG and expects a Memorandum of Agreement (MOA) to be executed in late April. Interior and ASG are currently in the final stages of discussions on the terms of the MOA.

7. **Question: Assuming ASG has completed a financial recovery plan, how are they doing at implementation? Will OIA withhold money from the operations grant if ASG fails to implement critical items in the plan?**

Answer: ASG has made some headway in revenue enhancement measures, including the raising of the minimum income tax on gross income from 2% to 4%; increase of gas tax by 10 cents per gallon and increasing diesel tax by 31.5 cents per gallon. They also estimate that Customs management and productivity improvements will increase collections by $2 million annually. We have not seen any cost containment success yet. However, most of the measures set forth in the August 1, 2001 plan have not yet been taken and the actual results of implementing these measures won't be seen for at least several more months. OIA has put ASG on notice, as has Congress, that operational money will be withheld in the future if we see inadequate progress in implementing the recovery plan.

8. Question: ASG has for the last several years been receiving capital grants in excess of $10 million. Unlike the CNMI, there was no requirement for a local match. Do you think a matching requirement on the capital grant is a good idea? If so, how much could ASG afford?

Answer: The capital grant does include a five-percent set-aside for maintenance with an equal matching requirement from ASG. This has been very successful. However, ASG has no matching requirement on construction or related costs. From a conceptual standpoint a matching requirement on construction or capital acquisitions makes good sense. It increases the available funding for projects and it gives the island government partial ownership in the program. Recently, ASG newspapers have described a non-emergency supplemental of $1 million that was submitted by the Governor and seems to have considerable support in the legislature. This would indicate that a 10-percent matching requirement would be feasible.

Commonwealth of the Northern Mariana Islands

9. Question: The third long-term guaranteed assistance period for the CNMI expires in fiscal year 2003. Will the Department negotiate a new assistance package to begin in fiscal year 2004?

Answer: The Department has agreed to seek the Presidential appointment of a Special Representative who will meet with Commonwealth officials to discuss a new assistance package under section 702 of the Covenant.

10. Question: The CNMI believes the matching requirement in the last assistance package was more than they could afford. Will the Department consider eliminating or reducing the matching requirement?

Answer: That is an issue to be addressed by the Special Representatives. The Office of Insular Affairs expects, however, to work closely with the President's Special Representative in a supporting and advisory role. We will make certain the Special Representative is aware of the CNMI's difficulties in meeting the matching requirement and will suggest some options for consideration.

11. Question: Please update the Committee on the status of the capital funding under the last long-term assistance period beginning in fiscal year 1996. Specifically, how much money did the CNMI receive in each year and how much has been expended? Of the unexpended balance, how much is obligated and how much is still in the planning stages? If there is a large unexpended and unobligated balance, will this reduce the amount of funding the Department will offer in future assistance?

Answer: The CNMI received $11 million in FY 1996-1999, $5,580,000 in FY 2000, $11 million in FY 2001 and $11 million in FY 2002 for a total of $71,580,000. The CIP Master plan is in place, so all the funding is allocated to projects. Not all of the projects, however, have been started.

Approximately $18 million has been expended to date. Of the unexpended balance of $53.1 million, $47 million is currently tied up in active projects and $6.1 million is for

projects still in the planning stages. The figures for unexpended balances and projects in the planning stages are fluid, as the CNMI government is continuously working on implementing its master plan and managing construction contracts. Payments to the CNMI exceeded $17 million in FY 2001 and are continuing at the same pace in FY 2002.

Unexpended balances will have an impact on Departmental policy, but that would be only one of a variety of issues to be considered by the Special Representative.

Guam

12. Question: For years, Guam, as well as the CNMI and Hawaii, has complained about the high cost of dealing with the impact of immigrants from Micronesia authorized by the Compact of Free Association? Since the Department does not support the additional funding provided by the Committee last year, what action is the Department taking to improve this situation? What is the Department's position on future funding for impact aid?

Answer: The Department has continued to request $4.58 million annually for Guam despite expiration of the statutory earmark at the end of fiscal year 2001. In the fiscal year 2003 President's budget, we have increased impact aid for the CNMI from $500,000 to $840,000. Most importantly, we are working within the Administration to ensure the impact issue is addressed in the Compact renegotiation process and will be incorporated in resulting legislative and budget proposals.

Virgin Islands

13. Question: In your general statement, you point out that the Virgin Islands is also experiencing significant financial problems. Your budget, however, includes no grant assistance for the Virgin Islands as it does for all of the other insular governments. Is the Virgin Islands that much more self-sufficient than the other insular governments?

Answer: The Virgin Islands economy is more diversified and developed than any of the other insular areas, although Guam's economy does not lag far behind.

14. Question: If not, how do you reconcile the fact the Department proposes no earmarked assistance despite their poor financial health?

Answer: Each of the insular governments has a different history of their relationship with the Federal government and the kinds of assistance they receive. The Virgin Islands has always been treated as if it could handle its own infrastructure needs. Whether or not that is a valid assumption has become more of an issue in recent years as the Virgin Islands has experienced major natural disasters and stagnant economic growth. As the Federal government engages in re-negotiation of guaranteed assistance for the freely associated states and the Northern Mariana Islands, the Department will also look more closely at other relationships to see if assumptions are valid or if changes are necessary.

Compact of Free Association

15. **Question: Last year, you expressed some concern about the lack of progress in re-negotiating financial assistance for the Federated States of Micronesia (FSM) and the Republic of the Marshall Islands (RMI). What is the status of negotiations and what is the target date for presenting a proposal to Congress? Please summarize the US government positions to date which are public and update the Committee on the upcoming negotiation schedule.**

Answer: The Office of Compact Negotiations (OCN) has just completed "technical talks" with the FSM and the RMI, separately. The technical talks covered the U.S. services and some subsidiary agreements to the Compact. OCN is finalizing language on Titles One, Three, and Four of the amended Compact Agreement. Title Two language, covering economic relations is still under legal review, and is expected to be completed by mid-April 2002. A proposal on general levels of funding for the sector grants and trust funds to the FSM and the RMI was recently transmitted in summary form to the respective islands. The two governments need time to review these proposals and then have an opportunity to ask questions so they can better understand the U. S. position.

We understand OCN hopes to reach agreement on the wording of Titles One, Two, Three, and Four of the amended Compact with the FSM and the RMI by early summer, and will be able to develop a complete legislative and budget proposal by early fall.

16. **Question: What role does the Interior Department and the Congress have in these negotiations?**

Answer: As the agency responsible for implementing the financial assistance agreement, Interior needs to play a major role in the negotiations, particularly in terms of defining workable processes for better accountability and monitoring. Interior also has the most knowledge and experience dealing with the unique needs and issues that arise in the freely associated states. Congress must ultimately approve changes in the relationship and changes in funding levels and mechanisms

17. **Question: Do you envision significant changes in how future Compact assistance will be structured? If so what are some of the changes being contemplated?**

Answer: Yes, we envision changes in the structure. The first period of Compact assistance was characterized by allowing maximum latitude in how funds would be used and minimizing oversight and accountability. The new assistance will more resemble domestic grant assistance and will include performance goals, financial and program accountability requirements, and will include much more interaction between U.S. officials and their freely associated state counterparts, particularly at the management levels.

18. Question: Will these two freely associated states continue to receive the same Federal programs and services that they are currently receiving?

Answer: Generally, the answer to this question is yes. There will be more scrutiny of program performance and, if agencies are unwilling or unable to provide adequate oversight, there could be recommendations to terminate some programs in the future. With respect to the Federal services provided under Section 221(a) of the Compact (primarily Weather Service, Postal Service and Federal Aviation), there may be some modifications to the service based on the experience of the past 15 years; but negotiations have not been completed in this area.

19. Question: If Federal programs and services are changing as a result of the negotiations with the FSM and RMI, how will that affect the relationship with Palau? Will the U.S. also have to enter into negotiations with Palau in order to have consistent policies for the three freely associated states?

Answer: Most Federal programs are provided, not based on a negotiated agreement, but based on action taken in U.S. law. For these programs, changes could be made in law that affect Palau just as they affect the other freely associated states. Federal services will generally remain unchanged in Palau. This could result in situations where there are slight differences between the service as provided to Palau compared to the FSM or RMI. For example changes being negotiated in some of the specific Postal services would not apply to Palau unless Palau agrees. There are no current plans to discuss changes in Federal services with Palau.

20. Question: What is the status of the 53-mile road being constructed by the U.S. in Palau? Will it be completed on time and within budget? What is the target completion date?

Answer: The United States does not have an obligation to build a 53-mile road in Palau. At Palau's request, the Department agreed to change the road specifications negotiated between the two countries in the Compact of Free Association. The United States agreed to build a wider, better quality road at an equivalent price of the original, which was estimated to cost $124 million. The trade off for quality was expected to be a shorter length of road. The United States commitment, therefore, is to build as much road as possible for $124 million.

The United States was able to take advantage of favorable economic conditions when the road was contracted. We expected that 53-miles of road could be constructed with the $124 million ceiling. Poor weather in Palau has seriously impeded the construction schedule, however, and the project is well behind schedule. The completion date is now estimated to be fall 2004. There are growing concerns that weather related delays may require a scaling back of the miles of road that may be built.

Territorial Assistance

21. Question: You are requesting four additional FTEs for the Office of Insular Affairs and eight additional positions to administer the new Compact financial assistance. Can you provide more specific information on what types of expertise will be hired, where they will be located, and how they will interact with the freely associated state governments and the embassies?

Answer: Of the eight additional positions, the current plan is to place six in Hawaii and two in Washington. We will likely keep the existing position that is located in Pohnpei and evaluate whether one of the eight new positions should be re-located to Majuro. The planned Washington positions are a grant/program manager and a clerk. The planned field jobs would include a grants/financial specialist, a health care specialist, an education specialist, an economist, an engineer or construction grant specialist, an administrative officer and a clerk. Their primary function will be to interact with the freely associated state governments and the embassies. We have chosen Hawaii as the home base for several reasons. Interior does not have a cadre of foreign affairs officers to assign to remote locations. Instead, we need specialists in permanent positions and Hawaii affords a market where we can hire and retain highly qualified staff. This also saves costs such as housing, post differentials, education allowances and home leave that come with location in a foreign post. The Hawaii-based staff will travel extensively in the freely associated states on a scheduled basis and perform traditional grant monitoring functions and report major problems to the Washington office. They will have ample authority to handle most day to day problems and issues. At the least, they will brief the Embassy when they are on island. They will also be involved in planning and reporting processes that are currently being negotiated and are unique to our relationship with the freely associated states.

22. Question: As we understand it, you are only requesting funding for half of the positions this year because of the time involved to recruit and create a new office. Can we expect to see an increase in your budget next year to fully fund all eight FTEs?

Answer: The FY 2003 budget provides a lower number of FTEs due to the anticipated time frame of setting up an office, including the recruitment and hiring of employees. The FY 2004 budget should contain all eight FTEs.

23. Question: In the table on page 40 of your budget justification, a large portion of your technical assistance funding goes to the USDA Graduate School? What services does the Graduate School provide? Will this program continue in fiscal year 2003 at the same funding level?

Answer: OIA has a reimbursable agreement with the USDA Graduate school to provide non-degree training in the U.S. insular areas. The training includes financial management, strategic planning, personnel administration and other managerial disciplines. We intend to begin scaling back the program in FY 2004 to effect an orderly transfer of training responsibilities to local institutions that can assume the function.

24. Question: The same table shows total technical assistance obligations in each year are less than the amount appropriated? Is there a large unobligated balance in the program? If so, what plans do you have to reduce this balance?

Answer: Technical assistance money was reprogrammed for use by the insular areas in addressing Y2K, which results in the table understating obligations. On a current a basis, available funds in the program are obligated and earmarked. By fiscal year's end, the remaining unobligated balance will be significantly smaller, if not completely depleted.

25. Question: In your table on page 43, you show maintenance assistance obligations significantly greater than the amounts appropriated. From where are you getting the additional funds?

Answer: The additional funds are coming from old and/or inactive grants which have been deobligated. Over the past several years, we have been trying to figure out a way to get the islands to drawdown their grants funds in a timely manner. One way to encourage timely usage of grant funds is to review older grants (sometimes inactive) and to close them. Once they are closed, the funds are deobligated, and are available for current use. By closing old and/or inactive grants, we have freed up funds to be used for desperately needed projects in all of the insular areas. Basically, this system rewards those who actively proceed with their grant projects. This systematic review/and closure of old grants also encourages grantees who may not have been pushing hard for progress to get more involved, since the grantees are beginning to realize they may lose the grant if it is not active. Another change which we have instituted in maintenance assistance (OMIP) grants to encourage progress is to include an expiration date in all new OMIP grant awards. This lets the grantee know exactly how long the funds will remain available for their use. After the expiration date, remaining funds are deobligated and put back in to the "OMIP pot" to be used for new OMIP grant requests.

26. Question: Given research funding in the brown tree snake program of more than $1 million annually, how close is the Department to finding a long-term solution to this problem? Provide three or four examples of the most significant research breakthroughs in the past three years.

Answer: The brown treesnake is the first snake species that has engendered substantial management research. Prior to the current effort, there was little basis for selecting the types and magnitude of management effort that are needed to keep the snakes from spreading to other islands such as Hawaii. Research has recently made great strides in perfecting or inventing new tools for management of the snake. It is impossible to predict what future discoveries may be made. However, it does not seem likely that brown treesnakes will be eradicated from Guam in the foreseeable future. Rather, efficient and effective tools will be put into place to minimize the likelihood of the snake spreading to other islands, reduce the negative health and infrastructure impacts throughout Guam, and to eliminate the snake from selected areas on Guam for ecological restoration.

Some recent research discoveries have provided key evidence on the nature of the task of managing it. For example, recent data on the sizes of snakes in cargo reveal that most are smaller than the minimum size of snakes that are captured in snake traps. This is a confirmation that the traps are effective in keeping the larger snakes away from cargo, but it also underscores the previously unrecognized need for new tools to capture or exclude small

snakes. Similarly, recent reproductive studies have show that brown treesnakes breed at all times of the year, which will make reproductive inhibition that much more expensive and difficult to carry out. Recent trapping studies have shown that conventional traps work poorly in prey-rich environments such as Hawaii or Saipan, but do work well in most areas of Guam. This reinforces the decisions that have been made to focus much of the management effort on the island of Guam.

Although some research results have cultivated a new appreciation for the size of the task ahead, others have provided new tools for this task. For example, EPA-mandated studies for registering bait-station-based toxicants suitable for use on brown treesnakes are nearing completion. No problems have emerged with acetaminophen (brown treesnake toxicant)ingestion by non-target species such as crows or coconut crabs. Toxicant effectiveness has been shown to be very high in several tests, which also revealed barriers to be desirable to minimize re-infestation. Initial tests of the suitability of acetaminophen-based toxicants for broadcast application have also proven very encouraging.

Recent research on snake barriers has demonstrated practical tools for the exclusion of all snakes, regardless their size or reproductive status. The barriers are permanent and resistant to the damages of salty air, typhoons, rats, and other facts of life for Pacific islands. They require very little maintenance and work continuously without requiring live attractants or toxins. Snakes are unlikely to develop resistance to physical barriers.

27. Question: What could be the economic and ecological impact of the brown tree snakes on Hawaii if they were to become established in a similar fashion as they are on Guam?

Answer: The potential ecological and economic impact of colonization by brown treesnakes is greater on Hawaii than it is on Guam because Hawaii is more ecologically unique (the island chain is more isolated and has more species found nowhere else) and it has a larger economy, so dollar losses are apt to be larger. Proportionally, the impact may be somewhat mitigated by the stronger infrastructure in Hawaii, and because Hawaii has already had much experience with invasive species. Hawaii's economy is proportionally less dependent on tourism than is that of Guam, but the size of the tourism industry in Hawaii is much larger. Therefore, a similar proportional reduction in tourist visitation would result in greater financial loss to Hawaii.

Ecologically, Hawaii is the most unique state of the United States, largely due to its extreme isolation from natural sources of species. Thus the global importance of the loss of the resident species would exceed that of Guam. Proportionately, one would expect similar impacts to that experienced on Guam (loss of most native birds and mammals), but no one can predict the magnitude of the effect confidently. Hawaii has a more complex web of life, but it does not have predators that would be expected to keep the brown treesnake in check. For example, the mongoose, though a notorious killer of ground dwelling daytime snakes, is neither active at night, nor mobile in the treetops.

Finally, consideration should be made to the very integrated transportation network in the Hawaiian islands. Under present conditions, it does not seem possible that the brown treesnake could infest any one of the islands without soon reaching the others. Furthermore, much of the traffic to the remainder of the Pacific passes through Honolulu; thus establishment of the snake in Oahu would not only exacerbate the problem for the remainder of the state, but

for all Pacific island nations and southern U.S. ports with transportation ties to Hawaii, especially southern California, Texas, Florida etc.

28. Question: What funding has the State of Hawaii put into this effort? How much is Hawaii planning to contribute in FY 2002 and FY 2003?

Answer: The State of Hawaii has spent approximately $2 million of state funds on the BTS program since its inception in 1989. This money was used for salaries, equipment, training and travel. The State of Hawaii plans to spend $110,000 of local money this fiscal year and is budgeting approximately $128,000 for fiscal year 2003. These funds will be mostly for salaries.

29. Question: In your table on page 48, you also show significant funding for the USDA Graduate School over the past two years. How is this money different from the technical assistance funding given to the Graduate School?

Answer: The agreement with the USDA Graduate School includes training and management controls. Funding from the technical assistance program is used for the core training requirements for the insular areas and is focused on capacity building. Funding from the Management Controls Initiative is used to help the islands to implement internal fiscal controls and to make other managerial improvements.

30. Question: What is the status of the Enewetak support program. What is the status of the people of Enewetak? What has happened to the funds intended to provide equipment to help with land reclamation for agricultural production?

Answer: The Enewetak support program is meeting its annual goals of providing supplemental food to its residents and improving agricultural capacity of the islands' depleted soil. Complete rehabilitation of the soil remains a long-term goal of the program. Visible progress in rehabilitation work has served as an incentive to the people to become more involved in the project. The funding for equipment was provided in fiscal year 1999. The trucks and backhoes are still in use. The vessel, which purchase was partially funded that year, is currently in drydock to replace a damaged propeller shaft.

CNMI Immigration, Labor and Law Enforcement Initiative

31. Question: Your justifications on page 31 indicate that you are reducing funding for this initiative, particularly payments to participating Federal agencies. How much longer do you think this program will continue?

Answer: The Department has not set a date for terminating financial assistance to the Commonwealth under the Congressionally-mandated Federal-CNMI Initiative program. Financial assistance to participating Federal agencies has declined as each agency absorbed the cost of their CNMI operations into their operating budgets. In fiscal year 2003, the Department does not anticipate providing any further Initiative funding to other Federal agencies. Further funding to the CNMI government is expected as is funding to continue operations of the Labor Ombudsman Office on Saipan.

32. Question: How is the money given to the CNMI being used?

Answer: **Initially, the CNMI government used the majority of their Initiative funds to develop a sophisticated computer system to track foreign nationals entering the Commonwealth. In subsequent years, the CNMI government has used their Initiative funds to enhance the professional capabilities of their Customs officers, establish a unit to address the illegal importation of drugs, and hire additional legal staff for the CNMI Department of Labor.**

STATEMENT OF EARL E. DEVANEY - INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR
FOR THE HOUSE COMMITTEE ON APPROPRIATIONS,
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

I appreciate this opportunity to provide testimony in support of the fiscal year (FY) 2003 President's Budget for the Department of the Interior's (the Department) Office of Inspector General (OIG). This budget request reflects our continued commitment to assisting the Department in creating solutions to its most serious management challenges and represents our strategy for improving our own internal business operations in order to promote excellence in the programs, operations and management of the Department of the Interior.

The OIG budget request for FY 2003 represents our strategy to get the most out of our existing staffing levels and resources, to put the resources where the work is and realize greater efficiencies and more productivity through the use of information technology (IT) enhancements and IT integration. We can provide a greater number of high quality and more-timely products and services to our customers and this budget request is critical to meeting this strategic objective and customer demand.

While we are one of the smallest OIG offices of all Cabinet-level Departments, supporting 255 employees, we nevertheless have responsibility for oversight of a Department with more than 70,000 employees, spread across over 4,000 locations. The Department is also one of the largest revenue generating Federal agencies and has one of the most complex financial accounting structures in the entire Federal Government. Considering the results of the recent financial statements audit, the Department is at a critical juncture in its efforts to meet the objectives of the President's Management Initiatives. While it is making strides in implementing such things as activity-based cost accounting and developing plans for integrating performance information with the budget, audits continue to demonstrate significant and long-standing internal control weaknesses, a general lack of integration of financial and performance management systems and data, and a general lack of complete and reliable data on the costs of its programs and activities.

Due to the complexity of the Department's infrastructure and vastness of its responsibilities, it is even more critical to focus our finite resources in the essential few areas where we are most needed, can have the greatest impact and obtain the greatest return on taxpayer investment and help the Department achieve results that Americans expect. It is also vital that we continue to incorporate more diverse, non-traditional OIG types of audit and investigative products and services, such as advisory reports, management reviews, program reviews and meaningful entrance and exit interviews to exact change.

Recently published reports are just a few examples of how an investment in the OIG is an investment in getting results and being a catalyst for positive change: our Department-wide reviews of law enforcement and maintenance issues, our audits on information security and the Department's government purchase card program. In addition, we strive to work with the Department during the course of our activities by providing them information, on a real-time basis, as we find problems or weaknesses in order to provide opportunities for more timely

corrective actions. Thus far, we have realized considerable success and positive feedback regarding our work, including the use of more proactive, non-traditional OIG business tools and practices.

FY 2003 BUDGET REQUEST

The OIG budget request for FY 2003 is $36,659,000[1], which is a modest three percent (3%) program increase over the FY 2002 appropriation. The overall funding increase is $2,357,000 and does not include a request for additional staff. Of this increase, $1,281,000 (or 54%) would cover uncontrollable costs such as mandatory employee pay and benefit increases and mandatory operational increases such as rent and the working capital fund. The balance of the request, $1,076,000, would support:

- a redistribution of Audit staff resources to be directed at programs identified by Congress and the Administration for increased oversight;
- critical and required core OIG information technology security and communications upgrades;
- an Automated Audit Work Papers System to realize cost-savings and staff efficiencies; and,
- a new Investigations Electronic Case Management and Information System (ECMIS) to be utilized by the Offices of Investigations and Program Integrity to further our IT and knowledge management integration initiatives.

This request, for the first time, recognizes that past OIG budgets could support staffing costs but lacked base funding for essential non-personnel tools critical to most effectively and efficiently advance our goals and objectives and achieve desired results and outcomes. Therefore, rather than seeking more staff resources, this budget represents a strong proclamation that our IT infrastructure and systems, combined with our ability to move our human resources to needed critical areas, are of paramount importance to achieve maximum results.

AUDITS

We are requesting an increase of $1,102,000 in our FY 2003 budget for the Office of Audits. Of this amount, $582,000 would cover uncontrollable costs such as mandatory salary and benefit increases. We are also requesting a program increase of $520,000 to support a) the redistribution of Audits staff to locations where work demand is greatest, and b) an Automated Work Papers System to gain resource and time efficiencies throughout the audit process.

Redistribution of Resources: One of the highest priorities for the Inspector General is to increase our discretionary workload, i.e., activities the OIG initiates. This means putting our resources at locations where our most important work lies and where we can have the most significant and timely impact on Departmental programs and operations. The most efficient and

[1] The OIG budget request including the government-wide legislative proposal to shift to agencies the full cost of the Civil Service Retirement System (CSRS) and Federal Employees Health Benefits program (FEHB) for current employees, is $38,225,000, or $1,566,000 above the funding level requested above.

effective approach to achieving this goal is through an internal redistribution of resources, in particular, moving staff from the Insular Areas to the continental U.S. These requested funds ($320,000) would provide for the orderly planning and transfer of employees with considerable experience and skills to where they are needed the most.

Automated Work Papers System: Automated work papers ($200,000) are the modern method of conducting business in the audit community and are essential to conducting business efficiently in today's fast-paced world of automation and finance, where all results and conclusions must be supportable and well-documented. They allow for real-time sharing of data among audit team members, managers, and decision-makers. An automated system allows for more efficient and expedient internal exchange of information between offices and it will provide savings through the elimination of non-value added tasks such as travel for managers to review documents, the assembling and filing of work papers by staff to meet Government auditing standards, and lower physical storage costs.

INVESTIGATIONS

We are requesting an increase of $503,000 in our FY 2003 budget request for the Office of Investigations (OI). Of this amount, $203,000 would cover uncontrollable costs such as mandatory salary and benefit increases. In addition, we are requesting a program increase of $300,000 to support a new Investigations Electronic Case Management and Information System, similar to systems successfully used by OIG offices in other Federal agencies. ECMIS will be used by the OI and the Office of Program Integrity (OPI) to further our knowledge management initiative and focus on integration of our IT architecture.

The OIG critically needs a viable investigations electronic case management and performance tracking system that would allow managers to control and improve operations and more accurately measure performance. The current Information Tracking System is outdated, not user-friendly and has been extremely tedious to maintain. In addition, it is merely a repository for information that is manually entered by investigative analysts. With better activity management tracking capabilities, we will be able to analyze, exchange and review evidence and data collected by our Investigations' staff in order to make more informed management decisions regarding what and where resources are required, and the best actions to take in each investigation.

PROGRAM INTEGRITY

The Office of Program Integrity requests an increase of $39,000 in its FY 2003 budget to cover uncontrollable costs such as mandatory salary and benefit increases. The OPI is not requesting any new program funding.

The OPI is the primary OIG activity responsible for providing thorough, quick-turnaround responses to Congressional requests for investigations and reviews. In addition, the OPI provides advice to the Secretary concerning law enforcement issues and investigates allegations of misconduct by high-level Departmental officials. The core purpose of this office

is to have experienced staff available to respond quickly to requests for high-level types of investigations and reviews.

MANAGEMENT & POLICY

We are requesting an increase of $713,000 in our FY 2003 budget for Management and Policy. Of this amount, $457,000 would cover uncontrollable costs such as mandatory salary and benefit increases. We are also requesting $256,000 in program funds for critical security and communications enhancements and upgrades to an aging and resource-intensive infrastructure.

Our funding request includes mandatory security for systems and protection of data; modernization of computer servers; and infrastructure support for our national and international telecommunications backbone. These funds will provide critical resources for the hardware/software and communications expenses that directly support all the OIG administrative systems and are the cornerstone of our information technology and management initiatives. In addition, these infrastructure enhancements would support the capacity of our Office of Audits staff in their reviews of the entire Department's critical infrastructure and security systems planning and implementation.

CONCLUSION

Since arriving at the Department of the Interior's Office of Inspector General in August 1999, I have made significant organizational changes and incorporated new business practices to create greater opportunities for improving our effectiveness in promoting positive change in the Department. In order to provide effective oversight of Departmental programs and operations, as well as meet expanding legislative requirements and respond to increasing Congressional and Departmental requests for assistance, I ask that you give serious consideration to this budget request. We are committed to providing valuable and timely information and assistance to the Congress, the Administration, Departmental managers, and the taxpayers, and we will continue to work diligently to create a Department that is accountable, holds its employees accountable and achieves results.

Thank you for the opportunity to present our budget request. This concludes my testimony for the Office of Inspector General.

STATEMENT OF WILLIAM G. MYERS, SOLICITOR
OFFICE OF THE SOLICITOR, U.S. DEPARTMENT OF THE INTERIOR
FOR THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON
INTERIOR AND RELATED AGENCIES

April 30, 2002

Mr. Chairperson:

Thank you for the opportunity to provide the Subcommittee with this summary of the Fiscal Year 2002 budget request for the Office of the Solicitor. Our request is for $49.6 million which will fund 346 FTE's. This amount includes an increase of $1.8 for a government-wide legislative proposal to shift to agencies the full cost of the Civil Service Retirement System pension system and the Federal Employees Health Benefits program for current employees. Without the legislative proposal, the request is $47.8 million, an increase of $2.8 million over our FY 2002 enacted level, including $1.3 million to cover uncontrollable cost increases, $1.2 million for upgrade of the Office's computer system, and $0.3 million to convert three client-funded positions to the Office's direct appropriation.

Our Office provides legal services to the Secretary and the various bureaus within the Department of the Interior. We also engage in a significant number of special legal projects, providing critical legal support for the Department's key initiatives. We assist the bureaus in responding to congressional direction in appropriations and substantive legislation. We advise the bureaus on legal options for streamlining processes and improving program management and implementing plans to carry out departmental goals. Finally, we assist the bureaus in responding to numerous congressional and judicial requests and subpoenas for documents.

Our request for additional funding will allow us to continue providing quality legal services to client bureaus.

Uncontrollable Cost Increases

Uncontrollable cost increases can have a major impact on our budget. Ninety-five percent of our budget is for salaries, benefits, and other uncontrollable costs. Over the years, when appropriations have not covered uncontrollable costs, we have had to reduce critical resources necessary for providing legal services to our client bureaus. To sustain the current level of legal support in FY 2003, we are requesting an increase of $1.3 million for uncontrollable cost increases, including $520,000 for government-wide pay raises, $10,000 for Workers Compensation Fund payments, $222,000 for increased office space rental charges, $40,000 for changes in estimated retirement costs paid by the Office, $360,000 for administrative services provided on a Department-wide basis through the Working Capital Fund, and $150,000 for the Office's share of increased health insurance premiums.

Information Technology

We are requesting $1.2 million for replacement of the Office's current computer hardware and software including desktop computers that are at the end of their life cycle and are increasingly unreliable, network servers that are currently beyond their life cycle, and software applications that are incompatible with most of our client offices. Our employees depend on their computers for word processing, electronic mail, automated legal research, database management, and other information technology applications required to carry out the Office's mission of rendering critical legal services to the Department.

Reimbursable Positions

We are requesting $300,000 to convert three attorney positions, currently funded by our client bureaus, to the Solicitor's Office direct funding. The Office's client-funded positions tend to fall into three broad categories: (1) employees detailed to clients on a reimbursable basis to serve in some capacity needed by the client; (2) employees hired to work on finite special projects identified by clients, for which they need additional legal services for a limited period; and (3) employees who started in the second category but whose work subsequently evolved into longer-term arrangements. In FY 2003, we would like to convert three attorneys from the third category to Solicitor's Office funding. These positions have evolved into more open-ended arrangements as the clients have come to rely on the legal support for either the same purposes or purposes beyond those initially contemplated.

Conclusion

Our FY 2003 request funds uncontrollable cost increases, computer hardware and software, and the conversion of client-funded positions. We believe that our request will provide the resources needed by our employees to keep pace with the steady demand for legal services.

We appreciate the Committee's consideration of our request, and we are of course available to answer any questions and furnish more information.

ADDITIONAL COMMITTEE QUESTIONS SUBMITTED FOR THE RECORD

ABANDONED MINE LANDS TRUST FUND

Question: The Administration is interested in increasing the focus on coal production as part of a balanced energy strategy for America. At the same time, the budget request calls for a very large cut in funding to repair coal lands, which were abandoned. How do you explain a policy, which increases reliance on coal but does not provide resources to repair past coal mining damage?

Answer: The proposed $15 million reduction in grant funding and $11 million in Federal reclamation in no way signals a lessening of this Administration's support for the AML reclamation program. This is a valuable program that the participating States and Indian tribes carry out very effectively. The proposed reduction from the fiscal year 2001 grant funding level is a result of competing budget priorities. The 2003 President's Budget will allow OSM to continue to make progress on the cleanup of disturbed land resulting in the reclamation of an additional 6,900 acres. In the case of Federal reclamation, there are sufficient amounts from unobligated prior year funds to continue the same level of effort through FY 2003.

Question: In light of all the reclamation work needed at abandoned mines, why are you again proposing a reduced funding level for state grants?

Answer: The proposed reduction to State grant funding of $15 million does not signify a lessening of this Administration's support for the State AML reclamation program. The Administration supports the AML program to the greatest extent possible within an overall budget of competing priorities. States have demonstrated an ability to increase the amount of reclamation project work accomplished each fiscal year, recognizing that such construction grants are for a three-year period. At the proposed funding level, States will accomplish an additional 6,900 acres reclaimed and will maintain the Clean Streams Initiative at the FY 2002 level.

Question: Please report on each State's actual utilization of these funds for the past three fiscal years. How much could these States effectively utilize in FY 2003?

Answer: The following Table illustrates each State's actual utilization of AML funds for FY 1999 through FY 2001.

State/Tribe	Draw downs		
	2001	2000	1999
Alabama	2,915,777	3,619,270	3,158,123
Alaska	2,270,576	785,573	1,066,203
Arkansas	1,607,848	1,306,231	2,107,642
Colorado	2,426,855	2,537,899	2,665,085
Illinois	9,862,385	10,433,170	7,975,929
Indiana	5,344,652	6,693,959	5,295,362
Iowa	1,440,276	1,542,641	1,766,397
Kansas	1,597,918	1,857,757	2,184,345
Kentucky	11,983,948	14,374,050	17,450,580
Louisiana	88,738	139,021	123,716
Maryland	994,593	1,763.,713	2,062,290
Missouri	1,624,552	1,180,541	1,645,476
Montana	1,697,500	2,738,000	2,134,723
New Mexico	1,411,686	1,260,459	1,770,342
North Dakota	1,100,631	1,930,107	1,584,150
Ohio	7,507,873	6,997,170	7,639,482
Oklahoma	1,579,258	1,756,684	2,299,471
Pennsylvania	19,738,759	20,804,287	21,375,451
Texas	1,908,535	3,032,412	2,204,678
Utah	1,576,870	1,559,256	1,148,334
Virginia	4,962.629	8,410,440	6,304,564
West Virginia	20,572,317	29,912,518	23,808,629
Wyoming	17,034,630	18,814,949	21,725,442
Crow Tribe	534,825	948,353	853,562
Hopi Tribe	416,775	1,151,169	403,431
Navajo Nation	5,827,626	3,613,023	1,667,165
TOTALS	128,028,032	149,162,652	142,420,572

Note: AML grants are awarded for three years; therefore, the drawdowns for each fiscal year include draws on multiple open grants.

States and Tribes have stated consistently that they have sufficient projects that they could initiate quickly if AML grants were increased.

Question: Is the Administration going to propose an extension of the authority to collect the AML fees after 2004? If so, how many years of extension are required to complete all priority reclamation at the current fee rates?

Answer: The Executive Branch has not yet taken a position on whether it will seek a legislative extension of AML fee collection authority, currently set to expire on September 30, 2004. Over the next several months, OSM staff plans to discuss the issue of possible fee extension with representatives of States and Tribes,

industry, environmental groups, Members of Congress, and others to gain a better understanding of the various positions. Based on these discussions, the Department will work with the Administration on formulating a position.

The coal states have identified approximately $3 billion in health and safety problems alone that remain to be addressed. OSM estimates that it will take an extension of at least 11 years at the current AML fee level to fund just these priority problems, assuming the unappropriated balance is used as well as annual fee receipts. If the current unappropriated balance is set aside to earn interest to defer costs of the United Mine Workers Combined Benefit Fund, it would take an extension of at least 15 years to complete existing heath and safety problems in the Abandoned Mine Lands Inventory System (AMLIS).

Question: What is your position on reauthorizing the extension of the reclamation fee paid on coal production? Are you considering a different mechanism for distributing the fees collected so that the funds may be directed to those States with more problem areas?

Answer: The Department has not yet taken a position on extension of AML fee collection. Over the next several months, OSM staff plans to discuss the issue of possible fee extension with representatives of States and Tribes, industry, environmental groups, Members of Congress, and others to gain a better understanding of the various positions. Based on these discussions, the Department will work with the Administration in formulating a position. These deliberations and discussions will include considerations to the amount of the fee and the current method of determining distributions of amounts appropriated each fiscal year to individual states.

Question: Please provide a table with the AML fund balance, and the amount added to the fund each year and the amount appropriated out of the fund each year, for the period 1995 through 2002, and include the projections for FY 2003 in the President's budget.

Answer:

Summary Status of Abandoned Mine Reclamation Fund (Dollars in Thousands)

Fiscal Year	Receipts & Interest Income			Appropriations			Cumulative Unappropriated Fund Balance
	Amount	Interest Earned	Cumulative	Amount	Transfer to UMWA	Cumulative	
1995	255,416	61,730	4,083,083	182,386		3,105,497	977,586
1996	256,451	69,383	4,408,917	173,887	47,184	3,326,568	1,082,349
1997	266,783	81,006	4,756,706	177,085	31,374	3,535,027	1,221,679
1998	273,039	67,031	5,096,776	177,623	32,562	3,745,212	1,351,564
1999	276,674	82,831	5,456,281	185,392	81,766	4,012,370	1,443,911
2000	274,297	94,370	5,824,948	195,873	108,959 /1	4,317,202	1,507,746
2001	284,044	103,496	6,212,488	215,038	181,845 /2	4,714,086	1,498,402
2002	285,179	47,626	6,545,293	203,455	90,278 /3	5,007,819	1,537,474
2003	292,196	60,733	6,898,222	174,300	70,000	5,252,119	1,646,103

/1 Total includes one-time $68M emergency appropriation, as well as the annual appropriation of $41m.
/2 Total includes annual amount of $102.9M, as well as $78.9M of the one-time $96.7M mandated under PL 106-291
/3 Total includes annual amount of $113.6M, less $23.3M returned by UMACBF as mandated under PL 106-291.

The FY 2002-2003 receipt figures and interest earnings are projections. Beginning in FY 1992, SMCRA was amended to allow the AML Fund to be invested. The Energy Policy Act of 1992 provided that funds from the interest earned could be transferred to the United Mine Workers of America Combined Benefit Fund.

Question: What is the total cost estimate for the amount of abandoned mine work that remains to be done? At the current rates, how long will it take to get half of this work done?

Answer: As of September 30, 2001, the coal States have identified, in the AML inventory, approximately $3 billion in unfunded Priority 1 and Priority 2 coal-related health and safety problems, and another $3.6 billion in priority two general welfare problems. However, the inventory is not static. New problems including landslides and subsidence events occur continually. Other problems that currently are ineligible for inclusion in the inventory become eligible as economic

development moves into an old mining area or problems deteriorate to the point that they become threats to human health and safety. OSM estimates that it will take at least 11 years to fund half of the $3 billion in problems, assuming the unappropriated balance is used as well. If the unappropriated balance were not used, it would take an extension of at least 15 years to fund half of them.

Question: Please provide some summary information on the National Abandoned Mine Lands Inventory: the number of sites, the acreage by State, the type of reclamation required, and the severity/priority ranking for sites.

Answer: The Abandoned Mine Lands Inventory includes, data developed by the coal States, 18,252 sites having priority 1, 2, or 3 problems (both coal and non-coal as identified within OSM GPRA performance measures). Of these, 10,966 sites or 60% are partially funded or completed.

The number of sites is shown below by State and Indian Tribe.

State/Indian Tribe	Unfunded sites	Partially Funded sites	Completed sites
Alabama	328	247	460
Alaska	20	8	23
Arizona	0	0	2
Arkansas	37	50	50
Blackfeet	1	0	0
California	3	1	2
Cheyenne River	5	1	14
Colorado	88	277	290
Crow	5	7	41
Northern Cheyenne	0	0	8
Fort Berthold	2	0	1
Fort Peck	1	0	5
Georgia	2	3	19
Hopi	0	0	10
Iowa	91	8	61
Idaho	1	0	0
Illinois	99	106	749
Indiana	83	71	635
Jicarilla Apache	0	0	3
Kansas	276	104	208
Kentucky	894	347	714
Massachusetts	1	0	0
Maryland	46	26	85
Michigan	4	22	19
Missouri	116	29	90
Montana	239	1	467
Navajo	0	9	119
North Carolina	0	0	4
North Dakota	33	28	45
New Mexico	18	68	53
Ohio	196	246	563
Oklahoma	196	98	48
Oregon	16	0	5
Pennsylvania	1166	616	868
Rocky Boys	2	0	3
Rhode Island	0	0	2
San Carlos Apache	1	0	0
South Dakota	0	0	4
Southern Ute	6	0	5
Tennessee	140	77	83
Texas	16	2	28
Uintah and Ouray	1	0	3
Ute Mountain Ute	0	0	1
Utah	48	16	107
Virginia	191	223	108
Washington	26	16	18
White Mountain Apache	1	0	0
Wind River*	11	7	10
West Virginia	2338	102	1273
Wyoming	538	9	835
Total	**7,286**	**2,825**	**8,141**

All Programs, Priorities 1, 2, and 3. Source: OSM Abandoned Mine Land Inventory; 9/30/01

The Inventory totals 735,400 acres in both coal and non-coal acres as identified within OSM GPRA performance measures. In this context, an acre is a standardized unit of measurement obtained by a statistical conversion of all types of reclamation problems including among others subsidence, landslides, open pits, underground fires, and unstable man-made cliffs called highwalls. Of these, 301,625 acres, approximately 41 percent, are reclaimed or funded. The number of acres is shown below by State and Indian tribe.

Acres by State/Indian Tribe			
State/Indian Tribe	Funded & Completed	Unfunded	Total
Alabama	24,502	72,080	96,582
Alaska	274	267	541
Arkansas	5,572	3,932	9,504
Blackfeet	0	1	1
California	7	2	9
Cheyenne River	785	51	836
Colorado	2,737	2,100	4,837
Crow	285	46	331
Northern Cheyenne	83	0	83
Fort Berthold	12	4	16
Fort Peck	34	2	36
Georgia	328	87	415
Hopi	229	0	229
Iowa	3,489	5,486	8,975
Idaho	0	0	0
Illinois	13,420	2,582	16,002
Indiana	10,155	2,841	12,996
Jicarilla Apache	4	0	4
Kansas	2,883	15,962	18,845
Kentucky	60,523	29,166	89,689
Massachusetts	0	0	0
Maryland	3,097	3,493	6,590
Michigan	1,085	50	1,135
Missouri	5,413	12,741	18,154
Montana	5,804	1,277	7,081
Navajo	1,495	7	1,502
North Carolina	0.5	0	0.5
North Dakota	2,671	3,639	6,310
New Mexico	395	292	687
Ohio	12,312	38,769	51,081
Oklahoma	4,857	43,628	48,485
Oregon	2	9	11
Pennsylvania	36,857	43,628	80,485
Rocky Boys	3	2	5
Rhode Island	6	0	6
San Carlos Apache	0	0	0
South Dakota	4	0	4
Southern Ute	2	6	8
Tennessee	3,636	14,726	18,362
Texas	2,677	1,887	4,564
Uintah and Ouray	6	0	6
Ute Mountain Ute	1	0	1

State/Indian Tribe	Acres by State/Indian Tribe Funded & Completed	Unfunded	Total
Utah	1,284	1,248	2,532
Virginia	1,107	38,466	39,573
Washington	36	301	337
White Mountain Apache	0	0	0
Wind River	10	23	33
West Virginia	62,902	90,361	153,263
Wyoming	30,640	4,613	35,253
Total	**301,624.5**	433,775	**735,399.5**

All Programs, Priorities 1,2, and 3. Source: OSM Abandoned Mine Land Inventory; 9/30/01

The types of problems, identified by the coal States, in the Inventory are listed below by unit and estimated reclamation cost. The total estimated reclamation cost (coal and non-coal) is $8.6 billion. Three problem types - polluted water: human consumption, highwalls, and underground mine fires account for two thirds of these costs.

Problem Type	Units	Unfunded Units	Unfunded Costs
Bench	Acres	5,068	15,414,451
Clogged Stream	Miles	1,793	60,336,860
Clogged Stream Lands	Acres	26,056	205,763,461
Dangerous Highwall	Feet	4,720,577	661,460,227
Dangerous Impoundment	Count	819	16,269,747
Ind. Or Res. Waste Dump	Acres	258	860,800
Dangerous Pile or Embankment	Acres	16,013	307,861,520
Dangerous Slide	Acres	4,854	74,770,029
Equipment & Facilities	Count	1,394	4,299,132
Gases: Hazardous or Explosive	Count	94	2,825,001
Gob	Acres	7,634	66,286,240
Highwall	Feet	7,773,968	1,155,616,303
Hazardous Equipment or Facilities	Count	3,532	31,080,044
Haul Road	Acres	1,119	6,056,423
Hazardous Water body	Count	1,236	60,568,423
Industrial or Residential Waste	Acres	1,099	61,565,685
Mine Opening	Count	1,025	7,180,819
Other		n.a	22,557,691
Portal	Count	9,983	34,914,035
Pit, Open Pit, Strip Pit	Acres	5,143	48,540,432
Polluted Water: Agricultural/Industrial	Count	543	101,389,045
Polluted Water: Human consumption	Count	4,282	3,720,976,060
Subsidence-Prone Area	Acres	8,732	483,516,340
Spoil, Spoil Bank	Acres	97,263	307,497,759
Surface Burning	Acres	467	18,857,991
Slurry	Acres	528	5,597,465
Slump	Acres	2,114	98,409,071
Underground Mine Fire	Acres	4,163	857,370,330
Vertical Opening	Count	6,968	78,808,041
Water	Gallons	60,578	90,596,350
Total			8,607,245,775

All Programs, Priorities 1,2, and 3. Source: OSM Abandoned Mine Land Inventory; 9/30/01

Question: How many new sites on average are added annually to the National Abandoned Mine Lands Inventory? Please provide a summary list of new sites, by State, added over the last five years.

Answer: Between December 1996 and December 2001, an average of 769 new sites were entered annually (coal and non-coal), by the coal States. During this five-year period 3,845 sites were added and 1,612, sites, or 42 percent were completely reclaimed. The total sites added during this period and the number of these new sites reclaimed as of December 2001, is shown below along with their associated costs.

This information is summarized in the table below.

State or Indian Tribe				Sites	
	Unfunded	Funded	Completed	Added	Reclaimed
Alaska	500	42,195	213,092	33	8
Alabama	7,058,461	4,533,698	2,358,792	87	45
Arkansas	250,000	0	25,258	6	5
Colorado	55,000	445,050	5,141,025	32	21
Crow	137,915	648,137	351,903	7	3
Hopi	0	200,000	300,000	4	2
Iowa	2,197,700	0	0	9	0
Illinois	17,901,983	13,509,896	6,545,289	227	120
Indiana	6,049,000	4,126,934	1,617,345	123	95
Kansas	48,187,801	0	930,583	220	87
Kentucky	17,357,359	13,986,727	12,970,801	336	34
Maryland	12,434,739	874,500	769,568	32	4
Michigan	3,800,000	0	583,754	21	5
Missouri	10,695,605	340,999	58,320	15	5
Montana	98,470,000	300,000	6,406,236	254	11
Navajo	421	0	5,795,969	50	49
North Dakota	9,358,625	0	529,725	8	0
New Mexico	100,000	0	41,000	1	0
Ohio	5,983,140	1,982,389	3,812,101	153	118
Oklahoma	1,140,300	129,306	22,533	9	1
Pennsylvania	3,611,946,174	22,052,235	4,615,245	103	17
Tennessee	480,000	1,884,900	148,997	11	1
Texas	28,326,000	3,809,816	2,562,076	21	3
Utah	3,687,500	0	796,466	22	4
Virginia	12,583,614	245,190	2,342,565	44	28
West Virginia	384,649,212	3,906,653	19,480,898	725	210
Wyoming	35,572,894	2,016,465	324,290,723	1,292	736
Total	**4,318,423,943**	**75,035,090**	**402,710,264**	**3,845**	**1,612**
Source: OSM Abandoned Mine Land Inventory					

Question: How many Abandoned Mine sites have been reclaimed? What criteria, besides number of acres, do you use to label a site "reclaimed." Do you require monitoring of these sites to determine if the land and waters recover to functional systems that support flora and fauna?

Answer: The States, Indian Tribes, and OSM have completely reclaimed 8,141 sites (coal and non-coal) and partially reclaimed an additional 2,625 sites. A site is reclaimed when all the eligible problems on the site have been resolved. While monitoring is not required, the AML Program Guidelines state that reclamation activities are to be evaluated on a regular basis to determine the effectiveness of the program/project in reclaiming abandoned mine lands. Completed sites are monitored, often for several years, as determined by the individual State or Indian tribe. Occasionally some maintenance is required on a completed site.

Question: What is the current inventory of priority one and two projects that are unreclaimed?

Answer: The inventory of priority one and two health and safety coal problems outstanding is $3 billion. There is another $3.6 billion in priority one or two general welfare problems outstanding.

Question: Why are you eliminating funding for the Federal emergency program?

Answer: OSM is proposing a one-year reduction in funding for the Federal emergency program because as of the start of FY 2002 there is a $22 million prior year unobligated balance available for this purpose. Due to the nature of emergency projects, the amount of emergency work is variable year-to-year, mostly when increased precipitation causes more landslides and subsidence events. Since 1995, a succession of favorable weather years has resulted in less expenditures for emergency projects, than normal, averaging approximately $9 million per year. This has resulted in a build-up of carry-over funds for emergency projects.

Question: How much will you save by eliminating funding for the Federal emergency program?

Answer: The FY 2002 appropriation for emergency reclamation abatement projects was $10.948 million.

Question: What happens if there are greater than expected needs in the Federal emergency program?

Answer: Because of the $22 million in carryover from FY 2000 into 2001, along with the FY 2002 appropriation, the Department believes sufficient funds are available for the Federal emergency program in FY 2003. Abnormal events such as a

hurricane entering the Appalachian Mountains, could cause the funding needed to reclaim AML emergencies; primarily mud slides and subsidence events, to exceed the available carryover. In this unlikely event the Secretary, under Section 102 of the General Provisions of the Department of Interior appropriation has the authority to transfer funds from any no year appropriation for emergency reclamation projects. The Department would also work with the Congress and OMB to propose appropriate and alternative funding mechanisms.

Question: You are proposing to reduce funding for the Federal high priority project program. How will you be able to perform much needed reclamation in Tennessee and other States lacking primacy?

Answer: As mentioned previously, because of carry over of prior year Federal high priority funds, OSM believes that there will be adequate funding for the high priority project program in FY 2003.

Question: What is the current inventory of high priority projects that are unreclaimed?

Answer: The current inventory of unfunded reclamation problems outside of states with primacy is as follows:

Unfunded Federal Reclamation Problems		
State/Indian Tribe	**Cost**	**Acres**
California	150,000	0.4
Cheyenne River	100,000	20.0
Georgia	892,000	57.9
Idaho	5,000	0.1
Michigan	4,863,000	8.1
Oregon	163,000	2.6
Tennessee	8,538,430	518.8
Washington	4,024,600	285.2
Wind River	77,000	2.6
Total	**18,813,030**	**895.7**
Source: OSM Abandoned Mine Land Inventory: 09/30/2001		

Question: What is the RAMP share of the AML fund? If the authority to collect the AML fund is reauthorized, what do you intend to do with the RAMP share?

Answer: The RAMP share of the unappropriated AML Fund, as of February 28, 2002, was $282,408,685.40. Under current law, these funds are earmarked for RAMP and absent Congress' approval, unavailable for other uses. As the Department considers options to propose regarding the possible extension of the authority to continue to collect the AML fee, consideration will be given to this particular earmark of the Fund. The OSM staff plans to discuss the issue of possible fee extension with representatives of States and Tribes, industry, environmental groups, Members of Congress, and others to gain a better understanding of the various positions. Based on these discussions, the Department will work with the Administration in formulating a position.

REGULATION AND TECHNOLOGY

Question: Why are you increasing funding for the West Virginia regulatory program at the expense of all the other primacy States?

Answer: OSM believes many of the problems in West Virginia result from inadequate staffing and resources. In July 2000, Congress provided West Virginia an emergency appropriation to hire additional staff and to make other program enhancements so that the State had sufficient resources to administer its regulatory program. Of the $9.8 million that was appropriated for the State, $3.6 million was for staffing and required State-matching funds. In November 2000, a special session of the West Virginia Legislature was convened to pass a synfuels tax that provides a permanent source of State funding for staffing. OSM must maintain the 50 percent Federal match of the State's grant to enable West Virginia to continue funding the 59 new positions that are being added to its regulatory program. Failure to provide this funding will negate the effort and progress that have been achieved in improving the State's program, and could result in a more expensive Federal takeover of the State's program. OSM does not believe that there will be any adverse affects as a consequence of redistributing $1 million from other primacy states because there have been increases over the last two years to the total state reclamation program activity for inflationary cost increases. The FY 2003 President's Budget provides over ninety-five percent of the State and Tribe requests for regulatory funding and will allow the State and Tribes to free ninety-four percent of mine sites from offsite impacts and release 110,000 acres from Phase one & two performance bonds.

Question: What is the status of the funding provided by this Committee in the Emergency Supplemental of FY 2000 to address the problems affecting the West Virginia regulatory program? How much of the funding provided has been obligated by the State? What is the net increase in the State's staffing? Has the

additional funding translated to positive on the ground results in that State?

Answer: The emergency supplemental funding in the amount of $9.8 million has been provided the State through two cooperative agreements. The Program Improvement Cooperative Agreement (PICA), which is for the state's regulatory operating expenses and subject to a 50% match, was awarded on November 6, 2000, in the amount of $3,599,000. The Program Enhancement Cooperative Agreement (PECA), which is for one-time systems improvements, was awarded on February 7, 2001, in the amount of $6,222,000. As of January 31, 2002, the State had an unobligated balance of $2,863,252 in the PICA and $5,278,616 in the PECA. The State has filled 35 (59%) of the 59 positions provided for under the PICA. However, due to normal attrition and the need to fill some new positions from within the agency, the State has a net gain of only13 positions. The increased staffing will allow for better permitting, inspection and enforcement.

All program enhancement projects, which include the development of an electronic permitting system, centralized geologic and hydrologic database, watershed characterization model for cumulative impact assessment, watershed trend station monitoring, and a watershed airborne imaging system, have been contracted and are in various stages of completion. Most existing permit maps have been digitized and a video/voice communication system that will improve communication between headquarters and the regional offices and support electronic permitting has been implemented. The completion of these projects will enhance the State's permitting capabilities and improve overall performance. As more staff is hired and the program enhancement projects are completed and fully implemented, we believe that the State will be better situated to issue better permits and control the adverse effects of mining on coal field residents and the environment.

Question: Are there any other primacy States having operational problems such that OSM intervention similar to West Virginia will be necessary?

Answer: We are not aware of any other primacy States with the kinds of operational problems that have been identified in West Virginia. Many of the problems that we identified were simply due to the lack of staffing and funding. West Virginia now realizes that it must increase its staff if it is to effectively manage its regulatory program. The current administration is dedicated to accomplishing this task and making the program better for the citizens of West Virginia.

Question: The budget request has virtually level funding for the regulation and technology account which provides matching grants to States to help run the State coal mining programs. How does this request compare with the funding levels requested by the States for their programs? Will there be any shortfalls in funding for any States?

Answer: The President's Budget requests a total of $57.6 million for State/Tribal regulatory programs. When OSM requested estimates last year when

formulating the FY 2003 proposed budget, the State and Tribal requests totaled $60.2 million. The President's budget provides over 95 percent of the State and Tribal request. In addition, the regulatory program funding will allow the States and Tribes to free 94 percent of mine sites from offsite impacts and release 112,000 acres from phase one and two performance bonds.

Attached is a table comparing the State/Tribe request for FY 2003 funds with the estimated funding under the President's Budget. Please note that these are estimates only; actual grant awards will be based on historical expenditures, justifications by the States and Tribes, and OSM evaluations. A few States may receive slight increases.

State/Tribe	State/Tribe Original Estimate	President's Budget FY 2003 Regulatory Grant Estimate
Alabama	1,186,826	1,003,371
Alaska	186,148	179,230
Arkansas	146,890	140,326
Colorado	2,027,482	1,852,301
Illinois	2,836,222	2,724,923
Indiana	2,168,434	1,938,321
Iowa	151,018	147,365
Kansas	135,113	135,918
Kentucky	13,201,108	12,846,506
Louisiana	205,513	186,134
Maryland	497,366	484,827
Mississippi	81,262	107,690
Missouri	536,494	498,821
Montana	1,050,000	959,616
New Mexico	746,224	703,135
North Dakota	533,336	481,521
Ohio	1,724,303	1,593,987
Oklahoma	1,121,131	1,072,859
Pennsylvania	11,611,208	11,179,766
Texas	1,494,202	1,521,366
Utah	1,709,100	1,732,150
Virginia	3,579,602	3,323,733
West Virginia	10,248,686	10,141,348
Wyoming	2,043,406	1,928,529
Crow	63,573	71,545
Hopi	220,364	165,864
Navajo	700,005	427,753
N. Cheyenne	26,594	26,095
TOTALS	60,231,610	57,575,000

Question: In the past, OSM has asked for increased regulatory grant appropriations for states because of inflationary state cost increases. OSM is not seeking an increase in this budget request. Are the states going to be able to continue the current level of State regulatory programs without an increase in appropriation for FY 2003?

Answer: Since FY 2000 State regulatory grant funding has increased by about ten percent. Based on anticipated State/Tribal expenditure levels, historic obligation rates, and the availability of State matching funds, OSM believes that State regulatory programs will be able to continue their current activity level without an additional increase. OSM will continue to monitor State and Tribal requests and expenditures closely to ensure that program needs are met.

Question: In general, how adequate are the States' bonding programs since the events of September 11? Are there any programs in danger of default?

Answer: State's bonding programs are reviewed under OSM's oversight process. OSM has identified problems with some State programs and is addressing them but these problems are programmatic in nature and not related to the events of September 11. OSM is aware that the events of September 11 have added to existing problems with the availability of bonds for some companies in States where replacement bonds are required and the company is already in a state of financial stress. OSM is monitoring these specific situations and is not aware of any programs in danger of default. OSM and the States recognize that bond availability is a critical issue and will be addressing this broader issue in the future.

Question: Please describe the current status of mountain top mining litigation. Are the States continuing to issue permits using this mining technique?

Answer: On October 20, 1999, the U.S. District Court for the Southern District of West Virginia ruled that the placement of excess spoil from surface mining operations in intermittent and perennial streams violates Federal and State surface mining laws and the Clean Water Act (CWA). On April 24, 2001, the U.S. Court of Appeals for the Fourth Circuit remanded the District Court's decision with instructions to dismiss the complaint without prejudice so the plaintiffs could file in State court. The Circuit Court ruled that the 11th Amendment to the Constitution protects a State's sovereign immunity, and citizens can only sue State officials in State court whenever they fail to perform any act or duty under an approved State surface mining program. The plaintiffs filed a petition for a writ of certiorari with the U.S. Supreme Court on October 11, 2001. The Supreme Court denied the petition on January 22, 2002.

Prior to the District Court's decision, a partial settlement was reached in the mountaintop mining litigation. As a result, Federal and State agencies agreed to prepare an environmental impact statement (EIS) to minimize the effects of mountaintop mining activities on aquatic and terrestrial resources. Publication of

the draft EIS is planned for August 2002. The settlement agreement also created a specific process for review of permits with fills in waters of the United States. This interim permitting process requires the Corps of Engineers to process individual 404 CWA permits when fills exceed a 250-acre watershed or when cumulative impacts of multiple fills may be more than minimal. Since 1999, surface mining applications in West Virginia that are likely to require the issuance of a CWA Section 404 individual permit are being reviewed by a State/Federal interagency team. Since the settlement agreement several mountaintop mining permits that affect watersheds less than 250 acres have been issued in West Virginia. To date, one mountaintop-mining permit with fills greater than 250 acres has received all approvals necessary from all agencies in West Virginia. There are 13 applications pending that potentially would effect a watershed greater than 250 acres and require the more detailed application review. Other mountainous states are also continuing to issue similar permits.

Question: What are you currently doing to foreclose the possibility of further coal waste impoundment failures?

Answer: Staffs from the Office of Surface Mining (OSM) and the Mine Safety and Health Administration (MSHA) have established a standing committee to work on areas of mutual concern, including the recommendations in the National Research Council of the National Academy of Sciences (NRC) report. The committee will focus its initial efforts on the recommendations relating to (1) improving engineering standards and practices, and (2) improving the accuracy of mine maps. In addition, OSM will encourage technology development including research to reduce coal waste such as slurry.

Prior to release of the NRC report, OSM had initiated several actions relating to impoundments. In July, 2001, OSM issued review criteria for the States to use in re-evaluating existing and proposed impoundments. We have just released our investigative report on the Martin County Coal impoundment breakthrough. Finally, OSM and the state regulatory authorities in the Appalachian region have largely completed an initial re-assessment of the breakthrough potential for all existing impoundments. As a part of this re-assessment, states have required corrective measures, e.g. geotechnical drilling, lowering the pool elevation, improved engineering analysis, etc., for impoundments identified with concerns. Joint efforts will continue on the structures with the highest risk for breakthrough. Finally, OSM is working on a proposed rule that would require an emergency action plan in the event of an impoundment failure such as the one in Martin County, Kentucky.

Question: In the Federally administered state of Tennessee please provide a table which compares coal production, number of inspections, and number of total federal staff in that state with similar primacy states.

Answer:

Inspection Data				
	Inspectable Units	Number of Inspections	Total Program Staff	Coal Production (million tons)
Oklahoma	100	936	27.6	1.6
Tennessee	338	1,995	50	3.0
Maryland	62	869	11.85	4.8
Ohio	392	3,733	33.4	24.1
Indiana	184	2,801	51	32.3
Illinois	93	2,307	52	33.3

The number of inspectable units has been included, since it better represents comparative workload than coal production, and is tied to the regulatory requirement for a certain number of inspections per site. Tennessee program staff performs activities outside the scope of the Tennessee Federal Program, including processing experimental practice applications and providing technical assistance throughout the Appalachian Region.

Question: Has the State of Tennessee indicated any interest in reassuming primacy? If it did, what would be the budgetary implications to the State running the program and to the current Federal program in place?

Answer: On October 1, 1984, the State of Tennessee gave up primacy and OSM became the Regulatory Authority. Since then, OSM has encouraged the State to resume primacy of the surface mining program through letters to the Governor, meetings with State officials and meetings with industry representatives. However, to date the State has expressed no interest.

In addition, recent budgetary difficulties within the State of Tennessee make it even less likely that the State would be interested in primacy. The State is having great difficulty generating sufficient revenue to cover the existing budget. The Governor has had to curtail spending and cut back popular programs, such as State Parks. For the State to assume primary responsibility for the regulation of surface coal mining in Tennessee, it would be required to bear 50 percent of the program cost, with OSM bearing the remaining 50 percent. The State would have to find additional funds to support their share of the cost of a regulatory program.

If the State were to receive primacy for surface mining regulation, the Federal program could be significantly reduced in size as it transitions from a regulatory role to an oversight role.

FEE COLLECTION AND COMPLIANCE

Question: In FY 2001, this committee provided you an additional $500,000 to assure timely and accurate collection of fees on coal production. Do you now have sufficient funding for this program?

Answer: OSM plans to continue to operate the program in FY 2003 at the same level of services by using funds carried over from prior year appropriations, and by deferring or delaying the filling of vacancies and other expenses if necessary. OSM projects that the FY 2003 Budget request along with carryover funds are sufficient to operate the program through FY 2003.

Question: If the fee extension is not reauthorized, what will you do with the staff resources currently dedicated to collecting and auditing the fee program?

Answer: Some level of staffing will still be needed beyond the fee expiration date to close out the compliance program in an orderly fashion. The third quarter tonnage reports and fee payments will be due 30 days after September 30, 2004. All of those reports and payments will need to be processed. Follow-up action to collect any fees due from those and prior quarters should be taken to comply with Debt Collection Act requirements. Because of the time lag between when the reports are filed and when they are audited, a determination of how long audits and enforcement actions for unpaid fees will have to be made to ensure full compliance with the law. Once that work is completed, OSM will follow all Office of Personnel Management requirements to determine if any of the remaining compliance staff qualify for vacancies within this or other Interior Department bureaus.

ADMINISTRATION

Question: Your budget notes that you are absorbing almost $1 million in pay raises. How are you going to do this? What functions will you reduce or no longer perform?

Answer: OSM will absorb almost $1 million in pay raises through a variety of cost containment measures. As part of OSM's workforce planning efforts, a vacancy review board will determine if a vacant position needs to be filled, while ensuring the transfer of knowledge and skills as more experienced employees retire. Whenever possible, OSM will attempt to fill these positions at the entry level. Finally, OSM will reduce equipment replacement costs, non-mission related travel costs and supply purchases, as necessary.

Question: Your budget proposes 637 FTE's. The committee notes that 105, or about one-sixth, are in the Executive Direction Business Line. Given this Administration's emphasis on moving resources to the "front lines', should you

not be examining the staff you are devoting to overhead at the expense of your mission?

Answer: The FTE's employed in the Executive Direction and Administration Business Line include 33 FTE's in Executive Direction and 72 FTE's in Administrative Services. These employees perform important functions that directly support the other business lines in implementing OSM's mission responsibilities under the Surface Mining Control and Reclamation Act.

Executive Direction provides leadership and policy direction for the Bureau, including the immediate office of the Director, communications, planning, budget, and equal opportunity. Administrative Services provides support services necessary for day-to-day operations, Bureau-wide, such as personnel, procurement, information technology, and finance and accounting.

In addressing the Administration's Government-wide management reform agenda, OSM is examining the strategic management of its human resources. OSM has initiated an extensive work force planning initiative to address how best to structure and deploy its human resources. In addition to this effort, OSM is examining opportunities to increase the competitive sourcing of certain commercial activities, as appropriate.

Question: Consistent with the Administration's efforts to outsource functions, what functions and how many associated staff have you identified for transfer to the commercial sector?

Answer: OSM has not yet made a specific determination on functions and related staff that should transfer to the commercial sector. Over the next several months, OSM staff and the Department plan to discuss and review commercial activities for potential competitive sourcing. Based on these discussions and related analysis, specific determinations will be made to meet Department FY 2003 goals.

UNITED MINE WORKERS HEALTH FUND

Question: What is the current status of the AML interest earnings and what impact, if any, is there on the interest balance and to the beneficiaries given the recent Supreme Court decision in Barnhart v. Sigmon?

Answer: In *Barnhart v. Sigmon Coal Company*, ___ U.S. _____, 122 S. Ct. 941, 2002 Lexis 617 (February 19, 2002), the Supreme Court held that the Coal Industry Retiree Health Benefit Act of 1992 ("The Coal Act"), 26 U.S.C. §§ 9701 et seq., does not permit the Commissioner of the Social Security Administration (SSA) to assign retired miners and responsibility for the payment of their health benefits to the successors in interest of out-of-business signatory operators.

When no otherwise assignable signatories or related persons remain in business, the beneficiary enters the "unassigned pool" for which all assigned operators bear a *pro rata* premium responsibility. 26 U.S.C. §§ 9404(d), 9706(a)(3). In the Coal Act, Congress provided that some of the accumulated interest in the AML Fund might be used to pay premiums for miners' retirement benefits.

The assignments immediately at issue in this case involve the SSA assignments of 86 beneficiaries. SSA is unable to calculate through its databases the exact number of miners in similarly situated companies that will be "orphaned" as a result of Sigmon. Assignments based on successorship are included in a more general "related persons" category and are not retrievable unless a manual search is undertaken. However, computer records indicate that almost 16,500 of the current assignments are to 192 companies designated as "related persons." This figure represents more than one-third of the existing assignments. Since there is a common tendency in the coal business to buy and sell coal mining assets and change business structure, SSA believes that a large percentage of these "related persons" will prove to be successors.

The AML interest balance will be impacted as the number of unassigned beneficiaries will immediately increase in plan year 1993 and carry through each plan year thereafter for surviving beneficiaries and dependents.

The AML interest does not cover the first three plan years between 1993 – 1996. These years are paid for out of the $210 million transferred in total between 1993-1996 (three separate transfers of $70 million each) from the UMWA 1950 Pension Plan and assigned operator premiums. The first $70 million transferred from the Pension Plan to the CBF, pursuant to law, was used for unassigned or assigned beneficiaries, as well as for death benefits. The second and third $70 million transferred from the Pension Plan to the CBF, pursuant to law, were used for unassigned beneficiaries and death benefits. All of the $210 million has been used. However, whenever there is a change in beneficiaries assigned or unassigned between 1993-1996, for instance, because of court decisions, there is a reshuffling of how the $210 million is credited toward what benefits during what year. As a result of any change in assignment or unassignment of beneficiaries, for these plan years the assigned operators may be assessed additional premiums.

For plan years 1996 forward, unassigned beneficiaries may be covered by the AML interest available for transfer during those plan years. The amount of interest available for transfer is capped at $70 million per plan year.

As of February 28, 2002, the AML interest balance is approximately $112 million.

If all 86 beneficiaries are still receiving benefits, the CBF may possibly invoice OSM's AML Fund's interest earnings as follows to pay the health care costs of unassigned beneficiaries:

Fiscal Year	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
Health Care Cost	$2,267	$2,545	$2,914	$3,210	$3,405	$3,877	$4,341
Total Cost per FY	$194,962	$218,956	$250,604	$276,060	$292,830	$333,422	$373,326
Grand Total FY 96-01	$1,566,834						

Notes:

1. The Health Care costs for each Fiscal Year are per beneficiary and determined from data provided by the CBF in prior invoices.

2. Because of the $70 million cap for each plan year, the transfer of interest earnings may be limited to exclude the FY 2001 cost. The FY 2001 plan year has reached the $70 million cap, therefore the $333,422 would not be transferred. In this event, the CBF might be able to use the remaining balance they have from the $68,000,000 provided in the one-time special appropriation transfer of FY 2000; or the CBF might bill the assigned operators according to the provisions of the Coal Act.

If all 16,500 beneficiaries attributed by the SSA to the "related persons" category are moved to the unassigned pool, the CBF may well invoice OSM's AML Fund's interest earnings as follows:

Fiscal Year	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
Health Care Cost	$2,267	$2,545	$2,914	$3,210	$3,405	$3,877	$4,341
Total Cost per FY	$37,405,500	$41,992,500	$48,081,000	$52,965,000	$56,182,500	$63,970,500	$71,626,500
Grand Total FY 96-01	$372,223,500						

Note: The estimated amount to invoice will be significantly greater than the amount available in interest earnings, therefore the assigned operators may be billed *pro rata* for any benefit amount not covered by interest earnings.

Question: We remain concerned about the large amount of funds being provided for the United Mine Workers (UMW) of America from the AML fund. Please provide a table which indicates all transfers from Federal accounts to the UMW combined health fund for the past 10 years.

Answer:

Summary of Annual AML Interest Collections and Transfers to the Combined Benefit Fund

As of February 28, 2002

	FY 96 Transfer	FY 97 Transfer	FY 98 Transfer	FY 99 Transfer	FY 2000 Transfer	FY 2001 Transfer (b)	FY 2002 Transfer (b)	Transfer To Date	Interest Balance
1992 (a)						32.3	0	32.3	0
FY 1993-1995					68	46.6	-23.3	91.3	41.1
FY 1996	47.2		-10.7	9.6	-2.5	3.4	4.7	51.6	17.8
FY 1997		31.4	7	15.1	-4.2	4.2	5.6	59.1	21.9
FY 1998			36.2	9.5	8	3.9	5.0	62.6	4.4
FY 1999				47.6	-2.7	18.6	4.5	68	14.8
FY 2000					42.5	5.2	21.3	69	25.3
FY 2001						67.5	2.5	70	33.4
FY 2002							70	70	-46.9
Total	$47.20	$31.40	$32.56	$81.76	$108.96	$181.84	90.35	$574	$111.9

(a) OSM originally earned $39.3 million in 1992, but $7 million was transferred to the Clean Streams Initiative in 1998.

(b) OSM transferred $79,392,545 (32,328,466.11 from 1992 Interest Collected plus $47,064,078.89 from 1993-1995 Interest Collected) as mandated by PL 106-291, Sec. 701 (a)(1) on January 25, 2001. OSM then transferred $2,200,000.00 (from 1992 Interest Collected) on February 28, 2001 under Section 701 (a)(2) of the same law. CBF returned $2,517,012.00 on July 3, 2001 due to revised estimates of the net asset deficit of the CBF. PL 106-554 required agencies to reduce FY 2001 appropriations by 0.22 percent, whereby the CBF returned $173,996.17 to OSM. CBF returned $23,085,018.95 on December 12, 2001, due to revised estimates of the net asset deficit of the CBF. OSM paid the CBF $74,941.22 on January 30, 2002 due to adjustments. Total interest balance reflects the effect of these transfers.

Question: What is the overall fiscal status of the UMW combined health fund? What legislative actions are being considered to solve this problem? Please summarize Administration efforts this fiscal year to work with the appropriate authorizing committees to provide a long-term solution to the health fund problem.

Answer: The Office of Surface Mining does not have information regarding the overall fiscal status of the United Mine Workers of America Combined Benefit Fund (UMWA-CBF). Transfers from the interest on the AML fund are designated

mandatory transfers specifically for defraying health care cost benefits for unassigned beneficiaries, one of several costs covered by the CBF. The Department of the Interior is not the cognizant agency for this program, and the Administration has not yet formulated a position on this issue.

FEDERAL RECLAMATION PROGRAM

Question: Please provide a summary of the extent of needs for the Federal reclamation projects. What is the inventory and how complete is it?

Answer: Inventory costs of the primary unreclaimed high priority projects are: Georgia-$892,000, Michigan - $4,863,000, Tennessee - $8,538,430, and Washington $4,024,600. The Abandoned Mine Land Inventory System (AMLIS) project numbers are adjusted as new projects are periodically discovered and entered into the inventory.

Unfunded Federal Reclamation Problems		
State/Indian Tribe	**Cost**	**Acres**
California	150,000	0.4
Cheyenne River	100,000	20.0
Georgia	892,000	57.9
Idaho	5,000	0.1
Michigan	4,863,000	8.1
Oregon	163,000	2.6
Tennessee	8,538,430	518.8
Washington	4,024,600	285.2
Wind River	77,000	2.6
Total	**18,813,030**	**895.7**

Question: What funding are you requesting for the federal reclamation program for projects and operations? Please also list program and project expectations by agency for the lands managed by the Forest Service, BLM, and BIA.

Answer: OSM is requesting $3.85 million for Federal reclamation projects. This sum consists of $2.7 million for watershed cooperative agreements and $1.1 million for high priority projects. OSM also has $0.275 million in civil penalty authority to address post-act reclamation needs.

Total funding for OSM internal operations in the Environmental Restoration Business Line is about $11 million.

OSM does not have any projects planned that are also lands managed by Forest Service, BLM or BIA.

APPALACHIAN CLEAN STREAMS

Question: You continue your efforts on the Appalachian Clean Streams initiative. Please report on your progress to date.

Answer: From FY 1997 to FY 2001, OSM funded 123 acid mine drainage (AMD) neutralization projects. This total consisted of 80 Appalachian Clean Streams Program (ACSP) projects through our State partners and 43 Watershed Cooperative Agreement projects through local, non-profit watershed organizations. Only a handful of these projects would have been initiated without Appalachian Clean Streams Program supplemental funding. More than 100 miles of streams in dozens of Appalachian watersheds have benefited and many additional stream miles will be improved by projects under construction. The success of many of the early projects and OSM's continuing support stimulated new technology developments and lowered the cost of acid mine drainage (AMD) treatment, enabling even more projects to be constructed.

Question: Concerning the Appalachian Clean Streams Initiative, how much of the $10 million the Congress provided in FY 2001 did you spend on actual on the ground projects? How much did your partners in this initiative provide in matching funding in FY 2001?

Answer: Approximately 96 percent of Appalachian Clean Streams Program funding goes to on the ground projects. Our State and non-profit partners retain only a small amount of project-essential overhead. In FY 2001, $200,000 was provided to the National Mine Land Reclamation Center at West Virginia University to support the Acid Drainage Technology Initiative and has resulted in technical assistance to States and watershed organizations.

Partner commitments to State ACSP projects are made over a period of time (sometimes several years) after the annual grant distribution, so it is difficult to determine matching funds for FY 2001 projects at this time. Overall however, State projects have generated approximately $1.10 in partner contributions for every $1.00 of OSM funding. In addition, there are dozens of examples of in-kind contributions, everything from grade school student projects to professional design and management, that added value to these projects.

Matching funds and in-kind commitments for Watershed Cooperative Agreement projects are calculated year-by-year. In FY 20001, $1,330,585 of OSM funding was matched by $4,965,256 in funding and in-kind contributions by non-OSM sources.

Question: Do you have measurable improvement in aquatic environment from your efforts with this initiative? What are they?

Answer: Yes. Biological assessments on small watersheds indicate the recovery of fish and benthic macroinvertebrates following treatment or elimination of acid mine drainage (AMD) pollution. Much of the data being reported to OSM deals with water chemistry; however, several fisheries surveys and a few macroinvertebrate samples have also been reported, with promising results. A 1995 EPA survey of eight Appalachian States estimated that an unacceptable number of streams, nearly 7,000 miles, suffered fishery impacts from AMD. Because of the public emphasis on sport fisheries, improvements in aquatic habitat have focused on game fish species such as brook trout. There are numerous examples of new fisheries, both stocked and reproducing populations, in Pennsylvania, West Virginia, and Maryland and other ACSI states. For example, a recent biological survey in western Maryland found Brook Trout populations increased from 1 fish per stream mile to 500 fish per mile following AMD neutralization. In several stream reaches, fisheries were reestablished after decades and even a century of degradation by AMD. We expect that cumulative improvements from ACSP projects will become evident over entire watersheds as State biologists survey the larger streams and rivers.

OTHER

Question: Please provide a table, which indicates the federal funding for the West Virginia surface coal mining regulatory program each year and the funding requested by the State, for the period 1996-2002. For FY 2003, indicate the funding assuming full funding of the OSM request to the Committee.

Answer:

State of West Virginia
Comparison of Funds Requested With Funds Awarded
Fiscal Years 1996 Through 2002

Action	1996	1997	1998	1999	2000	2001	2002	Total
Request	7,941,528	7,756,303	7,571,216	7,780,697	9,524,792	8,032,291	8,437,841	57,044,668
Award	7,207,333	7,217,537	7,505,455	7,373,026	7,517,645	7,897,151	8,287,841	53,005,988
Difference	734,195	538,766	65,761	407,671	2,007,147	135,140	150,000	4,038,680

The State estimates that $10,248,686 will be needed for FY2003 in view of the program improvements, which provided additional staffing, and program enhancements in the years 2001 and 2002.

Question: What is the regulatory workload in West Virginia and how does this compare to other States with major coal programs, such as Pennsylvania and Kentucky? Has the State of West Virginia provided sufficient funds to its regulatory program?

Answer: West Virginia is the second largest coal producing State in the Nation. West Virginia's regulatory workload is comparable to the regulatory workload of most major coal programs, such as Kentucky and Pennsylvania. For example, in 2000, there were 2,560 inspectable units in West Virginia compared to 2,247 and 2,269 inspectable units in Kentucky and Pennsylvania, respectively. West Virginia issued 61 permits in 2000 compared to 73 in Kentucky and 100 in Pennsylvania during the same period.

Historically, West Virginia has not provided sufficient funding for its program but State officials are now committed to an improved program and have obtained the necessary state match for the increased Federal funding. With the passage of the synfuels tax in November 2000, West Virginia increased revenue for its regulatory program by about $4 million annually.. The synfuels tax provides a permanent source of funding for the 59 new positions that are being filled in West Virginia, as a result of the supplemental emergency funding provided by Congress in 2000. Once fully staffed, West Virginia's regulatory program will total 286 compared to 308 for Kentucky and 265 for Pennsylvania.

Question: How much funding have you requested in each appropriation account for fixed costs? Does this cover all fixed cost increases? What activities will not be accomplished if you have to absorb fixed cost increases?

Answer: OSM's request for uncontrollable fixed cost increases for FY 2003 is $ 1,865,000, of which $1,292,000 is in Regulation and Technology and $573,000 in AML. An additional $1,000,000 for the FY 2003 cost of living pay increase in FY 2003 will have to be absorbed by program activities. Funds will be derived through programmatic efficiencies across all programs and determining if a vacant position needs to be filled. Whenever possible, OSM will attempt to fill these positions at the entry level while still ensuring the transfer of knowledge and skills as more experienced employees retire.

STATEMENT OF

JEFFREY D. JARRETT, DIRECTOR
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
U.S. DEPARTMENT OF THE INTERIOR

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

HOUSE OF REPRESENTATIVES

Mister Chairman and Distinguished Members of the Subcommittee, I am pleased to present to you the Fiscal Year (FY) 2003 budget request of the Office of Surface Mining Reclamation and Enforcement (OSM).

In August, OSM will mark the 25th Anniversary of its creation. OSM was established with the passage of the Surface Mining Control and Reclamation Act of 1977 (SMCRA). Since then, working closely with the States and Tribes, OSM has been responsible for assuring that coal mines are operated in a manner that protects citizens and the environment and to assure that the land is restored to beneficial use following mining. Additionally, we are responsible for reclaiming and restoring lands and water degraded by past mining operations.

In the last 25 years, OSM has provided nearly $1 billion in grants to the States and Indian Tribes to assist in funding the regulation of active coal mines. Since 1979, OSM has provided about $3 billion in grants to the States and Tribes to clean up mine sites abandoned before SMCRA's 1977 enactment.

In fact, more than 180,000 acres of abandoned coal mine sites have been reclaimed under OSM's Abandoned Mine Land Program.

Our record of consultation and cooperation with States, Tribes, local entities, industry and the public has been a key factor in achieving these results. In fact, we have been praised as "Feds Who Get It" by *Governing* Magazine. That same professional, cooperative approach must continue if, in the next few years, we hope to continue to match these past achievements.

The United States possesses one-fourth of the world's coal resources, with over 275 billion tons of recoverable reserves. Because of these vast domestic coal resources and the fact that over one-half of electricity generated in our country comes from coal-fired utilities, coal must be an integral part of our Nation's energy policy. In FY 2003, OSM will work to identify innovations it can implement that will help maintain environmental quality and protect public health and safety while enhancing domestic coal production.

Fiscal Year 2003 Budget Request

To address some of the issues I have just outlined, I would like to present some highlights of our FY 2003 budget proposal. OSM's FY 2003 budget request totals $283.6 million in current authority, $70 million in permanent authority, and 637 FTE's. Included in this amount is $4.2 million to reflect a government-wide legislative proposal to shift the full cost of the government's pension system and employee health benefits program for current employees to their employing agencies. Without this proposal, OSM's FY 2003 request is $279.4 million, a decrease of $27.1 million below the FY 2002 enacted level of $306.5 million. In addition, we have a continuing obligation under the Coal Act of 1992 to make payments from interest earned on the Abandoned Mine Land (AML) Fund to the United Mine Workers of America Combined Benefit Fund (UMWACBF). These payments help defray the health care costs of retired coal miners and their dependents where the employing company or related entity for which they worked have gone bankrupt or are no longer in business. As of January 31, 2002, $574 million had been transferred to the UMWA since FY 1996. I will discuss this transfer in more depth, but first let me describe the discretionary portion of our FY 2003 request.

Our FY 2003 budget is a fiscally responsible proposal that enables OSM to effectively and efficiently implement its mission goals.

OSM's net FY 2003 request includes $105.4 million for the Regulation and Technology (R&T) appropriation and $174 million for the AML appropriation. This request represents an increase of $2.3 million for the R&T program and a decrease of $29.4 million for the AML program, thus accounting for a total decrease of $27.1 million from FY 2002.

The FY 2003 request for the Regulation and Technology appropriation will enable OSM to provide sufficient financial support for the 24 State regulatory programs. OSM is requesting a net $1 million increase in State regulatory grants. This is comprised of a $2 million increase for West Virginia offset by a $1 million reduction to other States' grants. State regulatory funding was increased by over $6 million during the period from FY 2000 to FY 2002, from $50.6 million to $56.6 million. OSM is also requesting $1.3 million for uncontrollable cost increases.

In the Abandoned Mine Lands Program, the budget proposes a $17 million reduction for State reclamation grants. Additionally, the budget proposes to transfer $2 million in carryover for Federal emergencies to State reclamation grants, resulting in total grant funding of $144.1 million. It eliminates a $0.5 million grant to Pennsylvania for an acid mine drainage demonstration project. It provides a $10.9 million one-time reduction in funding for the Federal emergency program; this reduction should have no programmatic impact since OSM has sufficient carryover funds to operate the Federal emergency program for FY 2003. The proposal also reduces funding for Federal high priority projects by $1.3 million. The budget identifies savings of $0.2 million in travel costs and $0.1 million in general services efficiencies. It requests $0.6 million for uncontrollable costs.

OSM is also continuing its funding support for the Appalachian Clean Streams Initiative at the FY 2002 level of $10.0 million. This initiative supports local efforts to eliminate environmental, economic, and public health impacts of acid mine drainage from abandoned coal mines in Appalachia. OSM has partnered with over one hundred Government agencies and private groups to leverage our resources with other parties' resources to assure increased reclamation of streams polluted by acid mine drainage.

Let me now address the other component to our budget -- the annual transfer payment to the UMWACBF.

The Coal Industry Retiree Health Benefit Act of 1992 (the "Coal Act") amended the Surface Mining Control and Reclamation Act (30 U.S.C. section 1232) to provide for annual transfers of interest from the Abandoned Mine Reclamation Fund to the Combined Benefit Fund (CB F) to defray health care costs for unassigned beneficiaries. The CBF provides health care and death benefits for eligible union coal mine workers who retired on or before July 20, 1992, and their dependents.

The Coal Act holds coal operators and related companies responsible for paying monthly premiums for the costs of health benefits related to their retired mine workers and dependents (known as "assigned" beneficiaries). Under the Coal Act, the Social Security Administration (SSA) is responsible for computing the per beneficiary health premium and for assigning retired mine workers to their former employers or related companies. Those for whom a responsible company cannot be identified, are considered "orphans," or unassigned beneficiaries. For FY 2003, we estimate the amount of this mandatory transfer will be $70 million.

Government Performance and Results Act

OSM recognizes the importance that both the Administration and the Congress have placed on implementing the Government Performance and Results Act (GPRA). The FY 2003 budget request fully addresses GPRA requirements. OSM has established a Strategic Plan to carry out its mission, vision, and goals and to implement a budget that relates resource requests to strategic goals in a more understandable way. OSM also has developed a business-line based accounting system to determine the cost of each program activity, provide a mechanism for linking costs to performance outputs, and enhance OSM's management decision-making process. OSM's Business Lines are:

- Environmental Restoration;
- Environmental Protection;
- Technology Development and Transfer;
- Financial Management; and
- Executive Direction and Administration.

Government-wide Management Reforms

This budget proposal also supports the President's Government-wide management reform agenda of:

- Integrating Budget and Performance Measures
- Improving Strategic Management of Human Capital
- Increasing Competitive Sourcing
- Improving Financial Performance
- Expanding E-Government

OSM's budget proposals have integrated strategic goals and associated measures with its budget structure for the past several fiscal years and in 2002, OSM is implementing activity based costing. OSM has already developed a succession plan to help strategically manage its human resources. Consistent with Administration guidance, OSM updated its Commercial Activity Inventory in FY 2001 and has just completed another update for 2002. To address improved financial performance, OSM has made nearly one hundred percent of its financial transfers through electronic funds transfers. Because of OSM's expanded Electronic Government initiatives, such as electronic payment of reclamation fees and the new on-line Abandoned Mine Lands Survey, greater opportunities exist for citizens to access OSM provided information.

Proposed Appropriation Language

OSM is also proposing an appropriation language change in its FY 2003 budget proposal. This change will allow OSM to:

- Remove the funding and twenty-five percent limitations on the amount of emergency program funding that can be spent in any one state; and
- Eliminate the earmarking of funds for the Pennsylvania demonstration project.

Mister Chairman, I consider myself fortunate to have been given the opportunity to lead the Office of Surface Mining as it completes its first quarter century and prepares itself for the demands of the future. OSM began as an enforcement agency enforcing SMCRA directly. As states adopted their own regulatory programs, OSM evolved into a partner with the states — enabling, advising and providing much-needed technical assistance. Today, state programs are maturing and OSM will be called upon to adapt to the new needs of the states, intensifying its efforts to protect the American people and their environment and creatively using the great potential of our natural resources. I am pleased to be part of the OSM team at this important juncture.

I thank the Subcommittee for providing this opportunity to present OSM's FY 2003 budget request.

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