

**PROPOSED FISCAL YEAR 2009 BUDGET REQUEST
FOR THE FOREST SERVICE**

HEARING
BEFORE THE
COMMITTEE ON
ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE
ONE HUNDRED TENTH CONGRESS
SECOND SESSION
TO
CONSIDER THE PRESIDENT'S FISCAL YEAR 2009 BUDGET REQUEST FOR
THE USDA FOREST SERVICE

FEBRUARY 14, 2008



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PROPOSED FISCAL YEAR 2009 BUDGET REQUEST FOR THE FOREST SERVICE

THURSDAY, FEBRUARY 14, 2008

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The committee met, pursuant to notice, at 9:33 a.m. in room SD-366, Dirksen Senate Office Building, Hon. Jeff Bingaman, chairman, presiding.

OPENING STATEMENT OF HON. JEFF BINGAMAN, U.S. SENATOR FROM NEW MEXICO

The CHAIRMAN. Why don't we go ahead and start the hearing. We welcome everybody. This is a hearing to consider the President's proposal to fund the Forest Service for fiscal year 2009.

I'd like to welcome Secretary Rey and Chief Kimbell, and particularly thank both of you and your staffs for submitting the budget justification in time so that we could have it for this hearing. We very much appreciate that.

Let me also make a few additional points as part of an opening statement. Just to give you at least the perspective that I have on things and then defer to Senator Domenici. First, I'd just like to put the budget proposal into context. There's a chart* over here that I think accurately reflects the non-fire funding for the non-fire programs at the Forest Service. It's sort of hard to read from this distance.

Do we have a copy of this? Senator Domenici has. I guess there's supposed to be a copy in front of you there somewhere.

At any rate what it tries to do is to talk about the percentage change in cumulative growth in these budgets from 2001 to 2009. Then it looks at the various departments and agencies of the government, at least some of them. Unfortunately, it shows the Forest Service on the far right end of this chart.

It indicates that the non-fire programs in the Forest Service have suffered or propose to suffer a 35 percent cut from 2001 levels. There've been cuts, as the chart shows, in other environmental and natural resources programs as well. It's clear that those are areas of the Federal budget that have been given very little priority by the Administration.

The second point I would make is another chart.* The Wildfire Management budget, itself, has grown very substantially. It's

* Charts have been retained in committee files.

grown as a percentage of the overall budget. While the fire portion of the budget has grown from 18 percent to 49 percent in recent decades, the funding for non-fire programs has shrunk in the Federal budget, down to just 52 percent.

In light of these charts it should not be a surprise that the proposed budget, the budget that's been submitted to us poses very major, pretty devastating cuts in many of the Forest Service's programs. One example, the budget proposes to cut the State and Private Forestry programs by 58 percent this next year. We could go on with detailing other specific proposed cuts, but we may get into some of that in the questions.

I think it's unfortunate that for our witnesses to have to preside over this reduction in funding in the areas that they are responsible for. I think that many of our communities have suffered as a result; communities that are dependent upon our national forests. I think that's a problem we need to address.

But I'll get into some of that in the questions. Let me defer to Senator Domenici for any opening statement that he has.

[The prepared statements of Senators Salazar and Barrasso follow:]

PREPARED STATEMENT OF HON. KEN SALAZAR, U.S. SENATOR FROM COLORADO

Thank you Mr. Chairman and Ranking Member Domenici.

I want to welcome Undersecretary Mark Rey and Chief Gail Kimbell—it is good to have you here for this annual hearing.

On January 14, the United States Forest Service (USFS) announced the results of its 2007 aerial surveys of Colorado forests. The surveys confirmed that Colorado's bark beetle infestation has spread to one and a half million acres. Experts agree that in three to five years the mortality rate for Colorado's mature lodgepole pines will be no less than 90%.

The threat of a catastrophic fire due to these poor forest health conditions is real and it could result in lost lives and property as well as damage to regionally important watersheds and Colorado's way of life.

This threat has united a diverse set of stakeholders in Colorado to actively address this issue. Private landowners, local communities, the State of Colorado, and the Federal government are working to collaboratively mitigate the fire dangers associated with deteriorating forest health conditions. This effort is making incremental progress, but most agree that a limiting factor in the mitigation work is the funding available.

I would like to acknowledge that USDA and the Forest Service has been working with me and the Colorado delegation to reprogram available funding to Region Two and Colorado, when available. This funding has been used to avoid cuts to ongoing hazardous fuels work on the ground as our local communities address the impacts of the bark beetle infestation. So, thank you for that attention Undersecretary Rey and Chief Kimbell—I look forward to continuing to work with you both on this issue.

I do want note my concern that the Forest Service is not going to be able to maintain, let alone improve, our forests with a budget that is a 22% decrease from last year and a 13.5% decrease from 2001. I think cutting Colorado's region two budget by 11% send the wrong message to our partners at the state and local level.

Undersecretary Rey, your testimony rightly focuses on the growing cost of fire suppression and its increased allocation in the Forest Service budget. It is clear to me that as the ten year average suppression cost is placed into the budget it exerts tremendous funding pressure on other core Forest Serve activities. This committee has examined suppression costs and efforts to reduce them in the past and I believe we must continue to work on this issue.

Legislatively, I believe there is an opportunity for the Energy & Natural Resources Committee to consider legislative proposals that would provide the USFS with increased resources and authorities to play a larger role in mitigation efforts underway across the country.

For instance, mirroring the collaboration taking place in our state, the Colorado Congressional delegation drafted the bipartisan, consensus Colorado Forest Manage-

ment Improvement Act (S. 2546) to facilitate greater federal participation in the response to the bark beetle infestation in our state. Senator Allard and I introduced this bill in the Senate, and our colleagues on the House side introduced companion legislation. While the provisions in The Colorado Forest Management Improvement Act are specific to Colorado, they can be broadened to complement a regional or national legislative effort.

Another important proposal is the Forest Landscape Restoration Act, developed by Chairman Bingaman and Senator Domenici. I co-sponsored this legislation to encourage and fund collaborative forest health efforts on the landscape scale.

I look forward to working on these initiatives with my colleagues on the committee and the Forest Service.

Again, thank you to our witnesses and thank you to Senators Bingaman and Domenici who have been real champions on these tough issues.

PREPARED STATEMENT OF HON. JOHN BARRASSO, U.S. SENATOR FROM WYOMING

Thank you, Mr. Chairman.

Budget and operations of the USDA Forest Service are very important to the state of Wyoming. Our forests and grasslands are vital to recreation, tourism, grazing, timber and energy development in the state.

The President's Budget proposal for the Forest Service in Fiscal year 2009 is troubling for Wyoming. Based on this budget the agency is borrowing from the future—putting off until tomorrow what it should do today. The agency is moving money from core management responsibilities that are vital to its mission, to feed the ever-increasing cost of wildfire suppression. The people of Wyoming recognize that this is not a sustainable situation. We cannot go on neglecting our forests and rangelands. This agency has to get fire spending under control, and they have to get back to the real business of land management.

I thank the witnesses for joining us today, and I look forward to discussing these important issues with you.

**STATEMENT OF HON. PETE V. DOMENICI, U.S. SENATOR FROM
NEW MEXICO**

Senator DOMENICI. Thank you very much, Mr. Chairman. I want to thank you for holding this hearing on the Forest Service's Fiscal 2009 budget. Welcome Gail Kimbell, Chief of the Forest Service and Under Secretary of Agriculture, Mark Rey to the hearing.

Mark, I notice that this may be your last opportunity to present a budget to the committee. I want to thank you for your efforts and attention that you've given and provided to the Forest Service and to this committee over the years. It's been difficult, under difficult circumstances, but you've done a good job.

I know many committee members have a significant number of concerns about a number of the proposals in the budget, including the relative cost of fire suppression compared to the other discretionary accounts in the budget. I, too, have a number of issues which I will discuss in my questions. But there is one issue that I am compelled to bring up in this statement.

I am more than a little upset by the failure of this budget to include any funding for Valles Caldera Preserve. Zero.

I know Senator Bingaman shares my concern and I know you both understand how important it is for the Forest Service to contribute to the Preserve's efforts to become self-sufficient. Certainly to give them nothing does not contribute to this approach, which we gave them when they were created to become self-sufficient as soon as practicable using you and using the assets they had to make money. But to get zero from the national government is clearly, in my opinion, something that goes far beyond what anybody would have expected to mean a real cooperation in an effort to move toward the independence sought in the law.

I am concerned that you may have missed some of the real progress that the staff and board of directors have made at Caldera. Caldera increased public visitation from a few hundred people when the ranch was in private hands to over 10,000 visitors a year. They have increased revenues in many of the resource programs and reduced their staff and other costs.

The staff has begun a number of new programs to encourage winter visitation and use and to increase its revenues. They've even shown a net return on grazing this past season which is better than anyone expected. I know you understand that the appropriations process is a two way street. I know that you understand that we have to help each other if each of our priorities are to be funded.

I have to conclude by telling you that this budget proposal for this line item was not helpful, not at all helpful. Mr. Chairman, this is all that I have at this time.

The CHAIRMAN. Thank you very much. Why don't we go ahead with the testimony? Secretary Rey, did you wish to begin or Chief Kimbell, either way?

STATEMENT OF HON. MARK REY, UNDER SECRETARY, NATURAL RESOURCES AND THE ENVIRONMENT, DEPARTMENT OF AGRICULTURE

Mr. REY. I'll start if it's alright.

The CHAIRMAN. Go right ahead.

Mr. REY. Thank you, Mr. Chairman, Senators. I appreciate the opportunity to discuss the President's fiscal year 2009 budget for the Forest Service. In my testimony I'll discuss three issues that relate to the 2009 budget.

First I'll address wildland fire programs and management reforms. Next I'll address the need to provide 4 years of further transitional assistance to rural counties that receive benefits under the Secure Rural Schools bill of 2000. Finally I'll discuss the redesign of Forest Service State and Private Forestry programs and related Federal investments proposed in the 2008 Farm bill.

With regard to wildland fire, the 2009 budget proposes a total of \$1.977 billion for wildland fire management programs including: \$994 million for suppression, \$588 million for preparedness, \$297 million for hazardous fuels and the continued funding for other National Fire Plan activities. Additionally, the Forest Service is adopting significant management reforms to ensure equitable fire suppression cost sharing between Federal and other fire fighting entities, fully implement risk-informed appropriate management response and enact cost containment accountability throughout wild-fire programs. Despite more fires in 2007 than occurred in 2006 and a 49 percent increase in acres burned, the cost of suppressing Forest Service fires was \$127 million lower in 2007 due to aggressive implementation of appropriate management response and other cost containment measures.

Indeed the savings over projected 2007 expenditures as a result of implementing these cost reforms was more than \$200 million, including \$14 million in the use of aviation assets, or in other words, firefighting airplanes. The southern California fires at the end of the 2007 fire season further exemplify the successful coordination

in risk mitigation activities that have made the Forest Service fire organization a model the world over.

You may recall that at your hearing on December 13th, I compared the response to the 2007 southern California fires with a response to the 2003 California fires, its illustrated improvements in performance, effectiveness, and cost containment in 12 key areas. I won't repeat that today because it's part of the transcript and the record of your December 13 hearing.

Overall, a number of important reforms were conducted in 2007 that both saved money and are reflected in how we built the 2008 budget. This week the Forest Service released its fire and aviation management year in review for fiscal year 2007, recounting many of these savings and accomplishments. I'll submit the entirety of this report for the record.

In fiscal year 2009, the WildLand Fire Management Program will continue to improve performance through the attention to policy, training, oversight, decision support tools, and after-action performance analysis. At your hearing last year, I provided you with a summary of 47 different reforms that the Fire and Aviation Program was evaluating for the purposes of cost containment and additional effectiveness. Today I'll submit for the record of your hearing an update on the progress made in each of these areas, progress that, I believe, will continue to effect cost savings throughout the Fire and Aviation and Management program.

Now, if I could refer to the charts that you used earlier. I won't take issue with those charts because the cost of fire suppression is increasing dramatically. However, I will make one point that I think is important to make about this chart in particular. If you exclude all of the wildland fire program in illustrating the reduction in funding for other Forest Service Programs, you're also excluding all the funding we've provided in the Healthy Forests Initiative because fuels reduction is part of the wild land fire account. So I think you've excluded about 800 million more dollars than is reasonable to exclude because that is an Administration priority to increase funding as we have for the last 5 years for fuel reduction purposes. That's one of the Administration's and the Chief's and the Former Chief's top four priorities.

So, I won't dispute these numbers. They're accurate. But the situation isn't quite as dramatic as it looks because if you added fuels reduction money back in, this bar would be substantially shorter, the Forest Service, in all probability, would be on the other side of EPA.

Again, that's not to say that we're happy with this. If I had my druthers, I'd rather serve during a period of budget surpluses and above average rainfall, but neither of those have been the case. So we do with what we have.

Now to the Secure Rural Schools legislation. The Secure Rural Schools and Community Self Determination Act of 2000 was, as this committee knows as its originating committee, enacted to provide transitional assistance to rural counties affected by the decline in revenue from timber harvests in Federal lands. Though the Secure Rural Schools Act expired in 2006, Congress extended payments for a seventh year under Public Law 110-28. The final year of payments were made in December 2007.

Our 2009 budget proposal includes a legislative proposal that provides \$200 million above the current base line for a 4-year extension of the forest county safety net payments, which will be targeted to the most affected areas, capped and adjusted downward each year, and phased out. USDA would, under our proposal, make payments on behalf of both the Department of Agriculture and the Department of the Interior. Offsets for the Administration's proposal are provided within the top line of the President's budget with offsets throughout the Department of Agriculture and elsewhere for 2009 and beyond. For 2008 payments to be made in 2009, the Administration continues to be prepared to work with Congress to identify mutually agreeable offsets.

With regard to State and Private Forestry, the 2009 budget focuses resources on national forest and grassland responsibilities. But it also reflects a redesigned State and Private Forestry program approach. That approach has been developed in conjunction with the National Association of State Foresters and reflects a different way to deliver State and Private Forestry programs.

Included in that difference is a substantial increase in funding for private, non-industrial, forest land conservation embodied in the Administration's 2007 Farm bill proposal. Funding is proposed in the Farm bill for purposes and activities similar to those supported by State and Private Forestry programs. The conservation, forestry, and energy titles of the Farm bill authorize nearly \$10 billion in incentives to States, local governments, and non-industrial private forest landowners to pursue conservation, forest restoration, and biomass energy. The products and processes of the State and Private Forestry redesign have helped focus collaborative efforts around important national priorities which will also receive significant intention and support in the 2008 Farm bill.

So here again, the total picture, as is the case in almost all of USDA's budgets, is one that has to put discretionary appropriations, both those that this committee has some jurisdiction over as well as those that the Agriculture Committee has jurisdiction over, along side the mandatory accounts that would be funded in the Farm bill. I'll provide for the record for the committee's hearing a summary of what we've proposed, as well as a side by side of what's included in the Senate and the House Farm bill proposals with regard to additional funding for State and Private Forestry.

But I think—and I understand that looking at just our discretionary budget complicates the issue—if you add those two together, what you'll find is that in many areas funding for private, non-industrial forest land conservation is actually going to be increased as a consequence of the synergy between this budget and the Farm bill which we hope that Congress will enact in short order.

With that I'd be happy to answer any questions you have. I'll turn now to Chief Kimbell.

[The prepared statement of Mr. Rey follows:]

PREPARED STATEMENT OF MARK REY, UNDER SECRETARY, NATURAL RESOURCES AND
THE ENVIRONMENT, DEPARTMENT OF AGRICULTURE

OVERVIEW

Mr. Chairman and members of the Committee, I appreciate the opportunity to discuss the President's Fiscal Year (FY) 2009 Budget for the Forest Service during today's hearing. I am pleased to join Forest Service Chief Gail Kimbell at this hearing today.

In my testimony, I will discuss three issues that relate to the 2009 Budget. First, I will address Wildland Fire programs and management reforms. Next, I will address the need to provide 4 years of further transitional assistance to rural counties that received benefits under Secure Rural Schools and Self-Determination Act of 2000. Finally, I will discuss the redesign of Forest Service State and Private Forestry programs and related Federal investments proposed in the 2008 Farm Bill.

WILDLAND FIRE

The 2009 budget proposes a total of \$1.977 billion for Wildland Fire Management programs, including \$994 million for Suppression, \$588 million for Preparedness, \$297 million for Hazardous Fuel Reduction, and continued funding for other National Fire Plan activities. Additionally, the Forest Service is adopting significant management reforms to ensure equitable sharing of fire suppression costs between Federal and other firefighting entities, fully implement risk-informed Appropriate Management Response, and enact cost-containment accountability throughout Wildland Fire programs.

The 2007 fire season illustrated the continued success of the Forest Service fire organization, but also the challenges we face. Fires in recent years have become larger and more difficult to control due to a variety of factors, including climate change, historic fire suppression efforts resulting in increased density of hazard fuels, and expansion of residences in the wildland-urban interface (WUI). As a result, fire activity in 2007 was above normal by many standards. Across all jurisdictions, wildland fires totaled more than 78,000 incidents, burning over 9 million acres. Thirteen different fires burned over 100,000 acres each, and the Nation was in Preparedness Level 5 for 33 days—the highest level of fire activity during which several geographic areas are experiencing simultaneous major incidents. Despite more fires than in 2006, and a 49 percent increase in acres burned, the cost of suppressing Forest Service fires was \$127 million lower in 2007 due to aggressive implementation of Appropriate Management Response and other cost containment measures.

The southern California fires at the end of the 2007 fire season further exemplified the successful coordination and risk mitigation activities that have made the Forest Service fire organization a model the world over. Compared to similar events in 2003, the 2007 fires had more fire starts (271 compared to 213) and more large fires that escaped initial attack (20 compared to 14), yet much less resulting damage. Only 65 percent as many acres were burned, 60 percent as many structures were destroyed, 60 percent as many firefighters were injured, and 40 percent as many civilian fatalities occurred, compared to 2003. Improvements are attributable to pre-positioning efforts, investments in hazardous fuels treatments and community capacity, and coordination with other Federal, State, and local entities. And, these improvements occurred, notwithstanding the construction of over 189,000 new homes since 2003 in the wildland-urban interface in the affected southern California counties.

In spite of these signs of success, the 2007 fire season still resulted in nearly \$1.4 billion of expenditures on fire suppression. As application of Federal firefighting resources on both Federal and non-Federal land has grown, annual suppression expenditures escalate, as does the 10-year average of annual fire suppression expenditures, which determines the program's budget request.

The Budget makes a priority of the protection of communities, the environment, and firefighters, and providing for the higher costs of suppression is a reasonable and prudent action consistent with our protection priorities. The 2009 Fire Suppression request is \$994 million, over \$250 million higher than it was just 2 years ago, and nearly \$150 million more than the current enacted level. The total Wildland Fire Management program, including continued focus on the National Fire Plan, makes up over 48 percent of the agency's discretionary budget request. The Forest Service is adopting substantive management reforms to mitigate this cost trend for suppression.

In FY 2009, the Wildland Fire Management program will continue to improve performance through attention to policy, training, oversight, decision support tools, and

after-action performance analysis. Management policy is set at the national level, and provides clear guidance for the role of Federal firefighters in the wildland-urban interface. Management policy also provides strategies of Appropriate Management Response, expectations concerning national shared resources and aviation resource cost management, and limitations to Severity funding. Mandatory training keeps agency administrators up to date on national policy. During an incident, the Chief's Principal Representative provides oversight, while decision support tools such as Rapid Assessment of Values at Risk (RAVAR) and Fire Spread Probability (FSPro) offer the incident commander information on fire spread probability, resource values at risk, and historic costs for similar fires. After-action reviews, including use of the Stratified Cost Index, provide lessons and best practices to include in subsequent updates to management policy. This performance improvement process resulted in savings estimated at \$200 million in suppression expenditures during 2007, and will enable the agency to maintain Fire Preparedness resources within a \$588 million program budget, a decrease of \$77 million from 2008.

Several additional wildfire management reforms are based on recommendations of a USDA Office of Inspector General report that examined large fire suppression costs. The report documented inequitable apportionment of fire protection responsibilities between Federal and local entities in residential areas that abut national forests. In response, the Forest Service is renegotiating master protection agreements to clarify roles and ensure equitable and appropriate allocation of wildland-urban interface firefighting costs between the agreement parties.

Additionally, the Forest Service is implementing a science-based methodology to encourage the cost-effective practice of using unplanned wildfires to reduce hazardous fuels when appropriate.

We expect that the management improvements implemented and underway will continue to make managers better prepared for wildfires; facilitate better decision making during firefighting operations; and provide the tools necessary to analyze, understand, and manage fire suppression costs. While the factors of drought, fuels build-up in our forests, and increasing development in fire prone areas have the potential to keep the number of incidents and total cost of wildfire suppression high for some time to come, we are confident in our strategy to address wildland fire suppression costs and are committed to action. We believe that the measures discussed today promise to expand efficiency and reduce suppression costs. We look forward to continued collaboration with our Federal, State, local, tribal, and other non-Federal partners to address our shared goal of effectively managing wildfire suppression costs.

CONTINUING TRANSITIONAL SUPPORT TO RURAL COMMUNITIES THROUGH EXTENSION OF SECURE RURAL SCHOOLS PAYMENTS

The Secure Rural Schools and Community Self-Determination act of 2000 (SRS) (PL 106-393) was enacted to provide transitional assistance to rural counties affected by the decline in revenue from timber harvests on Federal lands. Traditionally, these counties relied on a share of receipts from timber harvests to supplement local funding for school systems and roads. Funding from SRS has been used to support more than 4,400 rural schools and to help maintain county road systems. In addition, SRS has authorized the establishment of over 55 resource advisory committees (RACs) in 13 States, which has increased the level of interaction between the Forest Service, local governments, and citizens—resulting in greater support and understanding of the agency's mission. The Forest Service has distributed more than \$2.5 billion dollars under this legislation since 2001 to assist counties in maintaining and improving local schools and roads. Of this amount, \$213 million dollars have been used by RACs to implement more than 4,400 resource projects on national forests and grasslands and adjacent non-Federal lands.

Though the Secure Rural Schools Act expired in 2006, Congress extended payments for a seventh year under Public Law 110-28. The final year of payments were made in December 2007, and included distribution of more than \$389 million in Forest Service revenue to 41 States and Puerto Rico for improvements to public schools, roads, and stewardship projects.

Although Secure Rural Schools Act payments were intended to be temporary, the 2009 Budget underscores the President's continuing commitment to States and counties impacted by the ongoing loss of receipts associated with lower timber harvests on Federal lands. The Budget includes a legislative proposal that provides \$200 million above the current baseline for a 4-year extension of USDA and Department of the Interior forest county safety net payments, which will be targeted to the most affected areas, capped, adjusted downward each year, and phased out. For administrative convenience, USDA will make the payments on behalf of both agen-

cies. Offsets for the Administration's proposal are provided within the topline of the President's Budget throughout the Department of Agriculture and elsewhere. For the 2008 payment (to be made in 2009), the Administration continues to be prepared to work with Congress to identify mutually agreeable offsets.

STATE AND PRIVATE FORESTRY PROGRAM REDESIGN

The 2009 Budget focuses resources on national forest and grassland responsibilities, but it also reflects a redesigned State and Private Forestry program approach. Funding is provided for priority technical assistance to non-industrial private forest landowners and financial assistance for high priority cooperative conservation projects.

The State and Private Forestry program connects the agency's research and public lands-based programs to those of States and private individuals and entities. Through a coordinated effort in management, protection, conservation education, and resource use, State and Private Forestry programs help facilitate sound stewardship across lands of all ownerships on a landscape scale, while maintaining the flexibility for individual forest landowners to pursue their objectives.

In FY 2007, the Forest Service and the National Association of State Foresters agreed to redesign State and Private Forestry. The intent of the redesign is to focus and prioritize resources to better shape and influence forest land use on a scale and in a way that optimizes public benefits from trees and forests for current and future generations. The foundation for the redesign approach is a national assessment of conditions, trends, and opportunities relevant to forests of all ownerships. The initial phase of national implementation has begun, including a new competitive process for a portion of S&PF funds. The Forest Service has committed to monitor implementation of the redesign approach, facilitate an annual review, and implement changes as needed.

As a result, the Forest Service will prioritize work using the best available technology and information focused on three national themes: 1) Conserve working forest landscapes; 2) Protect forests from harm; and 3) Enhance benefits from trees and forests. Comprehensive assessments will be conducted at the state and national levels to identify conditions, threats, and ecosystem services. The assessments will then be used to integrate program delivery with partners through a variety of tools and approaches and ensure appropriate skills and organizational structures are in place to support priority work.

In addition, mandatory funding is proposed in the 2008 Farm Bill for purposes and activities similar to those supported by State and Private Forestry programs. The Conservation, Forestry, and Energy titles of the Farm Bill provides nearly \$10 billion in incentives to States, local governments, and nonindustrial private forest landowners to pursue conservation, forest restoration, and biomass energy. The products and process of State and Private Forestry redesign have helped focus collaborative efforts around important national priorities which will also receive significant attention and support in the 2008 Farm Bill.

This concludes my statement; I would be happy to answer any questions that you may have.

The CHAIRMAN. Go right ahead.

STATEMENT OF ABIGAIL KIMBELL, CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Ms. KIMBELL. Thank you, Chairman. Mr. Chairman, Mr. Domenici, and members of the committee, it's a great privilege to be here today to speak with you about the President's budget for the Forest Service in fiscal year 2009. Each of you have in your packets my written testimony covering the agency's budget in detail.

I'll be happy to answer any questions you have on that testimony, but to best utilize the next couple of minutes I'm going to limit my verbal remarks to a couple key points I think are most important to today's hearing. I'd like to request that my full statement be placed in the record.

The CHAIRMAN. It will be included.

Ms. KIMBELL. Thank you. First, I'd like to describe the general context that this budget is presented in. I certainly recognize that

the Forest Service is just one small part, though a very important part to me, of the Federal budget. That our requests have to be balanced against competing needs and opportunities across Government for limited funds.

It is clear from the pattern of budget requests in appropriations in the past several years that there are differing priorities between the Administration and the Congress. Though there are also many similar priorities. I'm here today to present the President's budget request and explain his rationale.

It is important to explain how we as an agency have crafted the budget proposal in front of you now. It is helpful for me to visualize things in a tangible, practical way. So I see our budget as a bucket.

A bucket only has a certain size. It only holds so much. In our case, the size of the bucket is decided after the nation's highest priorities are taken care of, such as supporting the war on terror, strengthening homeland security, and promoting sustained economic growth.

With support of those priorities in mind, our Forest Service bucket is \$4.109 billion in size, about the same size as last year's request. It is about \$380 million below what was appropriated for this current fiscal year. Our bucket starts a little smaller, but it also has to hold some programs that are a little bigger than last year.

The fire suppression request is decided by the 10-year average of fire suppression costs in an arrangement agreed to by both Congress and the Administration. The 10-year average this year is \$994 million, \$250 million dollars higher than just 2 years ago and nearly \$150 million more than the current enacted level. Because fire suppression is the first thing in the bucket, because it is considerably higher than in past years, and because the bucket is only so big, other programs needed to be reduced to make up the difference.

Rather than simply ratchet all programs down by a similar percentage to make up that difference, this budget reflects a very difficult, strategic decision. We're focusing limited resources on core National Forest System programs since we are the sole landlord for these lands. As a consequence, there is significant reductions in the request for State and Private Forestry programs and a reduction in Forest Service Research.

In spite of these difficult cuts, I strongly believe that the Forest Service continues to be a good investment for the funds we receive. In 2007, we received our sixth clean audit opinion in a row. We have reduced our indirect cost to less than 10 percent of our total expenses.

We have increased partnership contributions to challenge cost share projects by 35 percent over those of 2006. We collected over \$700 million in revenues and receipts. Forest Service scientists filed two patents. Thirteen Forest Service scientists were recognized by the Nobel Committee as sharing in the Nobel Peace Prize this year for their work on the Intergovernmental Panel on Climate Change.

We maintained 60,000 miles of road. With partners across the country, we maintained 26,000 miles of trail. We sold 2.5 billion board feet of timber.

We reduced hazardous fuels on 3 million acres. We provided fire assistance grants to about 62,000 communities. We protected over 88,000 acres of forestland from conversion with our Forest Legacy Program. The list can go on.

We are positioned to make the most of the resources we receive. Our agency is in the midst of a difficult, but necessary transformation which will ensure a higher percentage of our funds go to the field. We are encouraging our managers to focus on integrating programs and working with partners to achieve multiple objectives. We are proposing some innovative ecosystem services demonstration projects that will forge important partnerships with States, local governments, tribes, and non-profit organizations to restore, enhance, and protect ecosystem function on National Forest System lands.

The Forest Service mission is relevant. We have a leading role in issues affecting the Nation and the world. We have dedicated, professional, and very hard working employees who come to work every day looking for better ways to solve complex problems.

I am confident we add value to the resources with the taxpayer funds you invest in us. Thank you for the opportunity to describe how this budget was formulated, and why I'm optimistic about our future. I am happy to answer any questions you may have.

[The prepared statement of Ms. Kimbell follows:]

PREPARED STATEMENT OF ABIGAIL KIMBELL, CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the Committee, it is a great privilege to be here today to discuss the President's budget for the Forest Service in fiscal year 2009. One year ago, sitting here before you discussing the fiscal year 2008 budget was one of my first public acts as Chief of the Forest Service. I am grateful for the support this committee has shown the Forest Service, and over the past year I have been able to see firsthand many of the issues raised by its members. I look forward to our dialogue today.

I can report to you that the state of the Forest Service is sound. The agency continues to sustain and restore the national forests and grasslands. Our researchers continue to push the frontiers of knowledge, and 13 have been recognized by the Nobel Prize panel for their efforts. Our partnerships with other Federal agencies, States, communities, and tribes have broadened and deepened, as together, we have faced growing threats from fire and other disturbances. The outstanding competence and professionalism of our employees is admired by forestry organizations around the world. Entering the second century of service, the Forest Service can reflect with pride on its accomplishments.

Yet for all these achievements, the Forest Service faces significant issues, and can do better. The issues are every bit as challenging as those faced by our predecessors. America's population will likely increase nearly 40 percent in the next 50 years (2007 World Population Data Sheet; Population Reference Bureau), and pressures on the land will increase and change. In an era of globalization, the world is shrinking, jobs are growing more complex, and the value of forests and grasslands is greater than ever.

Among the challenges and opportunities facing our agency, three themes stand out in particular: climate change; water issues; and the loss of connection to nature, especially for kids. I truly believe that history will judge my leadership of the Forest Service by how well we as an agency respond to these challenges, and the 2009 budget is crafted with that in mind.

The FY 2009 Forest Service budget request totals \$4.1 billion in discretionary appropriations, an 8 percent decrease from the FY 2008 enacted level. The President's Budget reflects our Nation's highest priorities including supporting our troops, strengthening our homeland security, and promoting sustained economic growth. The Administration's pro-growth economic policies, coupled with spending restraint, are key to keeping us on track to continue to reduce the deficit in the coming years.

Within the framework of the agency's 2007-2012 Strategic Plan and the themes I've laid out, the Forest Service budget for 2009 focuses on core responsibilities, maintaining program effectiveness, and addressing on-going management challenges. The 2009 budget aligns Forest Service spending to reinforce the agency's commitment to caring for the 193 million acres of national forests and grasslands, and providing for the highest priority activities that can demonstrate performance in a transparent manner.

HEALTHY FORESTS

The FY 2009 Forest Service budget focuses resources on maximizing the effectiveness of core national forest and grassland programs. Implementation of the Healthy Forests Initiative and the Northwest Forest Plan are key initiatives which receive increased or similar levels of funding compared to FY 2008 enacted—Forest Products is requested at \$323 million, Hazardous Fuels at \$297 million, and Vegetation & Watershed Management at \$165 million. These investments will yield over 7.0 million CCF (3.5 billion board feet) of timber volume sold, including 1.6 million CCF (800 million board feet) of timber volume offered from full implementation of the Northwest Forest Plan. Other priority program outputs include establishing or improving over 2 million acres of forest and rangeland vegetation, and 1.5 million acres of hazardous fuel reduction, with an additional 800,000 acres of treatments accomplished by other land management activities to reduce fire risk. Capital Improvement and Maintenance of Roads is requested at \$227 million to provide the necessary infrastructure to support priority program activities and manage the roads system on national forest lands.

ORGANIZATIONAL EFFICIENCY & TRANSFORMATION

The Forest Service is continuing its restructuring process that will improve its organizational structure and maximize resources available for on-the-ground mission delivery. Our current organizational structure, designed in the 1950s, does not take advantage of the communication technologies and integrated operating systems available in today's business environment. By the end of FY 2009, the Forest Service will reduce operating costs by approximately 25 percent in the regional offices and the national headquarters. This will result in a higher proportion of funds going to the field and an organizational structure better equipped to meet the natural resource management challenges of the 21st century.

RECOGNIZING INTEGRATED PROGRAM AND PARTNERSHIP ACCOMPLISHMENTS

Another strategy to ensure maximum on-the-ground achievements relates to accomplishment tracking. In FY 2008, the Forest Service is changing reporting rules to incorporate accomplishments achieved through integration between program areas and/or partnerships with external groups. This change is designed to shift from a program-by-program approach to one that aligns programs and partner organizations to achieve multiple goals. By changing how accomplishments are counted, the agency hopes to change how managers plan and implement their work, increase incentives for working with partners, and ensure maximum value per dollar of Federal expenditure.

Under Secretary Rey addressed Wildland Fire Management in his testimony. I will now discuss the program budget requests for the Research, State and Private Forestry, National Forest System, Capital Improvement and Maintenance, and Land Acquisition accounts.

FOREST & RANGELAND RESEARCH

The Forest Service Research Program is a globally recognized leader developing scientific information and technologies that address the ecological, biological, social, and economic issues challenging natural resource management and conservation in the modern era. Approximately 500 Forest Service scientists conduct this research at 67 sites located throughout the United States. The 2009 Budget funds Research at \$263 million. This is equal to the 2008 President's budget, and an 8 percent decrease from the enacted level of \$286 million. The budget eliminates funding for congressional earmarks, employs investment criteria to align research projects with strategic priorities, and retains support of the Forest Inventory and Analysis program at \$62.3 million.

Forest Service Research & Development is a world leader on the global climate change issue. Thirteen Forest Service scientists participated in the Intergovernmental Panel on Climate Change (IPCC), which shared the 2007 Nobel Peace Prize with former Vice President Al Gore.

The FY 2009 budget includes \$31 million for research on how climate change, air and water pollution, land use, and extreme events affect forest and rangeland sustainability and the associated benefits they provide to society. In addition, the program prioritizes research in the areas of Resource Management and Use (\$79 million), Invasive Species (\$30 million), and Wildland Fire and Fuels (\$23 million).

STATE & PRIVATE FORESTRY

Consistent with the focus on core responsibilities, the 2009 Budget proposes to reduce funding for State and Private Forestry in order to focus resources on management of the federally-owned assets of the National Forest System. Funding is provided for priority technical assistance to non-industrial private forest landowners and financial assistance for high priority cooperative conservation projects. Specifically, the 2009 Budget funds State and Private Forestry at \$110 million, a decrease of 58 percent from the 2008 enacted level. Forest Health programs, including those funded under the National Fire Plan, will receive almost \$80 million and treat over 450,000 forest and rangeland acres for invasive and native pests with a focus on early detection, evaluation, and monitoring of new invasive species, such as the Sirex wood wasp, emerald ash borer, and sudden oak death. Cooperative Fire programs, including those funded under the National Fire Plan, will receive nearly \$75 million and assist over 18,000 communities through grants to State and local fire agencies. In addition, \$25 million will fund the Forest Stewardship, Forest Legacy, Urban & Community Forestry, and International Forestry programs.

NATIONAL FOREST SYSTEM

The National Forest System account provides funds for the stewardship and management of national forests and grasslands. The 2009 Budget requests \$1.345 billion for this account, which is equal to the 2008 President's Budget request, but a decrease of \$125 million or 9 percent from the enacted level. This budget level reflects successful implementation of the organizational efficiency and transformation efforts which will direct a higher proportion of funds to on-the-ground mission-critical work.

The 2009 budget includes a legislative proposal authorizing five Ecosystems Services Demonstration Projects that will bring new partners together with the Forest Service in a broad effort to advance market-based conservation. States, local governments, tribes, or non-profit organizations will have the opportunity to provide up to \$10 million of funds or in-kind services for activities that restore, enhance, and protect ecosystem function on National Forest System lands. The projects will also introduce and refine methodologies that may be used in potential or emerging markets to quantify and value ecosystem services related to clean water, carbon sequestration, and other critical benefits.

Other important National Forest System programs are increased in the FY 2009 budget. As mentioned earlier, the fiscal year 2009 budget supports full funding for the Northwest Forest Plan within the \$323 million for Forest Products. Land Management Planning funding is proposed at \$53 million, an 8 percent increase from the 2008 enacted level. The additional funds will focus on implementation of the revised Planning Rule, acceleration of work on 35 planned Land Management Plan (LMP) amendments that respond to energy corridor decisions, and completion of 18 LMP revisions currently scheduled for FY 2009.

A number of National Forest System programs will be maintained at the FY 2008 President's Budget level including, \$146 million for Inventory and Monitoring programs to facilitate efficient implementation of the 2008 Planning Rule, which establishes Environmental Management Systems on each NFS unit. The Recreation, Heritage, and Wilderness programs are proposed at \$237 million, which will enable completion of travel management plans for 86 percent of National Forest System lands and Recreation Facility Analyses on 74 percent of national forests by the end of FY 2009. Wildlife & Fish Management, funded at \$118 million, will focus on continued partnerships with states, non-governmental organizations and tribes to actively manage wildlife and fisheries habitat for the benefit of the 36 million people that visit national forests and grasslands annually to hunt, fish, or view wildlife. The \$47 million funding request for Grazing Management will support effective management of rangeland resources on approximately 90 million acres of NFS lands and compliance with the Rescissions Act schedule for completed grazing allotments. The \$115 million request for Law Enforcement Operations, a \$17 million decrease, will be focused on combating drug-trafficking organizations along the Southwestern and Northern borders, responding to emergency and life-threatening situations, and conducting arson investigations.

CAPITAL IMPROVEMENT & MAINTENANCE

The Capital Improvement & Maintenance Program maintains the infrastructure for many Forest Service programs, including the transportation networks necessary for management and visitor access; the recreational infrastructure, including trails that serve many diverse populations; and facilities that house Forest Service employees. The 2009 Budget funds Capital Improvement & Maintenance at \$406 million, a decrease of \$69 million from the enacted level, which included a \$25 million one-time transfer from the Purchaser Election Program. The \$120 million proposed in Facilities funding will support maintenance of approximately 22,500 facilities and capital improvement of 34 facilities in FY 2009. The \$227 million Roads program includes maintenance of more than 70,000 miles, reconstruction and capital improvement of 2,000 miles, and decommissioning of approximately 600 miles of Forest Service roads. Approximately 17,300 miles of trails will be maintained and 700 miles relocated or constructed with the \$50 million Trails request. Legacy Roads & Trails, established by Congress in 2008 as a change to a mandatory program that redirected \$25 million in funds from purchaser elect road fund, is not included in the discretionary budget. Funding for purchaser elect roads is provided through mandatory funding, as authorized.

CONCLUSION

I present this budget within a management environment that demands more than dollars to ensure organizational success. The budget supports national priorities of deficit reduction, maintains a safe and effective fire suppression organization, and maintains other high priority programs. Just as importantly, it proposes an ecosystem services approach to on-the-ground work in partnership with key stakeholders to protect watersheds, enhance economic and social values, and improve biodiversity. Combined with State & Private Forestry redesign, Wildland Fire Management reforms, and organizational management transformation, this suite of initiatives will enable the Forest Service to continue to deliver outstanding science and effectively manage the resources of the national forests and grasslands, while adapting to the challenges of the coming decades.

The CHAIRMAN. Thank you very much. Let me start with a few questions. Could we put up that chart again? The one that's the pie charts that tries to compare Forest Service fire budget with the non-fire budget. I think everyone's got a copy of that. There's a copy at each Senator's desk.

To me this chart makes a couple of very important points. I think I'd point out first of all that Congress has, in my view, very wisely provided the Forest Service with about \$430 million more than the 10-year average for fire suppression in the current year. So the Administration's request is really that we cut funding for that area by about \$280 million from the current level, as I understand things. If any of that is wrong, please correct me.

I think what this chart says to me is we've got two big problems that have, over a period of years, dramatically reduced our ability to adequately fund the non-fire suppression part of the Forest Service. One of those problems is that we try to fund wildfire suppression within the Forest Service budget. That means that as the demand for funding for wildfire suppression goes up each year, as it has, the money left for the Forest Service to use for other purposes goes down.

That's a very major problem which we talk about each year. We do nothing about it. The Administration has proposed nothing to solve it that I'm aware of that has any real substance to it. Of course those of us in Congress talk about it as well.

The second big problem is that we are using this 10-year rolling average. Chief Kimbell, you indicated this is something that the Congress has agreed to as a reasonable thing to do. I certainly didn't agree to that. Maybe someone else did.

We had Secretary Kempthorne in front of the committee yesterday talking about the Department of Interior budget. He made the obvious point that if you used a fire 5-year average rather than a 10-year average, you'd have more money. You'd have to appropriate more money each year.

It would seem to me that that would be a logical thing to do. Maybe even a less than 5-year average would make sense. But I'd be interested first, I guess, in you, Secretary Rey, your thoughts as to how we solve each of these problems. What can we do to cordon off the non-fire part of the Forest Service budget so that it doesn't continue to get eaten away? Second, what can we do to get a more reasonable method for calculating how much to put in for wildfire suppression rather than this 10-year average.

Mr. REY. First, let me offer some distinctions that will be helpful in focusing the conversation. When we talk about the fire portion of the Forest Service budget, we're talking about three major things. Fuels reduction work is something we can plan for and do, and something we're trying to increase, not as a matter of happenstance, but as a matter of specific design. That produces some other good outcomes as well.

Preparedness, which is also something you can plan for in deciding how much you're going to spend to be prepared for an upcoming season. Third, actual suppression, which you were correct, is not something that you can plan for easily, is subject to the vagaries of what happens in a given year, has been increasing dramatically and is funded using a rolling 10-year average. So I think it's probably helpful to parse those into three pieces because the one, I think that would be most helpful to focus on is suppression.

Then the question you've asked which is the correct question is, is there a better way to pay for suppression than using a rolling 10-year average and being subject then to an automatic increase that's increasing? Along with that is the responsibility to borrow from other funds if that average is exceeded as it has been in some of the last several years.

We did propose an alternative in the 2003 budget cycle to basically pay for suppression or at least a substantial portion of suppression out of a Governmentwide emergency contingency fund. There wasn't a lot of, among the Appropriations Committees in the House and the Senate, there wasn't a lot of interest in that proposal. Perhaps because it was a government wide contingency, perhaps because we wanted a portion of it offset, perhaps for other reasons.

We're fully prepared to resuscitate that proposal. Sit down and discuss it with the committee. I think it has much to recommend it as an alternative to the current approach. That having been said, the current approach is not ideal, but it has allowed us to effectively continue to extinguish 98 percent of fires on initial attack as well as have the resources available to deal with extended attack. Even though, you're correct, that effectiveness has come at the expense of other programs.

The CHAIRMAN. Chief Kimbell, did you have any comment on that?

Ms. KIMBELL. Some of the numbers, Chairman, that you were referring to, I believe include emergency and supplemental appro-

priations. We are very appreciative of having those because it has allowed us to then continue with some programs and to take fewer funds from other programs. So we've been very appreciative of that.

We are absolutely willing to work with the committee on the further development of any ideas on how to have a different future.

The CHAIRMAN. Let me just ask one other question before I've given up here. The Forest Service has not been reimbursed for more than \$500 million that was borrowed from Forest Service accounts to fund unbudgeted, emergency fire fighting in recent years. As a result, we have many programs and projects that were funded by Congress that were never able to carry out.

In the past, the Administration opposed some of our efforts to reimburse the Forest Service for such borrowing with Administration support, reimbursing the Forest Service for those emergency expenses and if not, why not?

Mr. REY. I think the debate over reimbursements in the past have focused on one area. The Administration, has concurred with reimbursements for project level expenses, for infrastructure investments, for program funding that was unfortunately borrowed to fight fire. Where we have demurred in seeking reimbursement is in personnel expenses.

So, for instance, when a person who's normally employed on a national forest and is paid for under one of the National Forest System accounts goes out and takes a fire assignment, his salary during the period of time that he's on the fire assignment is charged to the fire account. So that employee is paid, there's no need to reimburse the National Forest system account for the loss of that salary. That's, I think, the main area where we've disagreed in the past.

The CHAIRMAN. Senator Domenici. Let me just say I'm going to have to run to another hearing, but I believe Senator Salazar will be able to preside here for a period of time while I'm gone. Thank you.

Senator DOMENICI. Senator Salazar, if you need help, I'll help you.

Senator SALAZAR. I don't think—

Senator DOMENICI. Thank you. I'm just kidding. He knew that. But he's a pretty serious guy.

Well, let me first dwell just a little bit on Valles Caldera. We paid a lot of money for that. It's beautiful property. Having said what I did in my opening statement, could you explain the logic of not funding Valles Caldera in fiscal year 2009?

Mr. REY. I'll try. First a clarification, we're not proposing to fund the Valles Caldera in 2009 at zero. We're proposing to eliminate the specific earmark of funding dedicated exclusively to the Valles Caldera.

Senator DOMENICI. Right.

Mr. REY. We will continue to fund the Valles Caldera as part of the overall Region 3 budget allocation. So, they'll continue to get funding, competing with the other units of Region 3 within the overall Region 3 budget.

Now the question is why did we eliminate the earmark?

Senator DOMENICI. Before you do that let me stop you. What does that mean, what you just said? Do they get money to do things?

Mr. REY. They'll get money but it would be a substantially lower amount and it would be on a basis of—

Senator DOMENICI. Lower than what?

Mr. REY. Lower than the \$3.2 million plus the additional money that we've paid for in terms of firefighting on Valles Caldera.

Senator DOMENICI. Which we put in.

Mr. REY. Right. Exactly.

Senator DOMENICI. You don't think \$3.2 million for 100,000 acres of land to do what we charge them to do is excessive do you?

Mr. REY. Unfortunately, I think at this point in history, it is excessive.

Senator DOMENICI. It's what?

Mr. REY. It is excessive, if we look at what it's costing to manage the Valles Caldera on a per acre basis. Last year it cost \$41 per acre to manage that land.

The Santa Fe National Forest which surrounds the Caldera managed its holdings exclusive of wilderness, for 14 dollars an acre. You know, on my side of the dais, you sometimes manage to trends. If the trends are going in the wrong direction, then it's time to stop and take stock.

In this case, that trend is going in the wrong direction. That \$41 per acre was higher than the number the year before which is about \$37 an acre. The number on the Santa Fe was actually lower than it was the year before, which suggests, at least superficially, that costs are going up on the Caldera while they're going down in other units of the National Forest System immediately adjacent to the Caldera with similar land types as a result of efficiencies.

I met with the Caldera's board last week because, as you might guess, they're quite upset about this. What strikes me is that this is probably an area where we ought to do some oversight this year. Some of the assumptions that we started with in the 2000 legislation, where at which point I was on that side of the dais, aren't holding out. The idea that they would be able to manage in a fashion that wasn't encumbered by a lot of Federal agency processes isn't necessarily coming to pass.

The idea that they could manage, in some respects, as a Federal trust enjoying the Federal Government's rights isn't coming to pass in that area; to wit, the State has taken the position that they'll regulate hunting on the Caldera, and that the Caldera trust cannot charge a premium for trophy elk hunting as any private land owner, any other trust, in the State of New Mexico could.

So I think there's some things we could do that we ought to maybe spend this year working on.

Senator DOMENICI. Let me just stop you. So we'll get this \$41 understood a little better. You have never recommended nor given voluntarily as an Administration any amount close to \$41 an acre.

You recommended \$850,000, 1 year. That's not \$41 an acre. Right?

Mr. REY. No. \$41 an acre is given the totality of what was appropriated and what they raised. What it's costing them to manage the land.

Senator DOMENICI. Yes. This is the first time I ever heard that they're spending too much with what they've got to manage and keep up. Sounds incredible to me, but we'll pass on that for a minute and go on to something else.

Ms. KIMBELL. Senator, might I add a comment?

Senator DOMENICI. Sure.

Ms. KIMBELL. The \$41 per acre might not be excessive, but it is considerably different from any other National Forest System unit. The contrast of \$41 for the Valles Caldera National Forest System unit with the \$14 for the non-wilderness acres on the Santa Fe National Forest is just that. It's a comparison. Forty-one dollars might be the right number for the whole National Forest System, but it's not the current reality.

Senator DOMENICI. Ma'am, I hope you all aren't trying to pile on the Caldera because you don't run it. The truth of the matter is it was not intended to be like Santa Fe National Forest. It was not intended to be like the other forests that surround it. It was intended to be something different, a living, breathing ranch. You understand that's different than a giant forest.

They're supposed to have experience for people of ranch living. They're supposed to have ranch activities. They're supposed to raise money like private sector people do from hunting and fishing. They are not given the right privileges to raise money in those ways because everybody sticks their nose into their business and makes it difficult.

It's difficult for some of us who worked so hard to get this beautiful property. It's getting kind of hard when the Boards can't find any way to build any roads or any infrastructure. Nobody is objecting to that anymore. You've got to do that if you're going to have 30, 40,000 people a year. I mean, you all know that if any of you have been up there. So that's enough of that one anyway.

This budget proposal suggests that 48 percent of the Forest Service discretionary budget will be used to pay for the wildland fire budget. I know that you proposed to reduce the fire preparedness line item by \$77 million, and yet you are going to maintain the same number of firefighters, aircraft, water tankers, and other fire fighting vehicles that you may have had in the past.

What other programs within fire preparedness line are being cut to maintain the fire fighters equipment and still capture the \$77 million reduction?

Mr. REY. As I indicated in my prepared statement, as a consequence of a number of cost containment reforms that we've made, we believe we saved somewhere in the neighborhood of \$200 million last year in comparison to what we projected our expenses would be. Those cost containment reforms are what are reflected in the reduction in the preparedness account. For instance, in changing the way we contract for aircraft last year, we saved \$14 million by going to a higher number of exclusive use versus call when needed aircraft.

That didn't necessarily change the actual number of aircraft. It just changed how we use them and what contract mechanisms we use to retain them. So what you see in that reduction in the suppression account is a reflection of what we think the cost savings measures that we've enacted will provide.

Now you could ask a question, well isn't it a little risky to bank on that? The answer is, it is, except that the Appropriations Committees have given the authority to use suppression money if we fall short in preparedness. So we thought it was reasonable to reflect these cost savings. They were hard won in many cases. Then if something runs amiss we'll—

Senator Salazar [presiding]. Thank you. Thank you, Under Secretary Rey. We need to get on with Senator Tester and then Senator Barrasso.

Senator TESTER. Thank you, Mr. Chairman. Thank you all for being here today to talk about the budget. The first question is for Secretary Rey. I want to refer you to page two of your testimony, the first paragraph, the bottom sentence. You refer to this in your verbal testimony too.

It says, despite more fires than in 2006 and a 49 percent increase in acres burned, the cost of suppressing Forest Service fires is \$127 million lower in 2007 due to aggressive implementation of appropriate management response and other cost containment measures. That sentence in and of itself is diametrically opposed to one another. You had almost a 50 percent increase in acres burned and you spent \$127 million less and that's a plus? That's a good thing?

Mr. REY. It can be. We're not happy about the 49 percent increase in acres burned. But it would not have been less acres burned had we lavished another \$127 million in expenditures trying to put out fires.

Senator TESTER. So you're saying there's no correlation between the dollars you had to fight fires and the ability to put fires out?

Mr. REY. No. There's not a direct correlation between the amount of money we spend and the acres burned. The reason for that is a couple of folds.

One is in many cases we used wildland fire use as a management tool to allow fires to burn where there is nothing ecologically or economically threatened.

Senator TESTER. I understand that.

Mr. REY. That's going to result in a large increase in acres irrespective of cost.

Senator TESTER. It would be a 49 percent increase from year to year to let the fires burn for ecological purposes?

Mr. REY. No. That's only a portion of the increase.

Senator TESTER. Ok. I'm looking at this budget and I see the Forest Service being severely hamstrung by the amount of money that they use on forest firefighting. I think it takes away from their ability to manage. I look at this budget and I see a decrease in the dollars that are set aside for forest firefighting. It tells me you're going to have to find that money somewhere else.

Mr. REY. No. The dollars for fire suppression are increasing. The dollars for fire suppression and preparedness overall are increasing. Dollars for preparedness are less.

Senator TESTER. Ok. What I'm talking about is fighting the fires.

Mr. REY. That's suppression.

Senator TESTER. Those dollars are increasing?

Mr. REY. Correct.

Senator TESTER. From FY 2008?

Mr. REY. From FY 2008 enacted to FY 2009 proposed. Yes.

Senator TESTER. FY 2008 it shows wildland fire management. We're talking about a different fund here, \$2.5 billion, approximately in your request, \$500 million less.

Mr. REY. In that 2.5 billion you're considering the supplementals?

Senator TESTER. Absolutely. Didn't you spend that money?

Mr. REY. As well as carry over.

Senator TESTER. Didn't you spend that money?

Mr. REY. True. But we budget suppression at a rolling 10-year average. We factored all of that into the 10-year average and that average is what we plug in as a budget number.

Senator TESTER. This is no reflection on you guys, but this budget is very frustrating to me. I've got to tell you what, if I budgeted on my farm the way this is budgeted, I'd never get the crops in the ground. I'd never be able to harvest a crop.

The Department of Energy was in here last week and talked about the fact that conservation doesn't make any sense. That is basically what the guy said to me. So they cut it. It doesn't make any sense. Cutting that budget line item doesn't make any sense.

We're sitting here looking at a Forest Service that's having a difficult time managing an incredible resource that this country has because they're spending so much of their budget on firefighting. We come back with decreasing that line item.

Mr. REY. You know, there again, in the way these budgets are developed, that's not a decrease. That's an increase.

Senator TESTER. Ok.

Mr. REY. You don't know. You know, this fire year we could have rain from June to August as we did in 2004. We could spend a substantially lower amount of money in firefighting as we did in 2004. Nobody knows that building a budget.

Senator TESTER. You're right. Take the other 9 years in the last 10-year period. You've got a 90 percent chance this next year being a disaster. I can tell you that the snow pack is really good right now in Montana, but that could change overnight and we all know that.

The last 10 years we have seen significant changes in our climate. Do you take that into consideration? Do you take the beetle kill into consideration? Do you take disease into consideration when you're planning out this budget?

I think we're one lightning strike and a good wind away from burning down the whole damn State.

Mr. REY. There again, you know, we can talk about an alternative to the rolling 10-year average, but it's going to be no less or no more arbitrary in predicting the future 2 years out.

Senator TESTER. You don't have to do this today, but I think Senator Bingaman's point was good. Could you get me a list of the legislators that agreed to that 10-year average?

Mr. REY. I'd say the list is of everybody of voted "aye" in each of the last 20 years of appropriations.

Senator TESTER. Oh my goodness.

Mr. REY. I mean that's the embodied assumption in the appropriation's bills.

Senator TESTER. I will tell you that I'm not going to whack your budget out because I don't agree with the 10-year average. I'm not

going to vote against your budget because I don't agree with the 10-year average. But to make that assumption is absolutely not correct. That's incorrect. It's stretching it to the max.

I can tell you that and I'll get off this, but I can tell you and I think Chief Kimbell knows. She's been up in that neck of the woods. The forest fire season last year was terrible. It wasn't your fault. It was Mother Nature doing it.

But we have to have the ability to manage our forests. You've got to have money to manage the forests. When all your money is going to firefighting, The bucket is small. There's a lot of things there.

But the truth is maybe we need to figure out ways to make the bucket a little bit bigger or we're going to lose the resource. That's my concern. It's got to be yours too.

Mr. REY. We share that concern. As I said, we're happy to look at alternatives.

Senator TESTER. Ok. Thanks.

Senator SALAZAR. Thank you—

Senator BARRASSO. Thank you very much, Mr. Chairman. Thank you, Mr. Secretary for being here. I'm going to try to get to three questions if I could.

The first has to do with the lumber market collapse which we're experiencing. We've seen saw mill closures across the West—recently one in Sheridan, Wyoming. These are important pillars of our community all across the West and certainly in Wyoming. The last time we had a similar crisis the Forest Service took on a policy of increasing timber sales in an effort to help its private industry partners. Could you at all address what your plans might be as we look at this situation?

Mr. REY. I think the immediate task at hand is to look at the timber we've already sold in a high market which the operators are having trouble operating at a profit. We have some administrative authority to re-adjust and extend the terms of those contracts so that we don't drive them into insolvency by forcing them to operate to the terms of their contract. We're approaching the end of our administrative authority.

The House included in its version of the Farm bill a provision that would extend that authority that the Administration supports. So that would be the most immediate need to deal with in this area, I think.

Senator BARRASSO. Can I get the next issue in the Energy bill? There was a definition in the Energy bill of biomass, and I found it very troubling because the definition excludes Federal lands. If you could explain how this definition is going to affect forest health management and how that may have an affect on your budget and your thoughts of this definition?

Mr. REY. This—the definition you're referring to came in the House Energy bill. The definition that this committee worked on, particularly Senator Wyden, Senator Craig, and others, we found quite helpful and met the needs of protecting valuable old growth species while still allowing us to use biomass on the national forest to produce energy. The House definition was adopted. It will essentially preclude us from producing any biomass energy from fiber off of national forest lands, which will prevent us from being able to

reduce the cost of fuels treatment, which is what we'd hoped to do with this biomass provision.

Senator BARRASSO. Then just a third and final question. The service has received several court rulings on the bighorn sheep management recently. In Wyoming we've encountered several differences of opinion on the management of these animals.

The Forest Service's traditional role in wildlife management has been to depend on the State wildlife managers to set the objectives and to advise management decisions that benefit wildlife. It seems that the role is changing and the Service is asserting management authority over wildlife. Is that the case? Is the Forest Service pursuing a new role in wildlife management?

Mr. REY. Forest Service does not desire a new role in wildlife management. We're quite happy and comfortable with the traditional role of managing the habitat while the States manage fish and game populations. That having been said, increasingly the courts have thrust us into a more active role in actually managing wildlife populations particularly where the populations involved either threatened or endangered or sensitive species. That's a constant source of tension as court cases develop.

Senator BARRASSO. Thank you, Mr. Secretary. Thank you, Mr. Chairman.

Senator SALAZAR. Thank you very much, Mr. Chairman and ranking member who are here. Let me just say to both of you, Chief Kimbell and Under Secretary Rey, I appreciate the efforts that you've undertaken with Senator Enzi, Senator Barrasso, myself, Senator Thune, Senator Allard, and others to try to get more of an equity with respect to the distribution of funds into Region 2. I think there has been progress. I want to at the outset just say, thank you for those efforts.

Let me ask you then a question that is probably the hottest question in Colorado today continuing on from the last several years. That's the epidemic of the bark beetle, where we now have over a million and a half acres of lodgepole pine that's estimated, by some of the scientists that have looked at it, that within 3 years, 90 percent of all the lodgepole pine within the State of Colorado is going to be dead, infected by the bark beetle. It's not just a Colorado problem.

It has spread very much to the North into Wyoming. It's hit Montana. It's hit Idaho. We introduced legislation last year as a Colorado delegation, Senator Allard and I did, to try to move forward with some concepts to try to deal with this epidemic that I think I called at the time the potential for a Katrina of the West.

This is going to continue. So my question to you, Chief Kimbell and Under Secretary Rey, is "Are there legislative measures that you think we should take on to try to address this bark beetle epidemic?" Why don't I start with you Under Secretary Rey and then Chief Kimbell.

Mr. REY. I think the legislation that the delegation introduced last year had much to recommend it. We'd be eager to work with you again this year to see if enactment could take place, given the nature of this epidemic and the quality of the raw material involved in terms of being able to be utilized for some end use.

The single most useful legislative change that you could make would be a change to the contracting rules that allow us to write longer term contracts, stewardship contracts, without having to hold back a substantial amount of money to deal with liability associated with non-performance in those contracts. That's kind of a complicated issue to spit out in simple terms. But it is the one—

Senator SALAZAR. Let me just say on that. That was in one of the sections of the legislation which we crafted last year to try to deal with stewardship contracts.

Mr. REY. That was the—

Senator SALAZAR. It's essential if we're going to get it done. I want us to be proactive on this because otherwise, frankly, I think in 2, 3 years from now people who look at my great State of Colorado with its great beauty across the Western slope are going to be seeing nothing but lots of dead forests. The national forests in my State comprise about 20 percent of the entire land mass of Colorado. So your role in helping us deal with that epidemic and leading us in an effective way to help deal with that epidemic is important.

Let me ask you a question on the budget. We have, you know, several hundred, almost 200,000, acres of land that have been approved for hazardous fuels treatment within Colorado. Yet we have some decreases here in the budget with respect to hazardous fuels treatment. How are we going to get that acreage that has been approved for hazardous fuel treatment actually treated so that we can help address this problem?

Mr. REY. In 2008 we actually gave Colorado a fairly significant increase, about 12 percent increase in hazardous fuels money. So, insofar as the specific allocation to Colorado is concerned, we did pretty well in 2008. In 2009, there is a slight decrease, but that's a slight decrease off of record levels of spending. The important thing in 2009 will be to get the final number once we're done with this appropriations cycle and then allocate it as effectively as we can.

Senator SALAZAR. Mark and Chief Kimbell, I look forward to working with you on that issue. For me, when I travel down I-70 over Rabbit Ears Pass and Steamboat and Grand County down through the Winter Park area—those treasures for Colorado are important from an ecosystem point of view.

They are important to us from an economic point of view. I will do everything I can to make sure that we're addressing that issue. But it's going to have to be done in absolute partnership and collaboration with the United States Forest Service. Thank you very much. Next on line is Senator Craig. I think was next and then Senator Cantwell.

Senator Craig.

Senator CRAIG. Thank you very much, Mr. Chairman. Chief Kimbell, I've not had a chance to say this publicly before the committee, congratulations.

Ms. KIMBELL. Thank you.

Senator CRAIG. We're glad you're with us.

Ms. KIMBELL. Thank you.

Senator CRAIG. Too, certainly, Secretary Rey, thank you for being with us this morning.

I wanted to put up this chart. It's an interesting chart. It goes from 2001 to 2007. My colleague from Montana was just talking about his frustration that goes on in Montana. Everything that's red, is dead. Ok? By that I mean it's burned. So it's really dead. It's not bug killed dead and standing. It's down. It's ashes. From 2001 to 2007.

Could you go up and point out those two fires in Montana, the Rat and the Pattengail? I think they were on the Beaverhead and the Deer Lodge. 20,000 acres last year a piece. The smoke jumpers said we're not going in there. It's too dangerous. Too much fuel, it's too hot. We're staying out.

So we watched them burn all summer, nearly all summer until the snow flew. That happened across the West. Look at the core of Idaho, nearly all red. That's primarily the Payette, some of the Boise, a lot of it's wilderness and roadless. That's where the initial attacks are failing at a high percentage.

So there's reason to be extremely frustrated. 1910, a few lightning strikes and a good wind, Idaho, Montana, Idaho all the way into the State of Washington, 3 million acres, just like that and a community and lives. So I think the Senator from Montana has a reason to be frustrated because the skies in Montana and the skies of Idaho nearly all last summer were well below air quality standards because of forest fires that were constantly burning.

That's an awfully hard thing for anyone to take let alone the argument that it's nature at her best. I would suggest it is nature at her worst. But at the same time it's the reality that we're facing today. So, 25 percent of the fires that burned in the Nation last year on public lands. About 25 percent of them occurred in the State of Idaho, my State.

The Murphy complex on the BLM isn't even on that chart. This is just Forest Service land. This isn't BLM land. That's 600,000 acres. That's about like that large fire on the forest down in the lower portion of Oregon a few years ago. That's why we're concerned.

Now the pie chart is a good example of us not knowing how to do it and what to do. I would suggest neither you either. Why? Because your largest source of revenue is gone. Now we're eating up the other revenue that should be doing the things we want done on the public lands and in the Forest Service. We're eating it up with fire. We're probably in a progressive fire scenario of the kind that we haven't seen in decades.

So when we see cuts in budgets we have to have some explanation. I've been listening very closely, Mark, as you've talked about the \$77 million cut, preparedness. What it means. What it doesn't mean.

Last month I assembled Forest Service, BLM, State and locals in Idaho to look progressively, to look forward into this coming season. What did we learn from last season? What should we be preparing to do for this season?

Because last season, we all know, and thanks to you, Chief and thanks to you, Mr. Secretary, we almost, but we didn't lose Sun Valley. I literally mean that, that grand old lady of the ski area out in the heart of Idaho. But we had to use unprecedented resources to stop that fire. But we got it done. Thanks to your dedica-

tion and the dedication of marvelous fire fighters and you know, leaders that you put in place to get that done. Mother Nature cooperated a little bit. If she hadn't we'd probably have lost more than we did.

Now, it's also been referenced that we had the Secretary of Interior before us. We looked at the 10-year average. I understand what you're doing. I know the frustration of Senators.

Senator Tester talked about the 10-year average. All I can say is, John, wait just a little bit because the 10-year average is changing very, very quickly. We're going to start averaging in these years of, you know, 10 million acre burns, 8 million acre burns, and all of that. That's going to change right quickly.

But in the meantime, you don't have any money. You cut budgets. You ought to be coming here and putting the pressure on us to do something different and to find more money to deal with these kinds of issues. Because preparedness is one thing, inoperability that became the key word of all who were at the Idaho summit a month ago.

How do we work collectively together? How do we use the inter-agency? How do we, Forest Service and BLM and State and local, the right hand knowing what the left hand is doing or at least being able to communicate? In terms of good deal of work that needs to be done because we're not out of the fire scenario that we're seeing.

In fact with the bug kill that's out there. Yes, we're having what appears to be a better than average moisture winter in the intermountain West. But that doesn't mean we won't have an extraordinary fire season though if the patterns are changing.

Senator SALAZAR. But, Senator?

Senator CRAIG. Ok. Let me do that. Then I'll come back for a second round. Thank you, Mr. Chairman. But because I did not make an opening statement, I ask unanimous consent that my full statement be a part of the record.

[The prepared statement of Senator Craig follows:]

PREPARED STATEMENT OF HON LARRY E. CRAIG, U.S. SENATOR FROM IDAHO

Welcome Mr. Rey and congratulations Chief Kimball and thank you both for spending time with the committee today to discuss your new budget.

Last month, I asked several forest supervisors, BLM officials, county commissioners, state fire wardens, and representatives of the timber and grazing industries in Idaho and Governor Butch Otter to join me in discussion about Idaho wildfires.

The participants of this meeting were all asked to share what they had learned from the 2007 fire season, a season where Idaho burned nearly 2 million acres. I heard stories of success and capitulation.

I also asked participants to share what they thought could be done and should be done prior to the impending fire season. I walked away from the meeting with the following concerns:

- The necessity for improved communications. We must look beyond communication between fire teams on the ground, rather, we need to ensure that everyone impacted by a fire has the most up-to-date information.
- We need to improve the interoperability of our communication networks so our incident commanders can connect to local, state, federal officials and most importantly: the members of a community that are directly impacted by a fire.
- A community that understands the situation is more responsive to an emergency than a community that is receiving mixed messages.
- The need to expand our initial attack force. Rural Fire Assistance grants put tools, for example shovels and radios, in the hands of fire fighters that are extremely knowledgeable—people that have worked the land their entire lives.

- I know the Forest Service has concerns about fire fighter safety and maintaining a uniform incident comment system, but I think that we can and need to capitalize on this opportunity.

I understand that you have to make choices with a tight budget, however, I'm troubled by the over \$77 million reduction in funding for preparedness compared to last year which funds the equipment, training, and hiring of firefighters. I'm concerned about what this will mean to the readiness of our firefighting resources. It seems to me that this will lead to more fires escaping initial attack and turning into the massive fires that threaten lives, property, and critical habitat.

It is time to start looking into economically viable ways to mechanically treat the land. I still believe we can not only enhance the quality of our forest resources, but also improve the quality of life in our rural forest communities.

While I appreciate the efforts of the administration to address the funding needs of the Secure Rural Schools reauthorization and their attempt to improve their proposal, unfortunately it has not been well received in this Congress. In short, this dog don't hunt. However, I would like to continue discussions with the administration to look at other alternatives.

With few timber receipts and jobs coming from our federal lands, one of the only advantages of living next to public land is the recreational opportunity. I sure hope I'm wrong and the Forest Service doesn't plan to further restrict the public from its land.

With that, I look forward to hearing what you have to say. Thank you Mr. Chairman.

Senator CRAIG. I'm trying to express the frustration that many of us are sharing as our public lands burn.

Ms. KIMBELL. Senator, we do want you to be able to consider us a very good buy and a good investment. We're working very hard to make the dollars that we are spending on hazardous fuel treatment, vegetative treatment, with the full knowledge of the changes that we're going through. Precipitation, temperature, species movement, we want to be the best buy for the taxpayer dollar and we're working very hard on that.

Senator SALAZAR. Senator Cantwell.

Senator CANTWELL. Thank you, Mr. Chairman. Secretary Rey, you've been up here I think eight times now to defend the Forest Service budget. I'd have to say for the last 8 years, every budget has been terribly disappointing. I join my colleagues in expressing that investing in fire suppression while cutting prevention is a foolhardy approach and will only lead to even higher wildfire costs and budget pressures.

The legacy of underfunded budgets have left big problems in our State. In Skamania County, 140 county employees and teachers are being laid off because of cuts to the County Payment Program. Across the State, access to trailheads are as about as bad as it's been because of 8 years of inadequate road and trail maintenance funding. In some places over half the trails are either inaccessible or impassible. We are also seeing larger and more expensive wildfires resulting in the declining forest health with hazardous fuels because of the fiscal cuts to the treatments and forest health funding.

This budget is much like, I think, what Judge Mullally in the Federal District Court in Montana observed last month when he threatened to incarcerate Secretary Rey for contempt, stating "the Forest Service has evidenced a strategy of circumventing the laws rather than complying with them." I bring that up because among other things, I mean, I could go on with the roadless area and what's happening with your proposal on the Tongass and everything else. But we—the Forest Service in the State of Washington

signed an agreement in MOU saying that we should focus on those areas where water quality for people and fish were most important.

We realize that there's always going to be budget constraints. But we said let's focus on those areas where water quality for fish and people are a key part of the strategy. So after declining budget requests in 2003 and 2006 and 2007 that we believe were endangering our habitats and water supplies in Washington State.

We worked up here on the Hill and came up with the Legacy Road and Trail Remediation Program that did just that, address some of the most serious needs in the State of Washington and in other places. But now as a result of this budget and I should say there is a backlog on these roads and areas, you are basically zeroing out this program. So you're not in compliance with this memorandum of understanding that the Forest Service signed with Washington State. We're not going to have the resources to deal with some of these most pressing water quality issues.

I want to know how you think you're going to get into compliance with this agreement that the Forest Service has with the State of Washington on these areas of road less and road problems and road maintenance and back log?

Mr. REY. First of all I would dispute the proposition that we're not in compliance with the agreement. The agreement was one where the Federal Government and the State agreed to progressive level of effort to deal with legacy roads, culverts, and fish passage issues and we're in the process of doing that.

Senator CANTWELL. Where is that in your budget?

Mr. REY. It would be in the regular road account. Now the legacy road account which the Appropriations Committees of the House and the Senate created last year by borrowing from a trust fund, we are implementing that. That will be done in 2008. We will devote the \$39 million that the appropriators transferred from a trust fund account to that purpose for the purposes of doing additional remediation work.

Senator CANTWELL. In what amount? In what amount, Mr. Secretary, in what amount? The \$300 million or?

Mr. REY. No. The account was a 30-month, \$9 million transfer from a trust fund to a separate account for this purpose.

Senator CANTWELL. So you're saying there's going to be level funding on those expenditures? It's just—

Mr. REY. For 2008 we're going to do that and then we're going to continue that work in our 2009 proposal taking funding out of the road construction account. So that work is being done. The question is, is it being done as fast as people would like? Probably not.

Is it being done with such alacrity that the State has so far indicated its satisfaction with our progress? Yes, it is. So, you know, at this point we and the State made an agreement. The agreement involved the level of effort over a period of time, a fairly extended period of time. We believe we're meeting that commitment.

Senator CANTWELL. The backlog is \$300 million. So I just want to make sure that you are saying that the—

Mr. REY. We're not going to deal with the backlog in a year's time. No, I'm not saying that.

Senator CANTWELL. But you're saying that you're going to move forward with \$39 million or roughly thereabouts for 2000 and—

Mr. REY. Eight.

Senator CANTWELL. Nine.

Mr. REY. Eight.

Senator CANTWELL. 2008.

Mr. REY. Right. Then we're going to continue that effort, albeit perhaps not quite at that level in 2009. How much we do in 2009 will be a negotiation between the Congress and the Administration. We are committed to meeting our agreement with the State and will continue to work to do so.

Senator CANTWELL. I would—we have had exchanges, I think probably, in all eight budget hearings. I will just say this, I've been disappointed every time from your answers and the reality that results from it. I will look forward to seeing how this \$39 million is spent on these various water quality within my State and in other areas.

But I have to say, Secretary Rey, the notion that this Administration wants to leave office with a moniker of healthy forests, I can tell you this Administration's policies have been very unhealthy for our forests. This budget is another reflection of that. So I will be holding you accountable. I'm not the court of Montana, but we will do whatever we can to hold you accountable to make sure that these funds are spent. Thank you, Mr. Chairman.

Mr. REY. We look forward to working with you. Just for the record, I've only disappointed you seven times. I wasn't here in 2001. So maybe I've got one last opportunity to resuscitate.

Senator CANTWELL. I look forward to that opportunity. Thank you, Mr. Chairman.

Senator WYDEN [presiding]. Mr. Secretary and Chief Kimbell, welcome and my apologies for having missed a part of this. Even by Senate standards this has been a crazy morning because of all the traffic accidents in the 14th Street Bridge and the like.

Let me start by where I finished yesterday with Secretary Kempthorne. I said that to me the combination of the cuts in the County Payments Program and the cut in the PILT Program are together a one, two punch directed right at the rural West. Today when I look at the budget, I see that there's a significant cut in the program for State and Private Forestry. So it is not just a one, two punch. It is a one, two, three punch that, in my view, is just going to have enormous ramifications for forestry in our part of the country and they aren't going to be good.

I think what I want to do is having looked at the numbers that I think are indisputable, sort of unpack a couple of areas and figure out how they're going to work into this overall debate. Secretary, there is an actual line item in the fire operations account that's being cut. This is in the budget, a \$13 million reduction to the hazardous fuels line item in the fire operations account.

Now, my understanding is today some of that money can be used for thinning. Is that correct?

Mr. REY. A lot of it's used for thinning. That's correct.

Senator WYDEN. Tell me then how we square a cut in a program, an actual line item program that cuts money for thinning with the Administration saying that they want more thinning to go on. I

happen to share that view. I'm about to introduce a piece of legislation that's going to allow us to thin out the thousands and thousands, hundreds of thousands of acres of overstocked, second growth stands. Going to make some tough decisions pretty hard for folks on my side of the aisle, make changes in the appeals process. I think you ought to be able to have your say in court, but shouldn't have a constitutional right to a 5-year delay.

So, prepared to go forward with a major thinning effort, I hope we'll get bipartisan support. Also protect old growth like we did with the biomass definition where we worked with all of you. But how do you do something like that?

Go forward with a more aggressive thinning effort when you actually see line items in the budget like the one that I've just pointed to. You've said, extra points for candor, that a substantial amount of it goes for thinning. How do you do more in the way of thinning when you actually have line items in the budget that are cutting the role of thinning?

Mr. REY. I think the issue there is that a lot of that account is used for thinning, but that's not the only account that's used for thinning. If you look at the fire budgets of both the Department of the Interior and the Department of Agriculture you'll see that we're proposing about an 8 million increase in the stewardship contracting account. That account is almost exclusively used for thinning. There is also a \$3 million increase in the hazardous fuels account at the Department of the Interior.

So at least for the purposes of comparing apples to apples, the difference is not \$13 million, it's about \$2 million. So admittedly the totality of the accounts that go to thinning is \$2 million less than what we've requested for this year than what was enacted last year. However, what was enacted last year was the all-time high for the money that was appropriated for thinning. The year before that was an all-time high. If you only met our request this year, it would be the third highest level in the Nation's history.

So, you know, in context, yes, it's a level budget, and give or take a bit, that program is level as well. But it's not a dramatic decrease.

Now that having been said, should we enact new legislation, as you want to do, and we support? That's, I think, a basis for looking at these accounts anew and deciding on the basis of that new legislation whether we should look at some reallocations. I'd be open to that.

Senator WYDEN. I think your candor on this point that there's actually been a reduction in the thinning budget is very helpful. Because it also saves us from having to go through the usual sparring that we do in these kinds of sessions. Folks can probably avoid that treat since you and I have been through that on many occasions.

But I think my point is that with your admission that the thinning budget is going down, your calculation a little bit, my calculation more. It sure doesn't square with what the Administration is saying it wants which is more thinning. That's what the Secretary has said needs to be done.

I'm going to ask one other question. But leave this subject by way of saying that after you left on the thinning topic when we had the hearings, especially on thinning, you said it was getting better,

that you were making progress. Every witness, industry witnesses, environmental witnesses, every witness said that that wasn't the case. So we've clearly got to do more.

My last question, then I want to go to Senator Craig, deals with the County Payments, you know, issue. Get some sense of how you think this program is going to be reenacted in something resembling a transition period that we have agreed to. I mean, we have the 74 United States Senators, been able to fund this program over a transition period of approximately 80 percent.

There's some tough decisions for Idaho and Oregon and everywhere else. You all come in with a tiny fraction of that amount. \$200 million and it's once again going to require the dance of the offsets in order to even enact a program like that.

So, how do you see what the Administration is talking about even resembling what 74 United States Senators have voted for which, as you and I have talked about, is going to be a transition, is going to involve hard decisions. But what we voted for, and what the Administration is talking about seems to be miles and miles apart. How would you propose and your recommendations on county payments telling people, for example in John Day, Oregon, where they're waiting to hear how this is going to work out and Douglas County in Oregon and Lane County in Oregon. How's this actually going to get done under what you propose?

Mr. REY. The simple answer is it will get done through a negotiation between the Congress and the Executive to agree on what the formula for the extension is and what the offsets are. The \$200 million that we put in the budget is already offset. So that's our offer for money that we can use today without seeking offsets for 2010 and beyond.

We've also committed that as far as the 2009 payment is concerned we'll work with you to find mutually acceptable offsets. If the \$200 million for 2010 and beyond is inadequate in the minds of members, we can continue to work to find additional offsets for additional amounts. But in every discussion that we've had so far from 2005 to present, where the Administration has supported an additional extension of this program, we've supported it with a phase-down of payments.

Under what we've proposed to you and what's already happened, we already would have 2 years extension with no phase-down. So the phase-down, if it's going to occur would then, presumably, be sharper in the out 3 years. But I think that's something we're prepared to work with the Congress on. I would hope that people would accept the proposition that we were able to offset, below the top line, a significant amount of money, as an indication of the Administration's continued interest and good faith in closing this issue out in a manner that's satisfactorily to the county.

Senator WYDEN. So you've said you've found the offsets for \$200 million. Are people supporting that in the Congress? Is the Chairman of the subcommittee, the author of the legislation is Senator Craig. I've never even heard about that. Have you got Republican sponsors for these offsets? Tell me a little bit about that.

Mr. REY. The offsets are within the top line. So the probability is there are opponents to these offsets because anybody who's saying you didn't fund this—

Senator WYDEN. I'm just curious where they are so that we might be enlightened.

Mr. REY. There—

Senator WYDEN. The previous offset, Mr. Secretary, could not find one Republican United States Senator to be for. Now you've said you've identified \$200 million of offsets in the Administration. I'm the author of the bill with Senator Craig.

I've never heard about these offsets either. I would just have a little bit of curiosity in trying to explain to folks in Douglas County and Lane County and communities all over Eastern Oregon how this is going to proceed. Because any way you cut it, there is a huge gap between what 74 United States Senators have voted for and what the Administration is talking about.

I'm going to let my colleague from Idaho ask his questions. I'm going to have to leave. So I'm going to let you proceed. In fact how much time does the Senator from Idaho expect that he'll need this morning?

Senator CRAIG. Excuse me, Senator Wyden, I think no more than about 5 minutes.

Senator WYDEN. Then I'll stay for yours because I always enjoy listening to you. Please proceed.

Mr. REY. We can work further on describing those.

Senator CRAIG. Let me pick up where Senator Wyden left off. I mean obviously \$200 million is a start for looking at receipts coupled with need. We've got to come up with about \$250 million if we're going to be at that proposed formula funding level that we've come up with that has a progressive decline in it or somewhere in that formula.

So we'll, you know, it is a start. I do appreciate that. I think we all appreciate it. The question is what can we do with that.

So let me step right into the issue of receipts. I have a list of 28 mill closures across the country that have taken place since December 1. We know in part why that's happening.

Housing is down. Canadians are still pouring into the market. This Administration will not enforce Canadian timber agreement.

I'm very frustrated by that. So there appears to be no skids on there. In Idaho, more importantly, at least from my perspective, not one timber sale has been offered for the U.S. Forest Service, yet in '08. I've got one mill down and probably more to come.

Now if we're going to sustain infrastructure that in part plays into the Healthy Forests Act and the thinning, the cleaning, the necessary harvest that has to go on in combination with all of that. We may be coming out of this housing cycle with more mills being simply taken down and shipped off to some foreign country. Can you explain, possibly you, Chief, why we're not seeing timber sales offered up in Idaho yet? Because that's my figures as of today, none have been offered.

Ms. KIMBELL. I don't have specifics for the State of Idaho, but I can certainly get that and sit down and visit with you on that, Senator. I do know that there was just recently a piece of litigation that was accepted by the Supreme Court to hear the case that originated on the Idaho Panhandle National Forest. There have also been a string of challenges to some different work.

I do want to come back to the question of having mills and having a very active timber industry. I think it's been very important to have a continuing, vibrant, timber industry with a combination of different materials being handled by that industry. It will be very important to being able to do the work that needs to be done on the national forest and on the 400 million acres of private forestland across the country.

Mr. REY. If I could add one element. One of the factors may be that we're holding back to readjust appraisals to a falling market. The market has dropped significantly—

Senator CRAIG. Sure.

Mr. REY [continuing]. Over the last several months.

Senator CRAIG. Oh, yes.

Mr. REY. We may be pulling those sales back to readjust the appraisals, since we've put them out with market appraisals tied to the previous market conditions and nobody will be able to bid on them.

Senator CRAIG. That may be the case. We don't know what the situation is.

Mr. REY. We'll check on it.

Senator CRAIG. But that could be part of it. I know that currently mills cannot even retrieve the value of the stumpage out of the log when they turn it into dimensional.

Let me turn to something that is frustrating. It's a perfect example of a collision course that's going on out in Idaho. Senator Barrasso touched on it and that's with the bighorns.

We have letters from the Forest Service some years back that with the planning, re-establishing of bighorns in Idaho that if there was ever a conflict that would arise between private, domestic sheep and bighorn sheep that the Forest Service would resolve that. You are. You're running domestic sheep off the range. That's what's happening out there.

We've got one producer down, another one going down. That is not the intent or the spirit of the letter offered some years ago because there was concern in Idaho that in an attempt to re-establish bighorns in a certain range at least along the greater lower Snake River area that this could be a cooperative venture. It's proven not to be, at least by some attitudes and by some judges.

Now while we're struggling to get there it is a classic of what has happened across the West historically that brings us to where we are today. Initial attack firefighters, you know I always used to say they were the guys with the chain saws cutting trees because they had the cats and the low boys out in the forest. They're gone. So now you have to pay millions more to have people ready to go out to fight. You have liability issues and all of that.

So that day has changed. The world has changed. Your budgets are in trouble because of all of that. The fact that the chain saw's no longer there in a reasonable fashion that you have no green sales to speak of. You have no cash-flow. You borrow from your accounts. I think there's about \$300 million that hasn't been replenished yet.

That's after I, and others put \$700 million more in last year in supplementals than was asked for originally that's been spent. You're still 300 plus in arrears. I mean all of that's reality and yet,

somehow, we're trying to say things are ok. They're not ok, in my opinion.

So let's go back to the sheep. Am I correct in stating that it is the role of the Forest Service to provide technical assistance to the States to handle the management issue? That's what I was told. Can you explain what exactly the Forest Service doing to provide that technical issue that will sustain a bighorn population and domestic sheep grazing on those public lands?

Mr. REY. Our role is to manage the habitat and the States' role is to manage the game populations. To the extent that we provide the State with technical assistance or technical advice, it's on the quality of the habitat in a particular location and in whether it can sustain a wild sheep population.

What we have occurring with the sheep issue right now is the consequences, the unintended consequences of success. A number of partners of the Forest Service and State fish and game agencies have successfully re-introduced bighorn populations and now we're dealing with the migration of those populations into existing grazing allotments. The conflict is not a conflict over habitat, it's a conflict over disease spread.

Senator CRAIG. I understand.

Mr. REY. So what we need to do is work with the States to see how we're going to sort that out. Governor Otter has been taking a leading role in trying to bring the various parties together. What is making that less collaborative than might otherwise be the case is that in a number of instances litigants who have the objective of reducing public lands grazing have stepped into the equation to use the conflict between wild sheep and domestic sheep as a wedge to try to achieve a different objective than the re-establishment of wild sheep populations. That objective is the end of public land grazing. We don't obviously share that objective.

But now we've got to fight our way through court decisions where that conflict is presented in the context of the responsibility of the Forest Service to use the discretion it has, which is managing the habitat to eliminate the conflict before wild sheep are threatened. That in essence—

Senator CRAIG. Mark, I appreciate all of that. But when the Forest Service was given the opportunity to accept some alternatives of different ranges that were substantially apart from the wild bighorn and the grazer was willing to make those adjustments. Not only did the Forest Service not do it, it is my opinion, I've read the court record now. I've got the transcript. It was not rigorously defended.

I think the Forest Service caved. That's what I think. Now here's going to be the result. A little strip of private land that is the base property for this one grazer, if he's gone from that domestic, or that public graze, will be turned into condos and trophy homes along the Salmon River. You're all going to be down there defending them from fire in the coming years like you're having to defend everything else because the grazers are no longer there.

That's the reality of what happens when the Forest Service does not rigorously defend what it said it would do some years ago. Oh, yes. There are interest groups out there that want grazing off the public lands. You know, it reminds me of this—Yes?

Senator SALAZAR. Let's do this, my friends, at nine and half minutes.

Senator CRAIG. Oh, I'm sorry.

Senator SALAZAR. If you can wrap up your questions.

Senator CRAIG. I will wrap it up.

Senator SALAZAR. We'll let the Secretary give his answer and I'm going to put a document in the record and we're out the door.

Senator CRAIG. Ok. Chief Kimbell, Secretary Rey, it reminds me of something that I got engaged in in the mid eighties. We had the Director of the Park Service before us. I said, you know, I've just been through Yellowstone Park. It's dead and dying. Do you have a managed burn system there to clean out some of this? Oh, yes. Yes, yes, we do. We do controlled burns and all that. That's clearly our policy.

I said, have you done any? No. Have you done any in any recent years? The answer was no. The next year the whole park burned. They almost lost Old Faithful Inn. So it was on the books. The intent was there, but the practice was not followed.

That's kind of what's happening out in Idaho at this moment. The intent was in the letter. The policy says public graze, but it appears a rigorous defense or even when given reasonable options to move livestock around to keep separation from the bighorns is not willingly taken.

I've visited with the ranger, the supervisor and I have visited with the regional forester. It's work in progress, but in the meantime we're going to lose a rancher. We're going to lose that base property. Then you'll be defending it from your wildfires.

Mr. REY. Our goal is to see if we can avoid losing that ranch. So I'm not prepared to concede that outcome.

Senator SALAZAR. The clock is very loud.

Senator CRAIG. Thank you.

Senator SALAZAR. The time, gentlemen, has expired.

Mr. REY. Thank you.

Senator SALAZAR. Secretary Rey you can see the concern. I parlayed County Payments, PILT, State forestry efforts. We'll have a chance to have further discussions.

I'm also going to ask you to furnish for the record the written response on page 3-6 of the Strategic Plan and Performance Management document. There's something called reduce the risk to communities and natural resources from fire. It indicates that the total number of acres that have been treated in the Wildland Urban Interface area and the non-Wildland Urban Interface areas has gone down dramatically from fiscal 2007 of 3.02 million to 2.4 million for 2009. If you'd give me a written response, it's page 3-6 of that document.

Mr. REY. Sure. I don't think those numbers are right, but we can respond in writing.

Senator SALAZAR. From your chart. We'll look forward to your response. The committee's adjourned. Thank you.

[The information referred to follows:]

Several programs accomplish hazardous fuels reduction as a primary or secondary benefit in the FY 2009 President's Budget. The target for hazardous fuel reduction from all funding sources was adjusted from 3.02 million acres in FY 2007 to 2.44 million acres as a result of proposed reduced program funding levels and increased

emphasis on wildland urban interface projects, which are typically more costly. Several factors contribute to the FY 2009 target:

- The hazardous fuels treatment program is proposed to be funded at \$297 million in the FY 2009 President's Budget. Given increased emphasis on more expensive wildland urban interface fuel treatments, the agency expects to accomplish approximately 1.6 million acres.
- Other restoration program accomplishments come from National Forest System programs. The proposed FY 2009 budgets for those programs will result in estimated accomplishments of 590,000 acres.
- The State Fire Assistance (SFA) program reflects the 6-year program average adjusted to reflect a reduction of 25 percent in proposed funding in 2009. Although acres treated by SFA are not targeted since individual States determine the disposition of funds to meet a variety of fire and fuels objectives, it is anticipated that approximately 77,500 acres of hazardous fuels reduction will be accomplished through this program.
- Wildland Fire Use tends to be variable, based on opportunity, seasonal conditions, and competition for resources that vary widely from year to year, and is difficult to predict. The 2008 estimate is 175,000 acres, and that level is a reasonable expectation for 2009 as well, based on the past 6-year average outcomes for fire use.

[Whereupon, at 11:08 a.m. the hearing was adjourned.]

APPENDIX
RESPONSES TO ADDITIONAL QUESTIONS

RESPONSES OF THE FOREST SERVICE TO QUESTIONS FROM SENATOR BINGAMAN

Question 1. In January of 2007, the USDA Inspector General testified before this committee about wildfire cost-containment: “To control the risk of costly, catastrophic wildfires, the Federal Wildland Fire Management Policy specifies that FS give WFU and fire suppression equal consideration. However, existing FS fire-fighting policies and the lack of qualified WFU personnel restrict FS managers from doing so.” Specifically, the Inspector General mentioned that “FS managers have access to far fewer teams for WFU (7) than teams for suppression (55). FS estimates it needs to have 300 fire use managers to be able to select WFU as a strategy for all eligible fires. At the time of our audit, the agency had only 83 fire use managers.” How many fire-use managers does the Forest Service have today, and when do you expect to have the 300 managers that you estimated were necessary?

Answer. As of February, 2008, the USDA Forest Service has 149 qualified fire use managers and an additional 90 fire use manager trainees. The Forest Service should have 300 fire use managers within the next several years.

Question 2. Regarding the Administration’s proposal to phase-out the county payments program, the Budget Justification states that offsets for the proposal are provided for within “the topline of the President’s Budget throughout the Department of Agriculture and elsewhere.” Can you provide a list of those offsets? Are any of the offsets provided for within the Forest Service’s budget (and, if so, where)?

Answer. As you noted, offsets for the Administration’s proposal are provided within the topline of the President’s Budget throughout the Department of Agriculture and elsewhere. There is no list of specific offsets we can offer at this time.

Question 3. Does the Forest Service plan to fund the Community Forest Restoration Act at \$5 million for FY 2009?

Answer. Yes.

Question 4. At what level does the Administration propose to fund each of the three Institutes under the Southwest Forest Health and Wildfire Prevention Act?

Answer. The Forest Service has proposed to fund the Southwest Forest Health and Wildfire Prevention Act Institutes at a total of \$2.6 million in FY 2009, the same as the 2008 funding level. There are no plans to change the distribution of the total among the three Institutes.

Question 5. 16 U.S.C. § 539(e) requires the Secretary to submit a report annually to this Committee on the timber supply and demand in southeastern Alaska. However, it has been many years since we have received such a report. It is my understanding that a draft of the report was prepared a number of months ago, but it has not been finalized. When do you expect to finalize and submit that report to the Committee?

Answer. The Forest Service is finalizing the report for the years 2001–2005 and will submit it to the Committee as soon as it is available.

Question 6. 16 U.S.C. article 1602 requires the Forest Service to develop a Renewable Resource Program every five years that includes “recommendations which . . . account for the effect of global climate change on forest and rangeland conditions, including potential effects on the geographic ranges of species, and on forest and rangeland products.” When will the Forest Service prepare the above-referenced recommendations?

Answer. In the current budgetary climate, the Forest Service will continue to rely on the Forest Service Strategic Plan (current edition—FY2007 through FY2012: prepared under the Government Performance and Results Act) for broad strategic program direction.

The Forest Service has been conducting climate change research since 1974. The most recent work has been summarized in the FY2005 Interim Report on the Resources Planning Act Assessment. The next assessment report will be in FY2010.

The Forest Service Research and Development Staff has recently completed a 10-year strategic plan for climate change research (<http://www.fs.fed.us/research/fsgc/climate-change.shtml>) which will bring more focus on the effects of climate changes on ecosystems and species distributions.

Question 7. The budget Justification states that the “increasing popularity of NFS lands for motorized recreation use . . . is causing significant impacts to NFS lands and resources” and results in “increased risks to public and employee health and safety.” Nevertheless, the budget proposes cutting law enforcement by \$17 million (12%) and the remaining funding will be focused on addressing drug trafficking organizations along the borders. Do you expect the risks to public and employee health and safety to grow as a result of the cuts in the law enforcement budget?

Answer. No. The President’s budget funds law enforcement at \$115 million, slightly less than FY 2007 but well above historical funding levels. This level of funding will support approximately 739 FTEs and will focus on maintaining law enforcement presence in high priority and critical locations. Any reduction to the workforce will be managed through attrition and supervisor to employee ratios will be increased to ensure the highest possible field presence. Further, the agency will emphasize a more mobile workforce and move officers to temporary duty assignments in locations with emerging issues.

Question 8a. What level of funding is included in the budget request to implement the appeals/hearings requirement for the hydropower licensing provisions of the Energy Policy Act of 2005?

Answer. Funding for continued implementation of the appeals/hearings requirement has not been determined for FY 2009 at this time. In FY 2008, the Forest Service set aside \$5,000 within the Landownership Management program to cover the costs of an Administrative Law Judge for travel and other incurred costs related to the holding of regulatory hearings.

Question 8b. How many such appeals have been initiated to date?

Answer. FERC licensees have petitioned the Forest Service to initiate trial-type hearings in seven proceedings pursuant to the Energy Policy Act of 2005 and filed alternative conditions for six projects.

Question 8c. How many appeals have been resolved?

Answer. All cases were resolved to each party’s satisfaction before participating in the hearings before the administrative law judge or before the Secretary of Agriculture completed his determination and rendered a final decision on the proposed alternative condition.

Question 8d. Please provide a listing of all such appeals and a description of the outcome (settled, including whether conditions were modified; Forest Service condition upheld; or other condition adopted).

Answer. Specific project information is as follows:

Licensee	Project	FERC Project Number	Petitioned Action	Outcome
Pacific Gas and Electric (PG&E)	Kern Canyon Hydroelectric	P-178	Administrative Hearing and Alternative Conditions	Settlement Reached
Pacific Gas and Electric (PG&E)	Pit 3/4/5 Hydroelectric	P-233	Administrative Hearing and Alternative Conditions	Settlement Reached
Southern California Edison (SCE)	Vermilion Hydroelectric	P-382	Alternative Conditions Only	Settlement Reached
Idaho Power	Hells Canyon Complex	P-1971	Administrative Hearing and Alternative Conditions	Settlement Reached
Southern California Edison (SCE)	Borel Hydroelectric	P-2086	Alternative Conditions Only	Settlement Reached
Pacific Gas and Electric (PG&E)	Upper North Fork Feather Hydroelectric	P-2105	Administrative Hearing and Alternative Conditions	Settlement Reached
Pacific Gas and Electric (PG&E)	Poe Hydroelectric	P-2107	Administrative Hearing and Alternative Conditions	Settlement Reached
Pacific Gas and Electric (PG&E)	Donnels-Curtis Transmission Line	P-2118	Alternative Conditions Only	Settlement Reached
Pacific Gas and Electric (PG&E)	Spring-Gap Stanislaus Hydroelectric	P-2130	Administrative Hearing and Alternative Conditions	Settlement Reached
Southern California Edison (SCE)	Portal Hydroelectric	P-2174	Administrative Hearing and Alternative Conditions	Settlement Reached
Garkane Energy	Boulder Creek	P-2219	Alternative Conditions Only	Settlement Reached
Nevada Hydro and Lake Elsinore Water District	Lake Elsinore Advanced Pumped Storage	P-11858	Alternative Conditions Only	Settlement Reached
Avista Utilities	Post Falls	P-12606	Alternative Conditions Only	Settlement Reached

Question 9a. How many new mining claims have been located on National Forest System lands over the past 10 years? Please provide the number of claims located by year.

Answer. We have referred this question to the Department of the Interior for a response, as the Bureau of Land Management (BLM) is responsible for compiling and maintaining information regarding mining claims on all public lands (including National Forest System lands) in their database—Land and Minerals Legacy Rehost 2000 System (LR 2000). We are working with the BLM to provide you the requested information.

Question 9b. How many claims have you witnessed an increase in the claims located for uranium production?

Answer. See Answer to Question 9a.

Question 10a. How many abandoned hardrock mine sites are there on National Forest System lands?

Answer. Various estimates exist for the number of abandoned mines on National Forest System (NFS) lands but the exact number is unknown. All estimates are based at least in part on abandoned mine data now part of the Mineral Resources Data System (MRDS) which is managed by the U.S. Geological Survey. Analyses of the data in MRDS indicates there may be 27,000 to 39,000 abandoned mines of all types on NFS lands, of which 18,000 to 26,000 are abandoned hardrock mines.

Question 10b. How many of these sites pose a threat to public health and safety?

Answer. The data in MRDS indicates that there are 9,000 to 13,000 abandoned hard rock mines that are past producers and therefore more likely to require environmental cleanup or safety mitigation work.

Question 10c. What is the estimated cost to reclaim all abandoned sites on Forest Service land?

Answer. The estimated cost to reclaim all abandoned mine sites on Forest Service land is approximately \$5.55 billion in 2007 dollars. This is a very rough estimate based on actual survey data from 1994, adjusted for inflation. The actual number of abandoned mines and the extent of cleanup required are unknown.

Question 10d. How much funding is included in the Budget for FY2009 for hardrock AML reclamation?

Answer. In the FY 2009 budget there is \$12.894 million for the cleanup of environmental contamination and safety hazards at sites on National Forest System lands. It is estimated that 75 to 80 percent of these funds will go to abandoned mine cleanup and safety hazard mitigation. The remaining 20 to 25 percent of these funds are used for non-mining related clean-ups and environmental audits.

Question 11. The New York Times dated February 14, 2008, contains an editorial entitled "The Power to Say No" which addresses the recent approval by the Forest Service of exploration activities for uranium located on the rim of the Grand Canyon. Do you think the Mining Law of 1872 should be amended to give the Forest Service additional authority to protect National Parks and other conservation units from mining activities?

Answer. Amendments to the 1872 Mining Law are unnecessary as the Forest Service currently has sufficient authority to protect National Parks and other conservation system units from the impact of mining activities occurring on adjacent National Forest System lands. The Grand Canyon National Park is withdrawn from all forms of mineral activity. The proposed exploration activities are outside the National Park.

Question 12. What is the estimated value of hardrock minerals produced on National Forest System land in each of the past 10 years?

Answer. The Forest Service only has records for years 1999 through 2004. Producers are not required to provide this information and it is no longer estimated by the agency.

Year	Estimated Value of Hardrock Minerals Produced from the National Forests
1999	\$ 466,016,000
2000	\$ 764,478,000
2001	\$ 677,056,000
2002	\$ 607,753,000
2003	\$ 577,736,000
2004	\$ 776,505,000

Question 13. What role does the Forest Service play in setting the level of financial assurances for hardrock mining operations on National Forest System lands?

Answer. The Forest Service has the authority to require the financial assurance needed to cover the full cost of reclaiming land and resources disturbed by hardrock mining operations on National Forest System lands. In most cases, the Forest Service calculates the amount of financial assurance which is then reviewed and accepted by the operator as a condition of plan of operation approval. For some large operations, the operator may submit a financial assurance estimate which the Forest Service then reviews for adequacy before accepting it. Where hardrock operations are also regulated by other Federal or State agencies, the Forest Service typically

coordinates with those agencies to arrive at a mutually acceptable financial assurance amount.

Question 14. Does the Forest Service typically rely on categorical exclusions for authorizing exploration activities for hardrock minerals on National Forest System lands?

Answer. No. Categorical exclusions for mineral exploration activities are only appropriate where the scope of the proposed exploration activity fits within the terms and conditions of an established category. Additionally, even if a proposed exploration activity fits within an established category, the Forest Service would not approve it under a categorical exclusion if it violated the agency's "extraordinary circumstances" policy. The categorical exclusions established by the Forest Service are contained in the Forest Service Handbook at Chapter 1909.15, Section 31.2 and the agency's "extraordinary circumstances" policy is set forth at FSH Chapter 1909.15, Section 30.3.

RESPONSES OF THE FOREST SERVICE TO QUESTIONS FROM SENATOR WYDEN

Question 15a. Mr. Rey, in your February 14, 2008 testimony regarding the President's FY 2009 proposed budget for the Forest Service, you discussed the increased funding needs for Wildland Fire Management based on the 10 year average for the number of wildfires controlled during initial attack and the number of human caused wildfires. Your Agency continually cuts significant programs that can assist in actually preventing wildfires, such as those that would fund "thinning" which is an important issue in the State of Oregon.

In the FY 2009 proposed budget, the Administration is requesting a decrease in the hazardous fuels reduction funds; a program that would help address this very problem. In a chart on page 3-6 of the Forest Service's FY 2009 budget justification document, you provide the actual FY 2007 total number of acres treated, 3,026,707, in Wildland Urban Interface (WUI) and non-WUI, as well as the number of acres treated for other vegetation management activities that achieved fire objectives as a secondary benefit. Your Agency's FY 2009 target for the number of acres treated is 2,442,500. The chart on page 3-6 also indicates that the acres moved into a better condition class per million dollars gross investment is expected to increase from 1,809 in FY 2007 to 2,835 in FY 2009.

Question 15b. Can you explain why the Administration is proposing to treat 584,207 fewer acres in FY 2009 (as indicated in the table) at a time when your own budget describes the increased funding needs for Wildland Fire Management?

Question 15c. Why is this occurring?

Question 15d. Isn't your Agency moving in the wrong direction?

Question 15e. What is the basis for the Forest Service's estimate that the cost to move acres to a better condition class will decrease sufficiently to permit more than 50% more acres to be moved to a better condition per million dollars of investment?

Answers a-e. Within the budget amounts specified for programs that treat hazardous fuels as a primary or secondary benefit in the President's Budget, the FY 2009 fuels reduction target is 2.44 million acres. The Forest Service will focus on treating acres in the wildland urban interface (WUI). This strategy of treating acres in the WUI will help deter large, destructive, and costly wildfire, thereby protecting both communities and natural resources, reducing safety risks to firefighters and the public, and reducing wildfire suppression costs. In FY 2009, all Hazardous Fuels funds will be allocated using the Ecosystem Management Decision Support Model which ranks and prioritizes allocations based on factors such as fire risk, efficiency of treatments and effectiveness of treatments. Moreover, at least 40 percent of hazardous fuels funds allocated to regions will be used to improve the condition class on at least 250,000 acres by the end of FY 2009.

The complexity of working in the WUI results in higher treatment costs, which leads to lower total treatment acres. But these treatments will ultimately be more effective in meeting our overall protection objectives.

We anticipate a higher accomplishment in acres moved to a better condition class per million dollars gross investment, consistent with recent trends. The concept of "condition class" is a simplified term to represent extremely complex ecological status factors. Ecological status is more accurately described as a diverse gradient with desired ecological condition on one end and extremely poorly functioning landscapes on the other. The classes are helpful in discussing movement along the gradient, but often small changes will alter the "class" determination without dramatically changing ecological function.

Multiple treatment entries may accelerate the improvement of acres to a better condition class. As we progress with treatments, we are able to conduct follow-up treatments and reap the benefits of multiple efforts. This enables us to raise even

more acres to better condition classes than we are able to do with acres just receiving initial treatments.

Question 16. The Forest Service is preparing guidelines for the siting of wind energy facilities in national forests. What is the Forest Service's overall policy with regard to the siting of wind energy facilities in national forests and how and when will individual forest management plans be modified to incorporate the potential for wind energy development?

Answer. Forest Service policy is that wind energy is an appropriate use of National Forest System (NFS) lands and will be evaluated like all proposals to use or occupy NFS lands. The proposal will be evaluated in accordance with our regulation found at 36 CFR 251.54 and if required, the land management plan will be amended to include that use.

Question 17a. I also have several specific questions concerning these proposed guidelines for wind projects and how they will be implemented.

It is my understanding that Forest Service guidelines could be interpreted to require two years of pre-installation and three years of post-installation wildlife monitoring for construction of temporary meteorological data collection towers? Is this your intent?

Answer. The proposed guidelines do not specify that all wildlife monitoring must include 2 years of pre-construction and 3 years of post-operations monitoring. The proposed guidelines state that "the authorized official shall determine the length of term for pre-construction and post-construction monitoring." (Draft FSH 2609.13 section 82), as determined by the appropriate level of environmental analyses. The intent will be clarified in the final.

Question 17b. The Forest Service Handbook 1909.15, section 31.2(3) allows for a Categorical Exclusion where "approval, modification, or continuation of minor special uses of National Forest System lands that require less than five contiguous acres of land" and includes "approving the construction of a meteorological sampling site." Why doesn't this apply broadly to the meteorological towers installed by wind developers?

Answer. The categorical exclusion option does apply broadly and is available for use by the authorizing officer, unless there is a finding that extraordinary circumstances exist. Environmental evaluations determine if use of a categorical exclusion is appropriate.

Question 17c. Your proposed guidelines specify a minimum wildlife monitoring regime of two years pre-construction and three years post-operations monitoring for all wind projects. What is the basis for this "one size fits all" monitoring recommendation? Isn't the assumption that all projects have wildlife issues or is this demonstrably not the case?

Answer. The proposed guidelines do not specify that all wildlife monitoring must include 2 years of pre-construction and 3 years of post-operations monitoring. The proposed guidelines state that "the authorized official shall determine the length of term for pre-construction and post-construction monitoring" (Draft FSH 2609.13 section 82), as determined by the appropriate level of environmental analyses. The number of years over which monitoring may occur are only recommendations, and as such, do not preclude the option of using other monitoring methods or other timeframes as needed. The proposed guidelines do not presume that all proposed projects have wildlife issues. Pre-project scoping identifies whether any wildlife issues are likely to be associated with the proposed project site so that monitoring can be specifically targeted.

Question 17d. The Forest Service requires developers to identify specific turbine locations when submitting a site plan. It is my understanding, however, at the early stage in development when this plan would be required, years before construction, it is impossible for developers to know specific turbine locations or even overall project size. Furthermore, the turbine model to be used will not be known for some time due to turbine availability and wind regime characteristics that will not become clear until later in the process. Has the Forest Service considered alternative siting requirements such as establishing a development "corridor" wherein turbines could be spaced out anywhere within a mapped, identified and studied corridor? Are there any obvious legal hurdles regarding this action?

Answer. The Forest Service has not considered a specific corridor for wind energy development. In coordination with several Federal agencies, the Forest Service is currently evaluating national energy corridors in the 11 Western States and is beginning to focus on the remaining 39 States. All NEPA decisions require public scoping, including categorical exclusions, and depending on the action may be subject to notice, comment, and appeal. Though we don't consider these public processes hurdles, they can increase the time needed to issue any permits. We do not foresee obvious legal hurdles beyond those requirements.

Question 17e. The Forest Service has proposed being allowed to require that turbines be relocated even after a project is operational. Does the Forest Service reserve the right to move other kinds of projects, or portions of, such as communications towers, ski resorts, or transmission lines after the project is constructed and operational?

Answer. Our directives are intended to address unusual circumstances such as when the structure becomes a health or safety hazard, or when an emergency situation arises resulting from earthquakes or landslides. Removal would normally be required when the permit has expired. This is consistent with actions permitting other structures on National Forest System lands.

Question 17f. Given the financial uncertainty surrounding this relocation requirement—a project could end up being allowed to produce significantly less energy than planned if the Forest Service exercised this option without some sort of compensating mechanism—it is likely that this requirement would make it more difficult to finance wind projects on Forest Service lands. Has the Forest Service considered less draconian mitigation measures such as idling units for specific periods of time when wildlife impacts actually occur?

Answer. The Forest Service will consider any number of alternative mitigation measures, including idling units to reduce impacts; relocation of turbines would only be initiated under emergency situation or if the structure becomes a health or safety hazard. If monitoring indicates that the wildlife impacts are unacceptable, idling during certain hours and season would be an option for the authorizing officer to consider.

Question 17g. The Forest Service draft wind project guidelines appear to allow other Federal agencies, such as the Defense Department, to raise concerns about a proposed project and effectively kill it. However, there is no requirement that such agencies provide any evidence that would justify their concerns or to allow developers to respond to those concerns. Why didn't the Forest Service include some sort of transparent appeals process whereby developers could challenge assertions or evidence from other agencies or during which developers could negotiate mitigation options that could alleviate the concerns?

Answer. The applicant is encouraged to coordinate with the appropriate regulatory agencies prior to submitting a proposal to the Forest Service for consideration. If a submitted proposal is denied, the applicant has appeal rights through our regulations at 36 CFR 251 Subpart C.

Question 17h. How did the Forest Service arrive at the noise restriction of 10 decibels above background noise levels for wind projects? While this might be an appropriate level for some sites, why is this an appropriate level for every site? Is there science to support that level? How does it compare to existing state or local noise requirements for wind projects?

Answer. The guidelines do not restrict noise levels to 10 decibels at every site; the text in Section 73.11c states “where possible and to the extent feasible”. The Forest Service recognizes that different species will be sensitive to different noise levels above background noise. The draft policy states that the authorized officer would ensure, when possible, noise level restrictions to “avoid habitat abandonment or disruption of reproductive activities.” The 10 decibels ceiling is consistent with the Bureau of Land Management’s Wind Energy Programmatic Environmental Impact Statement (EIS), Chapter 5, for mitigating effects at sage-grouse leks.

Question 17i. The Forest Service draft wind project guidelines recommend white strobe lights for wind facilities. Yet, the FAA and FWS recommend red strobe lights. Why did the Forest Service make a different recommendation and how will developers be able to comply with both USFS and FAA requirements?

Answer. This is an error in the draft guidelines—both red and white lights are recommended. This will be corrected in the final document.

RESPONSES OF THE FOREST SERVICE TO QUESTIONS FROM SENATOR CANTWELL

Question 18. Secretary Rey, during your testimony you responded to my questioning regarding the Forest Service’s plans to bring our national forest roads into compliance with an agreement with the state of Washington signed in 2000. Both the Governor and I were surprised by your comments. Could you respond in detail to the following letter that Governor Christine Gregoire wrote in response to your oral testimony?

Answer. A response to Governor Gregoire’s letter follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, April 23, 2008.

Hon. CHRISTINE O. GREGOIRE,
Governor, State of Washington, Office of the Governor, Post Office Box 40002, Olympia, WA.

DEAR GOVERNOR GREGOIRE: I am writing in response to your February 15, 2008, letter about my testimony at the hearing of the United States Senate Committee on Energy and Natural Resources on February 14, 2008. The hearing is just one of many times in recent weeks and months that issues and concerns about impacts on water quality and fisheries resulting from roads on National Forest System (NFS) lands in Washington have been discussed. I would like to provide you a brief history of these issues in the Pacific Northwest Region and describe our progress in addressing them.

In 2000, the Pacific Northwest Regional Forester signed a Memorandum of Agreement (MOA) with the Washington State Department of Ecology (DOE). This agreement outlined common water quality goals and objectives for NFS lands and the ways in which the Forest Service and the State were going to collaboratively achieve them. A key provision of the MOA committed the Region to minimizing delivery of pollutants from its road network and providing passage of fish at all road-stream crossings by 2015. The intent of that provision was to ensure that roads on NFS lands in the State meet the same standards as those required for roads on non-Federal lands over the same time frame. The agreement included key milestones for analysis of the road network, development of road management plans, and implementation of needed stabilization and fish passage work.

On average, from 2000-2005, the Region has invested approximately \$4 million/year of appropriated funds towards road maintenance and reconstruction, road decommissioning, and fish passage improvements in Washington. These funds have been leveraged with a substantial and increasing amount of partner funding, enabling us to perform additional work. Cumulatively, these investments resulted in the following accomplishments:

- 12,200 miles of road, representing 55 percent of the total network, were assessed for risks to aquatic resources.
- More than 1,200 road-stream crossings were inventoried to determine whether they are barriers to fish. This represents virtually all crossings on streams that support anadromous fish and 75 percent of those on streams that support only resident fish. Only 200-300 low priority crossings for resident fish remain to be inventoried.
- 885 miles of road were decommissioned.
- 1,590 miles of road were reconstructed.
- 28,250 miles of road maintenance treatments were implemented (some road segments may have been treated more than once.)
- 60 stream crossings were replaced or improved, opening 138 miles of habitat (2002-2005 data only). This, combined with previous work, has enabled the Region to make substantial fish passage improvements in Washington. The Olympic and Mt. Baker-Snoqualmie National Forests, for example, have nearly completed their high-priority passage work.

Most importantly, by enhancing communication via frequent meetings and status reports, the Region has dramatically improved its relationship with the State. Despite these accomplishments, based on the inventory and analysis work that has been completed since 2000, the 2015 milestone may not be attainable with current and projected funding. This was outlined in my June 29, 2007, response to Senators Cantwell and Murray and Representatives Dicks, Baird, Larsen, and Inslee, wherein I noted that over \$300 million would be needed to address road decommissioning, deferred maintenance, and fish passage work in Washington.

Nonetheless, the Region is well-positioned to deliver the highest returns possible on agency and partner investments in watershed and aquatic restoration, including those related to roads. For example, development and implementation of the Regional Aquatic Restoration Strategy (ARS) has enabled the Region to be more strategic than ever. It has explicitly identified priority areas at both Regional and Forest scales, and has directly linked its investments to these areas. The work is now guided by watershed action plans that outline all essential work, not just work related to roads, needed to restore whole watersheds in the priority areas. Numerous partners at Regional and local levels are investing in the program.

The ARS and the road inventory and assessment work that have been completed enabled the Region to quickly and strategically allocate the FY08 Legacy Roads and

Trails (Legacy Roads) funding in a way that will most effectively achieve the strategy's objectives. Based on its previous work, I am confident the Region is allocating its Legacy Roads funding towards the highest risk road segments and stream crossings in the highest priority watersheds and river basins. Many of these are located in Washington and that is reflected in our FY 2008 forest allocations. For example, of the \$8.37 million of Legacy Roads funding the Region received, \$3.46 million was directed towards national forests in Washington. Since those Forests contain only 25 percent of the Region's roads, more than twice as much funding is being invested in Washington on a per mile basis as in the remainder of the Region. Relative allocations to Forests in Puget Sound are even greater.

As you mentioned in your letter, storms have wreaked havoc on road systems in the Northwest over the last two winters. While the ARS will lead to long-term reductions in damage when such storms occur, it is too late to avoid the damage from past storms. The Forest Service is working on emergency repairs to get the roads open. Funding for the work is provided through the Emergency Relief for Federally Owned Roads (ERFO) program administered by the Federal Highway Administration. An additional \$22.1 million in funding from ERFO is going to address road damage in Washington caused by storms in November 2006 and December 2007.

I believe the Forest Service has a proven track record in accomplishing high-quality road and aquatic restoration work and is well-positioned to continue in the future. Looking at current FY2008 allocations I do not believe the Region can make additional shifts of funds to Washington State.

Please contact me if you would like to discuss this in further detail.

Sincerely,

MARK REY,
Under Secretary.

Question 19a. Submit the following budget information for the record related to the Construction, Infrastructure and Maintenance (CI&M) budget line items.

Fiscal year 1999-2009 enacted and Administration request levels for the roads and trail accounts under the CI&M budget line item.

Answer. The Capital Improvement and Maintenance Roads and Trail programs for FYs 1999 through 2009 are as follows:

Capital Improvement and Maintenance – Roads and Trails
(\$ in thousands)

Year	Appropriation Type	Roads		Trails	
		President's Budget Request	Enacted	President's Budget Request	Enacted
1999	Annual	N/A	206,999 ^{1/}	N/A	60,365 ^{1/}
2000	Annual	N/A	219,634 ^{1/}	N/A	62,361 ^{1/}
2001	Annual	217,853	235,029	62,264	66,578
2002	Annual	237,891	229,666	67,389	70,075
2003	Annual	231,893	231,344	68,829	69,226
2004	Annual	245,358	234,538	78,337	74,718
2005	Annual	227,906	226,396	71,791	75,707
	Emerg. & Suppl.		55,544		9,216
2006	Annual	189,559	220,688	63,792	74,205
	Emerg. & Suppl.		3,107		1,455
2007	Annual	182,787	223,798	60,341	73,362
2008	Annual	227,431	227,924	66,387	76,365
2009	Annual	227,000	TBD	50,041	TBD

^{1/} For purposes of comparison, funds have been adjusted to reflect budget structure changes in FY 2001 that implemented the primary purpose principle and eliminated General Administration.

Question 19b. Please submit the following budget information for the record related to the Construction, Infrastructure and Maintenance (CI&M) budget line items.

Fiscal year 1999-2009 final amount allocated to Region 6 as well as each individual national forest in Region 6 for the road and trail accounts within CI&M.

Answer. Allocations for FY 2009 have not been determined at this time. See tables below for allocations for Roads and Trails budget line items for national forests in the Pacific Northwest Region (Region 6).

Capital Improvement and Maintenance – Roads

(\$ in thousands)

Unit	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08
Deschutes	1,691	1,783	1,810	1,716	1,712	1,467	1,460	1,177	1,407	1,680
Fremont-Winema	2,104	2,286	2,303	2,187	2,114	2,137	1,485	1,052	1,395	1,338
Malheur	1,444	1,403	1,656	1,495	1,462	1,478	1,108	773	853	1,746
Mt. Hood	1,810	1,721	1,754	1,723	1,679	1,658	1,747	963	1,076	1,860
Ochoco	881	945	988	934	901	797	776	496	588	696
Rogue River-Siskiyou	2,711	2,468	2,718	2,660	2,605	2,030	1,945	1,178	1,466	1,921
Siuslaw	1,413	1,290	1,429	1,342	1,315	1,305	1,315	843	1,132	1,590
Umatilla	1,178	1,201	1,431	1,011	1,174	1,066	983	752	672	1,257
Umpqua	2,555	2,155	2,219	2,178	2,005	1,993	1,676	1,138	1,469	2,283
Wallowa-Whitman	1,721	1,965	2,269	1,984	1,992	1,858	1,539	1,059	1,073	1,646
Willamette	3,121	3,220	3,182	3,138	3,205	3,180	2,567	1,641	2,288	2,428
Columbia River Gorge NSA	82	83	40	48	108	138	104	66	94	138
Subtotal, Oregon	20,711	20,520	21,799	20,416	20,272	19,107	16,705	11,138	13,513	18,583
Colville	1,393	1,262	1,450	1,418	1,263	1,128	1,101	793	700	660
Gifford Pinchot	2,534	2,476	2,356	2,382	1,969	1,825	1,768	984	1,591	2,169
Mt. Baker-Snoqualmie	2,432	2,444	2,371	2,278	2,500	2,085	2,178	1,353	1,658	2,366
Olympic	1,944	1,182	1,251	1,628	1,601	1,542	1,311	831	1,656	2,236
Okanogan-Wenatchee	3,138	3,224	2,886	2,745	2,867	2,498	2,379	1,672	2,411	3,803
Subtotal, Washington	11,441	10,588	10,314	10,451	10,200	9,078	8,737	5,633	8,016	11,234
Regional Office	2,741	2,573	3,222	3,297	2,911	2,762	2,518	1,376	1,083	1,329
Region-Wide	3,344	3,660	5,142	6,182	8,697	8,453	8,657	3,456	4,805	7,116
Regional Total	38,237	37,341	40,477	40,346	42,080	39,400	36,617	21,603	27,417	38,262

Capital Improvement and Maintenance – Trails
(\$ in thousands)

Unit	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08
Deschutes	86	299	375	468	433	307	513	296	374	355
Fremont- Winema	53	137	181	242	182	155	230	136	155	149
Malheur	22	85	115	132	99	89	114	80	98	64
Mt. Hood	114	405	533	600	473	289	546	315	384	422
Ochoco	27	59	78	108	93	76	109	78	52	42
Rogue River- Siskiyou	87	302	414	471	405	212	426	236	189	184
Siuslaw	47	194	212	215	185	140	198	117	130	120
Umatilla	34	189	195	164	193	154	230	131	151	209
Umpqua	43	187	175	227	172	135	182	122	154	138
Wallowa- Whitman	38	499	429	477	408	245	388	218	236	207
Willamette	35	337	394	432	509	318	526	276	327	328
Columbia River Gorge NSA	104	171	169	172	139	149	273	143	153	101
Subtotal, Oregon	690	2,864	3,270	3,708	3,291	2,269	3,735	2,148	2,403	2,319
Colville	23	124	132	281	196	249	304	191	186	309
Gifford Pinchot	69	369	465	555	472	491	556	242	276	226
Mt. Baker- Snoqualmie	123	559	669	797	852	838	1,004	487	597	572
Olympic	81	140	214	276	207	241	304	159	141	95
Okanogan- Wenatchee	131	597	668	742	724	588	953	376	653	606
Subtotal, Washington	427	1,789	2,148	2,651	2,451	2,407	3,121	1,455	1,853	1,808
Regional Office	232	283	507	517	460	510	482	152	140	158
Region- Wide	2,371	2,654	3,316	2,739	2,756	4,244	2,350	2,178	1,196	1,776
Regional Total	3,720	7,590	9,241	9,615	8,958	9,430	9,688	5,933	5,592	6,061

Notes:

FY 1999 - FY 2000 - Includes General Administration budget line item (NFGA). Does not include cost pools.

FY 2001 – FY 2005 - Includes cost pools. NFGA eliminated. Beginning of Primary Purpose.

FY 2003 – Geographic Information Services/Integrated Resources Management (GIS/IRM) and Acquisition Management (AQM) services regionalized.

FY 2006 – FY 2008 - National cost pools begin. Amounts do not include cost pools.

Question 19c. Please submit the following budget information for the record related to the Construction, Infrastructure and Maintenance (CI&M) budget line items.

For Fiscal Years 2003 through 2007 provide a detailed list, by National Forest in Washington state, of miles of road maintained or improved, number of culverts removed or replaced, and miles of road actively decommissioned.

Answer. See below.

Roads that received some maintenance (miles)

Forest	2003	2004	2005	2006	2007
Colville	1,338	1,013	867	572	584
Gifford Pinchot	1,100	860	897	914	1,325
Mount Baker-Snoqualmie	1,185	1,722	1,201	1,124	641
Okanogan-Wenatchee	2,926	3,211	3,208	2,017	1,858
Olympic	998	598	461	716	806
Total	7,547	7,404	6,634	5,343	5,213

Roads Improved (Miles)

Forest	2003	2004	2005	2006	2007
Colville	49	1	25	62	48
Gifford Pinchot	3	279	28	7	3
Mount Baker-Snoqualmie	58	41	22	21	101
Okanogan-Wenatchee	19	48	52	34	238
Olympic	15	3	27	1	52
Total	144	371	154	125	442

Note: Includes deferred maintenance and capital improvement in Roads Accomplishment Report (RAR) before 2007 and from all funding sources.

Large culverts removed or replaced for fish passage

Forest	2003	2004	2005	2006	2007
Colville				1	
Gifford Pinchot	1			1	
Mount Baker-Snoqualmie	3	3		2	
Okanogan-Wenatchee	2			9	1
Olympic	3			6	5
Total	9	3	0	19	6

RESPONSES OF THE FOREST SERVICE TO QUESTIONS FROM SENATOR SALAZAR

Question 20. The proposed budget cuts State & Volunteer Fire Assistance by 23%. These funds are used for important state and local programs, often in conjunction with the Forest Service. When combined with the cuts to Forest Health Management on federal lands (13% cut) and cooperative lands (63% cut) I think that our collaboration on the ground will be hurt. Would you agree with me that these are good programs that are the victims of a difficult fiscal crunch?

Answer. I agree these are good programs. The FY 2009 budget request includes a total of \$60 million for State Fire Assistance, \$13 million for Volunteer Fire Assistance, and \$79 million for Forest Health Management—funding levels similar to prior year requests. State Fire Assistance funds will be used to assist 3,900 communities, targeting the highest priority needs. This funding will enable State and local fire protection organizations to be effective first responders for initial attack on wildland fires. Volunteer Fire Assistance funding will support technical and financial assistance to local communities, through States, where the population is less than 10,000. Forest Health Management funds will be used to treat 452,000 acres. Where possible, the Forest Service will coordinate these treatments with those of our other vegetation management programs, to maximize accomplishments on the ground.

Question 21. I would like to make sure that you are both aware of the level of collaboration taking place in Colorado. The Front Range Fuels Treatment Partnership and the Colorado Bark Beetle Cooperative are both working with private, local, state, and Federal interests to address deteriorating forest health conditions. Recently the Governor of Colorado announced a statewide Forest Health Advisory Council that includes the Forest Service and BLM. Will you commit to staying engaged with these collaborative efforts in Colorado?

Answer. The Rocky Mountain Region of the Forest Service is working in partnership with local governments, State and Federal agencies, and other partners to coordinate bark beetle suppression and prevention work and hazardous fuel reduction work across the landscape in Colorado and Wyoming. The Forest Service strongly supports partnerships as the means to assess, and develop solutions to, resource management issues such as the complex bark beetle and hazardous fuels issue along the Front Range.

Question 22. Chief Kimbell, as you work towards determining the fiscal year 2009 regional allocations I want to remind you of the needs and capabilities of Colorado and Region Two. In October Senators Barraso, Enzi, Allard, Johnson, and Thune joined me in expressing our concern about any reduction in Region Two's allocation and I think I speak for all of us when I say that we look forward to continuing this dialogue. Can you, briefly, walk us through the determinations you will use for FY 2009 regional allocations.

Answer. The FY 2009 regional allocations to the field are not fully determined in advance of appropriations. Program resources will continue to be directed towards efforts that maximize program delivery, including strengthening partnerships which are vital to accomplishing stewardship work on the ground. Although each budget line item has an allocation method and criteria that is specific to that program, the agency is taking a more integrated approach to allocating funds to gain multiple benefits with one land treatment. Wildlife and Fisheries Habitat Management, Forest Products, Vegetation and Watershed Management, Hazardous Fuels, Forest Health, and other permanent and trust funds work together in an integrated way; all play a key role in restoring fire-adapted ecosystems, improving wildlife habitats, watershed condition, and overall forest health.

Question 23. According to analysis provided to my office by the Forest Service, Colorado currently has 102 projects covering 186,000 acres that are ready to go, pending funding. There are another 58 projects covering and additional 97,000 acres in the planning pipeline. In 2007 the Forest Service accomplished approximately 75,000 acres of treatment in Colorado and 169,000 acres in Region Two. I note that the Accelerated Watershed/Vegetation Restoration Plan that was developed to focus on regional resources in high-priority issues set a goal of 245,000 acres/year. So we are short of that goal. Chief, without making the mistake of gauging success purely on the number of acres treated; do you understand why I am concerned that the Forest Service is falling further behind in reducing hazardous conditions in our forests?

Answer. The Forest Service is committed to improving the health and sustainability of our forests. In every region, the agency is spending available dollars on our highest priorities in the most strategic locations to maximize our effectiveness and meet multiple management objectives wherever possible. We are working on initiatives to expand capabilities and find markets for the woody material that result as a byproduct of treatments. These types of activities can help pay for forest restoration work.

Question 24. One of the provisions of the Colorado delegation's forest health bill addresses an issue that the Forest Service has identified as preventing it from utilizing landscape level stewardship contracts. The issue, as we understand it, is that the Forest Service region must keep funding on hand to address contract cancellation liability. Often times this amount is so large that doing so would prevent important work from taking place in the region and the result is that stewardship contracts are not being utilized for larger projects. Can you tell the committee more about that issue?

Answer. As part of the multi-year contracting authority, FAR 17.106-1 requires that contracting officers determine reasonable cancellation costs as well as obligation of the full "contingency liability" amount at the time of award of the contract. Obligation of the full "contingency liability" amount may constrain a unit's available funding, or serve as a disincentive to a manager opting to perform stewardship contract work on a multi-year contract basis. Multi-year contracts are attractive to contractors as they can provide a stable work base over time (up to 10 years) and may be more attractive to lending institutions who may be considering lending money to contractors, with the contract as collateral, to invest the needed capital in infrastructure necessary to perform stewardship contracts. The Forest Service does use other types of procurement contracts such as multiple-year contracts (i.e., single-year contracts with an option to extend without additional solicitation) or Indefinite Delivery Indefinite Quantities that do not require cancellation ceilings. These are effective tools to achieve land management goals.

RESPONSES OF THE FOREST SERVICE TO QUESTIONS FROM SENATOR DOMENICI

Question 25. During the hearing and the discussion on the Valles Caldera funding Undersecretary Rey indicated that Region Three would provide funding for the Caldera in FY 2009. Please provide us with detail on how much funding the Caldera could expect in FY 2009 and from which budget line items that funding would come?

Answer. Final budget allocations for individual units of the national forests and grasslands have not been determined at this time. Final allocations to the unit level will be determined after final enactment of the FY 2009 budget. The Washington Office allocates funds only to the regional level. Each regional forester then determines allocations to the national forests and grasslands within their respective region. Allocations to the regions, and subsequently to the forests and grasslands, are generally based on competitive criteria that compare region/forest capabilities and needs, unit costs, and performance. The type of funds provided would be determined based on the Valles Caldera National Preserve's (Preserve) program of work. The agency will work with the Valles Caldera Trust (Trust) to determine the appropriate mix of funds.

Question 26. Do you expect to increase Region Three's overall funding compared to previous years to provide the Caldera funding?

Answer. The Region's final allocation will be based on the final enacted budget and will be consistent with the President Budget priorities and any additional congressional direction.

Question 27. Would the Caldera be allowed to expend that funding in any manner the Board of Directors choose, within the authority provided by the Caldera legal mandates or would they be constrained by the budget line items from which that funding came?

Answer. The mix of funds provided will be determined based on the Preserve's program of work. The agency will work with the Trust to determine the appropriate mix of funds. If unforeseen or changed conditions require a change in the mix of funds, we will work with the Trust to reprogram or transfer funds between budget line items within any limitations imposed by Congress for the reprogramming or transfer of funds, and to the extent that any reprogramming or adjustments don't create unacceptable impacts to other existing programs.

Question 28. Could you explain why the Forest Service believes an ear-mark that calls for a direct pass-through-payment to the Caldera can be considered in anyway part of the Forest Services discretionary budget?

Answer. Beginning in FY 2001, Congress appropriated funds for the Valles Caldera within the National Forest System appropriation as a separate budget line item, not as an earmark. The National Forest System appropriation is part of the agency's discretionary funds. As required in the Valles Caldera Preservation Act (P.L. 106-248) Section 106 (e)(3)(B), the agency has requested funds for the administration, operation, and maintenance of the Valles Caldera National Preserve as a separate budget line item and has received funds accordingly through the enacted budgets. Beginning in FY 2009, the agency has proposed eliminating the budget line item, but will provide funds to the Preserve through other Forest Service budget line items.

In addition to the appropriated funds, monies received by the Trust either from donations or from the management of the Preserve are deposited in the interest-bearing permanent appropriation account called the "Valles Caldera Fund" and are available without further appropriation.

Question 29. During the hearing Undersecretary Rey indicated that it costs the Santa Fe National Forest approximately \$14 per acre to manage the non-wilderness acres on that forest.

Answer. No answer required.

Question 30. How much does it cost per acre to manage each of the National Forests and Grasslands in the system? (Please provide both the total average cost per unit, as well as the average cost for the non-wilderness acres of each unit.)

Answer. The comparison of dollars per acre between the Valles Caldera National Preserve (Preserve) and the Santa Fe National Forest, provided during the hearing, was a comparison of each unit's allocation, not necessarily what the cost is to manage each unit. The \$14 per acre for the Santa Fe National Forest represents what has been allocated to the Forest within available funds, while the \$41 dollars per acre represents what has been appropriated to the Valles Caldera National Preserve. The cost to manage each national forest and grassland without regard to limited Federal budgets would likely be very different. Because of the Forest's geographic proximity to the Preserve, there are similarities in the terrain, vegetation, wildlife, visitor use, and climatic conditions, which make comparisons meaningful. Comparisons across all national forests and grasslands would not provide similar,

meaningful information because of the wide array of variables that influence each unit's allocations.

Question 31. In the FY 2008 Budget allocation the agency was provided \$5,345,297,000 to manage 192,794,673 acres which works out to an average of \$27.73 per acre. Are we to assume that if the Santa Fe can manage on only \$14 per acre that the \$13.73 per acre difference between the cost the Santa Fe manages for and the average based on the agencies entire budget are consumed by overhead and special assessments? If not why is the Santa Fe getting such a low amount compared to the national average?

Answer. The FY 2008 total non-emergency enacted budget is \$5,255,643,000. The \$14 per acre represents the overall allocation to the forest including the forest's cost pool budget authority. Allocations to the regions, and subsequently to the forests and grasslands, are not determined on a per acre basis nor compared to a national average. Instead, funding allocations are generally based on competitive criteria that compare regional capabilities and needs, unit costs, and performance.

Question 32. Please provide a detailed accounting of the cost of the Washington Office, the Regional Offices, non-forest related fire programs and training, travel, and employee benefits for each forest, region, and unit of the Forest Service?

Answer. See below.

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Budget Authority	Total Obligations - Excluding WFSU	Balance	Personnel Costs and Benefits	Transfer of Station	Travel
01: Northern Region	315,217	289,175	26,042	168,280	6,171	5,169
0102: Beaverhead NF	4,349	17,708	(13,359)	11,409	314	237
0103: Bitterroot NF	1,906	13,154	(11,248)	8,341	15	151
0104: Idaho Panhandle NF	5,166	31,492	(26,326)	21,164	278	489
0105: Clearwater NF	3,953	17,489	(13,536)	10,838	294	312
0108: Custer NF	1,462	10,041	(8,579)	5,602	238	213
0110: Flathead NF	2,543	18,219	(15,676)	11,043	424	307
0111: Gallatin NF	4,743	16,501	(11,758)	10,570	197	367
0112: Helena NF	1,817	11,687	(9,870)	7,833	307	316
0114: Kootenai NF	2,451	23,447	(20,996)	16,379	428	268
0115: Lewis And Clark NF	1,811	11,116	(9,305)	7,407	98	182
0116: Lolo NF	3,572	20,713	(17,141)	14,176	504	247
0117: Nez Perce NF	2,757	17,665	(14,908)	11,031	390	340
0118: Dakota Prairie Grasslands	2,098	9,185	(7,087)	6,346	167	238
0152: Aerial Fire Depot	0	11,628	(11,628)	5,210	85	269
0156: Regional Office	11,868	54,243	(42,375)	19,582	418	1,145
02: Rocky Mountain Region	287,823	272,398	15,425	146,273	7,057	4,675
0202: Bighorn NF	6,009	15,251	(9,242)	5,732	454	180
0203: Black Hills NF	2,970	35,085	(32,115)	19,527	712	518
0204: Grand Mesa-Unc-Gunn NF	3,055	16,837	(13,782)	11,459	378	222
0206: Medicine Bow/Routt NF	4,580	23,915	(19,335)	14,133	582	410
0207: Nebraska NF	2,196	9,357	(7,161)	5,078	414	226
0209: Rio Grande NF	2,497	9,926	(7,429)	6,040	262	173
0210: Arapaho-Roosevelt	4,912	25,482	(20,570)	16,219	866	277
0212: Pike-San Isabel	4,753	27,772	(23,019)	16,226	915	439
0213: San Juan NF	5,228	22,007	(16,779)	10,686	303	248
0214: Shoshone NF	1,718	13,290	(11,572)	6,780	310	246
0215: White River NF	3,017	19,191	(16,174)	10,863	777	292
0216: Regionwide Services	712	28,520	(27,808)	4,328	109	344
0231: Regional Office	10,813	25,765	(14,952)	19,202	1,015	1,100
03: Southwestern Region	273,294	257,717	15,577	143,648	7,257	5,228
0301: Apache-Sitgreaves NF	3,588	27,042	(23,454)	13,907	274	314
0302: Carson NF	2,945	14,251	(11,306)	9,298	465	237
0303: Cibola NF	3,255	16,275	(13,020)	10,504	639	397

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Budget Authority	Total Obligations - Excluding WFSU	Balance	Personnel Costs and Benefits	Transfer of Station	Travel
0304: Coconino NF	3,880	20,543	(16,663)	13,409	351	296
0305: Coronado NF	3,846	21,400	(17,554)	13,105	323	400
0306: Gila NF	3,387	18,281	(14,894)	12,014	530	453
0307: Kaibab NF	2,006	14,663	(12,657)	8,152	621	293
0308: Lincoln NF	2,360	17,839	(15,479)	8,778	538	291
0309: Prescott NF	1,790	14,402	(12,612)	7,865	581	172
0310: Santa Fe NF	3,386	19,051	(15,665)	11,571	751	276
0312: Tonto NF	4,075	25,157	(21,082)	15,054	731	409
0316: Regional Office	12,832	48,813	(35,981)	19,991	1,453	1,690
04: Intermountain Region	299,889	276,819	23,069	159,912	6,140	5,598
0401: Ashley NF	1,867	12,092	(10,225)	7,625	501	250
0402: Boise NF	4,322	26,485	(22,163)	15,734	144	347
0403: Bridger-Teton NF	3,360	16,028	(12,668)	10,219	820	322
0407: Dixie NF	4,619	18,631	(14,012)	9,103	349	262
0408: Fishlake NF	2,074	12,486	(10,412)	8,498	68	188
0410: Manti-Lasal NF	1,717	10,261	(8,544)	6,627	356	213
0412: Payette NF	4,889	25,181	(20,292)	13,624	419	405
0413: Salmon & Challis NFs	5,093	21,272	(16,179)	12,101	620	280
0414: Sawtooth NF	1,962	15,239	(13,277)	9,271	556	241
0415: Targhee NF	3,572	19,139	(15,567)	12,705	303	321
0417: Humboldt-Toiyabe NF	3,802	25,182	(21,380)	14,570	944	831
0418: Uinta NF	1,800	12,442	(10,642)	6,232	203	116
0419: Wasatch-Cache NF	2,907	15,557	(12,650)	9,029	73	173
0460: Regional Office	10,631	42,758	(32,128)	22,596	765	1,483
0462: Regional Special Funding	453	4,066	(3,613)	1,978	19	166
0498: Regionwide Services	246,821	0	246,821	0	0	0
05: Pacific Southwest Region	610,567	559,366	51,201	302,461	11,538	9,963
0501: Angeles NF	3,214	29,079	(25,865)	19,278	346	451
0502: Cleveland NF	2,634	20,906	(18,272)	14,570	420	458
0503: Eldorado NF	3,156	21,275	(18,119)	14,116	517	229
0504: Inyo NF	2,750	13,947	(11,197)	8,290	563	286
0505: Klamath NF	3,844	28,806	(24,962)	15,051	447	435
0506: Lassen NF	5,296	32,428	(27,132)	17,466	1,024	464
0507: Los Padres NF	3,706	23,752	(20,046)	15,437	747	633

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Budget Authority	Total Obligations - Excluding WFSU	Balance	Personnel Costs and Benefits	Transfer of Station	Travel
0508: Mercedcino NF	2,838	16,280	(13,442)	9,018	482	297
0509: Modoc NF	2,155	13,817	(11,662)	8,823	193	227
0510: Six Rivers NF	3,177	21,197	(18,020)	11,033	565	383
0511: Plumas NF	3,150	31,546	(28,396)	18,223	758	515
0512: San Bernardino NF	4,361	40,367	(36,006)	20,971	438	429
0513: Sequoia NF	3,197	21,944	(18,747)	13,986	606	419
0514: Shasta Trinity NF	18,291	52,889	(34,598)	21,783	549	462
0515: Sierra NF	3,637	23,193	(19,556)	15,227	424	424
0516: Stanislaus NF	3,728	25,927	(22,199)	15,225	543	288
0517: Tahoe NF	3,337	27,568	(24,231)	15,830	231	215
0519: Lake Tahoe Basin Mgmt Unit	2,115	9,496	(7,381)	5,305	566	203
0520: RO Operations	14,092	32,537	(18,445)	26,082	1,349	1,247
0521: Regionwide Services	5,946	72,411	(66,465)	16,746	770	1,918
0598: Regional Contingent - R.O.	515,943	0	515,943	0	0	0
06: Pacific Northwest Region	523,034	481,336	41,698	256,170	13,558	7,464
0601: Deschutes NF	3,797	38,653	(34,856)	22,466	1,010	584
0602: Fremont NF	9,345	35,429	(26,084)	16,468	733	512
0603: Gifford Pinchot NF	3,442	19,862	(16,420)	10,618	589	184
0604: Malheur NF	6,421	23,884	(17,463)	11,414	572	297
0605: Mt Baker-Snoqualmie NF	5,919	19,861	(13,942)	9,254	735	272
0606: Mt Hood NF	7,156	22,939	(15,783)	11,561	618	227
0607: Ochoco NF	1,879	11,352	(9,473)	7,190	302	173
0609: Olympic NF	1,843	14,865	(13,022)	5,403	309	224
0610: Rogue River/Siskiyou NFs	4,743	31,440	(26,697)	15,583	1,410	527
0612: Siuslaw NF	2,523	17,167	(14,644)	8,992	879	335
0614: Umatilla NF	3,620	20,863	(17,243)	11,434	929	347
0615: Umpqua NF	2,717	22,947	(20,230)	14,050	965	237
0616: Wallowa Whitman NF	6,378	26,704	(20,326)	14,884	352	453
0617: Wenatchee NF	8,762	46,036	(37,274)	26,532	837	649
0618: Willamette NF	4,095	36,473	(32,378)	18,625	1,676	378
0621: Colville NF	2,038	14,673	(12,635)	9,735	410	268
0622: Columbia River Gorge Nat Area	867	4,180	(3,313)	2,274	140	63
0627: Regional Office	26,238	74,003	(47,765)	39,887	1,092	1,734
0628: R6 Region-Wide Services	5	5	0	0	0	0

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Budget Authority	Total Obligations - Excluding WFSU	Balance	Personnel			Travel
				Costs and Benefits	Transfer of Station		
08: Southern Region	452,123	422,170	29,953	193,236	4,751	8,394	
0801: NFs in Alabama	2,996	15,243	(12,247)	9,750	406	287	
0802: Daniel Boone NF	2,612	13,125	(10,513)	8,478	110	195	
0803: Chatt-Oconee NFs	3,593	14,883	(11,290)	9,664	255	272	
0804: Cherokee NF	2,265	13,917	(11,652)	7,897	190	250	
0805: NFs Florida	2,891	22,382	(19,491)	12,197	357	692	
0806: Kisatchie NF	2,534	17,220	(14,686)	10,636	445	410	
0807: NFs Mississippi	3,581	39,673	(36,092)	18,231	248	964	
0808: George Washington/Jefferson NF	4,865	21,313	(16,448)	14,044	346	333	
0809: Ouachita NF	3,368	29,896	(26,528)	20,048	454	424	
0810: Ozark-St Francis NF	2,637	20,488	(17,851)	13,739	122	276	
0811: NFs North Carolina	4,256	23,736	(19,480)	14,749	277	457	
0812: Francis Marion & Sumter NFs	2,753	17,674	(14,921)	10,030	121	454	
0813: NFs in Texas	2,988	20,779	(17,791)	12,412	582	405	
0816: Caribbean NF	691	3,245	(2,554)	2,065	0	57	
0820: El Yunque NF	1,106	79,086	(77,980)	1,373	123	34	
0831: R8 RO NFs Expense	23,614	52,610	(28,996)	24,268	639	2,782	
0836: Savannah River Forests Station	0	115	(115)	89	0	16	
0860: Land Between The Lakes NRA	1,470	12,346	(10,876)	3,566	76	86	
0898: Contingent	384,003	0	384,003	0	0	0	
09: Eastern Region	245,819	236,210	9,609	150,093	4,315	5,106	
0901: Regional Office	0	7,879	(7,979)	6,954	330	467	
0903: Chippewa NF	0	9,591	(9,591)	6,471	90	134	
0904: Huron Manistee NF	0	12,950	(12,950)	8,937	22	323	
0905: Mark Twain NF	0	14,631	(14,631)	9,565	103	219	
0907: Ottawa NF	0	9,041	(9,041)	6,494	146	128	
0908: Shawnee NF	0	10,200	(10,200)	3,745	166	77	
0909: Superior NF	0	20,377	(20,377)	12,957	110	454	
0910: Hiawatha NF	0	10,771	(10,771)	6,926	246	136	
0912: Hoosier NF	0	4,759	(4,759)	2,616	75	80	
0913: Chequamegon-Nicolet NF	0	20,653	(20,653)	12,776	403	257	
0914: Wayne NF	0	6,577	(6,577)	3,914	1	88	
0915: Midewin Natl Tallgrass Prairie	0	4,222	(4,222)	1,783	90	55	
0919: Allegheny NF	0	12,074	(12,074)	8,697	8	137	

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Budget Authority	Total Obligations - Excluding WFSU	Balance	Personnel Costs and Benefits	Transfer of Station	Travel
0920: Green Mountain NF	0	6,783	(6,783)	3,687	90	89
0921: Monongahela NF	0	8,996	(8,996)	5,950	69	115
0922: White Mountain NF	0	11,696	(11,696)	6,143	148	116
0923: RIT	0	6,366	(6,366)	3,876	210	452
0933: R9 Unified Cosipools	40,557	58,544	(17,987)	38,602	2,008	1,779
0998: R.O. Budget	205,262	0	205,262	0	0	0
10: Alaska Region	121,076	112,453	8,623	61,521	2,885	4,214
1001: Regional Office	8,989	26,959	(17,970)	14,114	961	1,438
1004: Chugach N.F.	3,442	21,838	(18,396)	11,830	379	718
1005: Tongass NF	8,111	63,656	(55,545)	35,577	1,545	2,058
11: Forest Products Laboratory	49,172	47,878	1,294	16,712	73	439
12: International Instit of Tropical Forestry	7,555	6,820	735	3,349	67	273
13: Washington Office	475,867	456,565	19,301	184,129	14,543	13,185
15: National Operations	107,024	106,677	349	5,045	95	227
1501: USDA Assessments	99,167	99,276	(109)	2,173	29	164
1505: Grey Towers	1,643	1,604	39	1,280	0	23
1511: CFO- Later Allocation	6,214	5,797	419	1,592	66	40
22: Rocky Mountain Research Station	69,086	59,708	9,378	36,387	838	2,430
24: Northern Research Station	81,988	77,117	4,870	41,982	530	2,189
25: Centralized Business Services	441,653	419,970	21,683	133,175	8,488	7,134
26: Pacific Northwest Research Station	50,760	47,835	2,925	29,747	653	2,660
27: Pacific Northwest Research Station	34,805	28,368	6,437	18,143	247	683
33: Southern Research Station	61,357	57,906	3,451	37,225	424	2,424
42: Northeastern Area	99,878	97,539	2,339	13,577	266	1,189
	4,607,987	4,314,027	293,959	2,101,065	89,936	88,654

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Training	Aircraft	Contracts	Fleet	Grants	Other
01: Northern Region	1,086	3512	34,764	8,253	16,856	44,985
0102: Beaverhead NF	29	33	1,019	737	78	3,840
0103: Bitterroot NF	21	12	2,828	526	19	1,241
0104: Idaho Panhandle NF	106	152	4,671	1,275	0	3,352
0105: Clearwater NF	47	81	1,605	781	0	3,486
0108: Custer NF	22	0	2,779	113	0	1,069
0110: Flathead NF	56	14	2,905	659	103	2,706
0111: Gallatin NF	58	29	1,889	214	33	3,137
0112: Helena NF	75	16	1,383	119	6	1,631
0114: Kootenai NF	149	50	2,802	1,136	64	2,159
0115: Lewis And Clark NF	21	15	1,391	214	0	1,777
0116: Lolo NF	104	158	2,418	839	0	2,261
0117: Nez Perce NF	36	91	2,736	578	30	2,426
0118: Dakota Prairie Grasslands	37	0	1,176	176	0	1,041
0152: Aerial Fire/Depot	167	2566	937	721	0	1,673
0155: Regional Office	125	295	3,777	163	16,523	12,204
02: Rocky Mountain Region	1,045	763	46,076	9,344	17,149	39,856
0202: Bighorn NF	27	0	2,693	498	0	5,663
0203: Black Hills NF	147	276	9,574	1,315	26	2,983
0204: Grand Mesa-Unc-Gunn NF	66	0	2,056	700	0	1,943
0206: Medicine Bow/Rout NF	41	0	3,863	1,441	0	3,446
0207: Nebraska NF	32	0	2,323	282	0	988
0209: Rlc Grande NF	55	0	1,216	469	0	1,705
0210: Arapaho-Roosevelt	85	4	3,749	768	0	3,509
0212: Pike-San Isabel	89	8	5,151	1,343	75	3,508
0213: San Juan NF	68	4	5,410	913	0	4,364
0214: Shoshone NF	26	1	3,028	501	0	2,388
0215: White River NF	73	9	3,677	959	0	2,535
0216: Regionwide Services	177	417	2,358	116	17,002	3,665
0231: Regional Office	159	44	988	39	46	3,159
03: Southwestern Region	1,183	2006	46,825	11,493	11,007	28,925
0301: Apache-Stigraeves NF	73	133	8,106	1,584	270	2,367
0302: Carson NF	29	6	2,086	700	0	1,410
0303: Cibola NF	66	271	1,124	848	684	1,725

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Training	Aircraft	Contracts	Fleet	Grants	Other
0304: Coconino NF	102	6	2,541	1,130	0	2,641
0305: Coronado NF	86	413	2,762	1,427	0	2,888
0306: Gila NF	65	260	1,286	1,286	360	2,023
0307: Kaibab NF	38	221	3,252	895	0	1,179
0308: Lincoln NF	57	0	5,771	699	345	1,342
0309: Prescott NF	39	214	2,968	748	0	1,806
0310: Santa Fe NF	50	123	3,864	874	0	1,737
0312: Tonto NF	121	228	3,992	1,089	0	3,526
0316: Regional Office	457	131	9,283	173	9,348	6,300
04: Intermountain Region	1,317	5318	31,268	10,219	11,369	45,496
0401: Ashley NF	28	234	1,370	356	0	1,710
0402: Boise NF	85	886	4,221	939	0	4,119
0403: Bridge-Teton NF	93	11	1,534	741	0	2,279
0407: Dixie NF	59	95	3,032	661	0	5,048
0408: Fishlake NF	46	299	567	461	1	2,344
0410: Manté-Lasal NF	28	68	871	594	0	1,489
0412: Payette NF	77	1023	2,526	922	8	6,190
0413: Salmon & Challis NFs	63	1067	2,640	639	0	3,858
0414: Sawtooth NF	47	224	2,131	696	0	2,068
0415: Targhee NF	104	353	1,832	800	18	2,696
0417: Humboldt-Toiyabe NF	139	317	4,340	1,050	0	2,985
0418: Uinta NF	23	334	714	399	0	4,406
0419: Wasatch-Cache NF	53	280	2,449	415	0	3,069
0460: Regional Office	387	114	2,112	1,535	11,342	2,407
0462: Regional Special Funding	85	11	929	11	0	856
0468: Regionwide Services	0	0	0	0	0	0
05: Pacific Southwest Region	1,038	9789	92,700	31,625	19,102	80,917
0501: Angeles NF	24	23	3,674	2,882	0	2,385
0502: Cleveland NF	61	9	1,830	1,535	0	2,008
0503: Eldorado NF	53	0	2,435	1,734	0	2,178
0504: Inyo NF	30	24	1,099	1,066	0	2,579
0505: Klamath NF	77	33	6,879	2,058	734	3,086
0506: Lassen NF	138	10	3,576	2,080	105	7,560
0507: Los Padres NF	42	33	2,046	1,841	26	2,930

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Training	Aircraft	Contracts	Fleet	Grants	Other
0508: Mendocino NF	40	16	3,508	1,185	85	1,644
0509: Modoc NF	40	0	1,332	1,215	196	1,786
0510: Six Rivers NF	45	0	5,162	1,303	73	2,623
0511: Purmas NF	215	7	6,851	1,993	314	2,658
0512: San Bernardino NF	101	17	12,393	2,198	236	3,579
0513: Sequoia NF	55	46	2,571	1,750	0	2,802
0514: Shasta Trinity NF	122	51	10,701	2,142	155	16,925
0515: Sierra NF	59	30	2,843	1,764	44	2,360
0516: Stanislaus NF	78	32	5,543	1,780	135	2,286
0517: Tahoe NF	61	18	7,224	1,504	29	2,437
0519: Lake Tahoe Basin Mgmt Unit	39	0	2,086	377	0	910
0520: RO Operations	209	670	919	156	58	1,634
0521: Regionwide Services	(451)	8765	10,028	1,062	16,912	16,647
0598: Regional Contingent - R.O.	0	0	0	0	0	0
06: Pacific Northwest Region	2,565	3697	87,091	18,463	22,167	69,979
0601: Deschutes NF	871	199	5,063	2,185	70	6,186
0602: Fremont NF	177	228	7,535	1,674	106	7,985
0603: Gifford Pinchot NF	70	16	5,352	850	94	2,085
0604: Malheur NF	61	548	3,732	1,136	64	6,052
0605: Mt Baker-Snoqualmie NF	52	21	3,175	658	0	5,677
0606: Mt Hood NF	59	5	6,022	845	158	3,426
0607: Ochoco NF	51	10	1,453	708	90	1,358
0609: Olympic NF	42	0	3,408	431	3,922	1,125
0610: Rogue River/Siskiyou NFs	103	319	8,793	1,234	419	3,081
0612: Siuslaw NF	37	2	4,157	707	144	1,508
0614: Umatilla NF	67	293	3,585	1,076	46	3,078
0615: Unmpqua NF	88	19	3,589	1,266	368	2,351
0616: Wallowa Whitman NF	85	452	3,766	1,346	35	5,320
0617: Wenatchee NF	142	1278	7,234	1,842	24	7,480
0618: Willamette NF	209	1	9,655	1,458	671	3,796
0621: Colville NF	52	9	2,109	791	36	1,251
0622: Columbia River Gorge Nat Area	24	24	0	487	144	37
0627: Regional Office	375	297	7,976	117	15,863	6,838
0628: RO Region-Wide Services	0	0	0	0	0	5

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Training	Aircraft	Contracts	Fleet	Grants	Other
08: Southern Region	1,333	5395	59,964	13,948	77,261	57,719
0801: NFs In Alabama	54	9	1,831	839	0	2,051
0802: Daniel Boone NF	51	12	2,257	510	0	1,506
0803: Chatt-Oconee NFs	50	81	2,018	669	8	1,852
0804: Cherokee NF	36	57	2,824	633	0	2,024
0805: NFs Florida	69	422	4,098	1,407	77	3,055
0806: Kisatchie NF	73	203	2,358	846	0	2,247
0807: NFs Mississippi	115	582	13,388	1,774	0	4,364
0808: George Washington/Jefferson NF	90	72	1,837	1,230	0	3,360
0809: Ouachita NF	52	232	4,801	1,407	0	2,468
0810: Ozark-St Francis NF	69	69	2,645	934	1	2,621
0811: NFs North Carolina	64	76	4,501	1,101	0	2,501
0812: Francis Marion & Sumter NFs	80	449	3,859	763	0	1,901
0813: NFs In Texas	47	313	3,980	960	0	2,069
0816: Caribbean NF	7	0	702	0	0	404
0820: El Yunque NF	5	0	335	0	77,195	10
0831: R8 RO NFs Expense	435	2818	1,650	732	(27)	19,300
0836: Savannah River Forest Station	9	0	0	0	0	0
0860: Land Between The Lakes NRA	27	0	6,880	143	0	1,557
0888: Contingent	0	0	0	0	0	0
09: Eastern Region	1,282	958	35,080	7,969	5	31,361
0901: Regional Office	42	0	74	1	0	114
0903: Chippewa NF	23	4	1,843	373	0	652
0904: Huron Mansiee NF	86	100	1,395	467	0	1,620
0905: Mark Twain NF	50	28	2,813	808	0	1,045
0907: Ottawa NF	29	7	1,144	376	0	717
0908: Shawnee NF	20	0	4,709	284	0	1,201
0909: Superior NF	78	0	3,892	946	0	1,940
0910: Haverthia NF	22	26	1,619	754	0	1,041
0912: Hoosier NF	12	5	802	205	0	865
0913: Chequamegon-Nicolet NF	28	34	2,666	964	0	3,518
0914: Wayne NF	30	0	895	236	0	1,410
0915: Midewin Natl Tallgrass Prairie	10	0	942	99	0	1,246
0919: Allegheny NF	80	0	1,901	466	0	785

FY 2007 Discretionary Expenditures Excluding Wildfire Suppression (\$ in thousands)

	Training	Aircraft	Contracts	Fleet	Grants	Other
0920: Green Mountain NF	21		1,038	144		1,709
0921: Monongahela NF	35		1,159	414		1,248
0922: White Mountain NF	45		3,448	474		1,317
0923: Rit	144	750	550	25	5	354
0933: R9 Unified Costpools	537	4	4,100	933	0	10,579
0998: R.O. Budget	0	0	0	0	0	0
10: Alaska Region	548	1213	21,156	1,805	4,716	14,367
1001: Regional Office	173	140	1,628	2	4,268	4,221
1004: Chugach N.F.	121	96	3,215	236	250	4,993
1005: Tongass NF	254	977	16,313	1,567	198	5,153
11: Forest Products Laboratory	112	0	22,264	0	6,646	1,629
12: International Insit of Tropical Forestry	37	0	387	0	1,371	1,329
13: Washington Office	2,686	71608	126,081	6,015	9,787	28,471
15: National Operations	25	0	93,755	581	10	6,915
1501: USDA Assessments	5	0	90,413	581	0	5,898
1505: Grey Towers	12	0	92	0	10	176
1511: CFO- Later Allocation	8	0	3,250	0	0	841
22: Rocky Mountain Research Station	350	5	11,582	586	2,123	5,408
24: Northern Research Station	326	0	13,020	820	2,371	15,879
25: Centralized Business Services	2,556	297	157,046	1,128	47	110,051
26: Pacific Northwest Research Station	387	1046	6,009	352	1,618	5,372
27: Pacific Southwest Research Station	132	45	5,874	17	15	3,213
33: Southern Research Station	441	7	8,229	743	3,957	4,457
42: Northeastern Area	210	96	3,287	20	76,295	2,581
	18,669	105753	902,468	123,386	283,872	598,910

Question 33. Please provide the expected budget allocations for FY 2008 and FY 2009 for all Washington Office and National Office accounts.
Answer. See below.

Forest Service Budget Allocations for The Washington Office and National Offices			
FY 2008 Final and FY 2009 Estimated			
(Dollars in Thousands)			
	FY 2008	FY 2009	Change
Washington Office (WO) Headquarters Budget	\$182,127	\$168,365	-\$13,762
WO National Agency Support Projects	\$29,941	\$28,123	-\$1,818
Information Technology Project Funding	\$80,233	\$80,233	\$0
WO Rents and Utilities	\$10,202	\$10,202	\$0
Subtotal, WO	\$302,503	\$286,923	-\$15,580
USDA Working Capital Fund and Greenbook	\$96,417	\$96,417	\$0
Centralized Business Services (CBS) - Albuquerque, NM (Includes Budget & Finance, IRM, and Human Capital Management Functions)	\$383,010	\$383,010	\$0
CBS Information Technology Project Funding	\$27,465	\$27,465	\$0
Grand Total, Washington Office & Centralized Business Services	\$809,395	\$793,815	-\$15,580

Question 34. Please provide the expected budget allocation for FY 2008 and FY 2009 for all Regional Office accounts.

Answer. See below. At this time, will not be able to provide expected budget allocations for FY 2009; a preliminary estimate of allocations based on the FY 2009 President's Budget can be found starting on page 15-1 of the FY 2009 budget justification.

FY 2008 Forest Service Final Allocation Summary
 \$ IN THOUSANDS

Prepared By: Program & Budget Analysis_20080501

BLI	BLI Description	Region 01	Region 02	Region 03	Region 04	Region 05	Region 06	Region 08	Region 09	Region 10	Regional Totals
FRRE: Forest & Rangeland Research		0	40	0	0	0	0	0	95	0	135
SPFH: Forest Health Mgmt - Federal Lands		2,502	2,702	1,549	2,157	2,705	3,299	8,230	0	1,247	24,391
SPS4: NFP - Forest Health - Federal Lands		1,403	1,496	526	1,502	1,916	1,669	0	0	588	9,100
SPCH: Forest Health Mgmt - Cooperative Lands		548	749	470	327	1,127	964	12,917	0	863	17,755
SPSS: NFP - Forest Health - State Lands		1,363	1,176	622	1,136	1,339	1,463	512	0	346	7,657
SPCF: State Fire Assistance		1,445	2,186	654	670	1,622	1,672	6,920	75	720	16,164
SPS2: NFP - State Fire Assistance		563	1,115	266	277	5,608	2,393	8,407	0	2,777	21,406
SPVF: Volunteer Fire Assistance		376	656	157	122	316	194	1,628	0	190	3,579
SPS3: NFP - Volunteer Fire Assistance		629	747	511	275	865	629	2,000	0	275	5,931
SPST: Forest Stewardship		777	1,383	761	403	804	1,108	8,051	0	641	14,018
LGCY: Forest Legacy Program		3,656	100	1,923	2,187	4,758	1,698	16,515	0	1,172	32,009
SPUF: Urban and Community Forestry		625	1,487	545	460	2,604	1,219	6,536	0	250	13,726
SPEA: Economic Action Programs		0	0	0	0	1,280	246	0	0	0	1,526
NFPN: Land Management Planning		3,787	3,423	4,219	3,455	3,328	4,728	3,446	1,892	945	29,223
NFIM: Inventory & Monitoring		10,053	8,988	9,145	11,318	12,263	12,695	9,711	10,887	6,324	91,184
NFRW: Recreation, Heritage & Wilderness		13,131	18,952	15,744	20,817	25,473	16,759	22,035	17,928	7,343	158,181
NFWF: Wildlife and Fisheries Habitat Mgmt		8,660	7,368	7,595	9,270	12,541	13,695	14,260	11,860	7,215	82,564
NFRG: Grazing Management		4,414	5,911	7,525	8,046	2,614	3,019	480	385	0	32,394
NFTM: Forest Products		21,855	17,790	8,949	13,464	26,388	45,940	24,195	23,779	15,737	198,077
NFWV: Vegetation and Watershed Mgmt		16,321	10,975	8,819	13,405	13,711	17,865	11,616	11,116	2,838	106,666
NFMG: Minerals and Geology Mgmt		8,606	8,590	7,076	10,420	7,486	4,855	3,776	4,833	2,845	58,497
NFLM: Landownership Management		5,567	6,367	4,389	7,058	9,354	7,533	8,064	7,206	3,707	59,245
NFN3: Rehabilitation and Restoration		1,274	982	1,436	1,226	1,966	1,975	316	207	75	9,567

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Prepared By: Program & Budget Analysis_20080501

BLI	BLI Description	Region 01	Region 02	Region 03	Region 04	Region 05	Region 06	Region 08	Region 09	Region 10	Regional Totals
WFRP: Preparedness		53,024	27,191	55,721	54,179	189,211	71,412	32,484	20,881	2,759	506,862
WFRF: Hazardous Fuels Reduction		15,290	35,815	38,274	16,331	114,128	28,362	32,838	9,001	944	281,183
WFW3: Rehab. and Restoration		4,500	0	550	7,500	10,750	640	1,060	0	0	25,000
CMFC: Facilities		5,112	10,372	7,758	7,168	10,131	7,840	15,708	9,936	7,507	81,563
CMRD: Roads		15,061	18,167	17,276	18,350	23,961	30,422	23,056	18,367	13,463	179,045
CMTL: Trails		9,804	6,296	3,004	5,185	6,846	6,198	7,330	5,232	3,593	53,488
CMIL: Deferred Maintenance		680	837	674	746	875	1,079	1,075	852	608	7,436
CMLG: Legacy Roads & Trails		4,756	3,397	3,076	3,880	6,719	6,372	4,833	4,065	668	39,766
CMES: Emergency Supplemental		0	0	0	0	14,000	0	0	0	0	14,000
FDRE: Recreation Facilities Deferred Maintenance		1,568	2,633	2,530	3,223	5,233	4,110	4,650	0	645	24,534
LALW: Land Acquisition		5,567	3,575	157	4,028	5,237	2,290	6,163	10,012	619	37,648
ACAC: Acquire Lands for NF, Special Acts		0	0	0	63	974	0	0	0	0	1,037
RBRB: Range Betterment Fund		288	497	608	771	175	237	1	0	0	2,556
SMSM: Subsistence Management - Alaska		0	0	0	0	0	0	0	0	4,187	4,187
CWFS: Cooperative Work, Other		4,650	781	1,051	4,000	9,414	4,000	1,720	1,000	720	27,336
CWKV: Cooperative Work, KY		4,628	7,789	639	2,597	10,316	13,475	14,747	9,342	111	63,644
CWK2: Cooperative Work - Non Agreement Based		700	0	2,000	0	6,200	2,300	4,900	4,900	0	21,000
CWF2: Cooperative Work - Non Agreement Based		5,275	521	82	2,250	1,753	6,000	3,000	3,000	350	22,211
LBTV: Land Between the Lakes Trust Fund		0	0	0	0	0	0	25	0	0	25
RTRT: Reforestation Trust		2,451	2,318	874	1,523	3,937	5,927	3,243	1,751	1,441	23,465
BOBD: Brush Disposal		2,789	737	188	379	1,761	6,110	0	25	0	11,889
EXSC: Conveyance Of Admin Sites		1,650	1,510	3,600	1,500	11,131	7,000	2,065	2,820	1,800	33,076
EXSL: Site Specific Lands Acts		6,000	1,100	6,300	1,000	197	10,000	337	210	0	25,144
FDAS: Fee Demo Agency Specific		423	181	400	225	600	400	500	300	250	3,259

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BLI	BLI Description	Region 01	Region 02	Region 03	Region 04	Region 05	Region 06	Region 08	Region 09	Region 10	Regional Totals
FDCL:	Fee Demo Collection Support	505	538	816	700	1,179	1,200	1,400	676	405	7,419
FDDS:	Fee Demo Site Specific	2,761	2,827	7,006	4,001	5,426	7,805	8,004	4,010	2,681	44,511
GBGB:	Gifts and Bequests	120	76	200	40	32	200	90	200	19	977
LBLB:	Land Between The Lakes Mgt Fnd	0	0	0	0	0	0	3,700	0	0	3,700
PEPE:	Purchaser Elect Timber Roads	0	0	0	0	0	0	0	0	0	0
PEP2:	Purchaser Elect Vegetative Treatment	2,921	3,011	1,463	1,545	804	910	1,179	2,567	0	15,000
PIPI:	Midewin Rental Fees	0	0	0	0	0	0	0	800	0	800
QMOM:	Operations and Maintenance of Quarters	860	655	600	1,000	1,981	2,000	262	300	455	8,103
RIRI:	Restoration of Improvments - Forest Lands	1,400	302	150	2,500	2,923	100	55	75	5	7,510
SSCC:	Stewardship Contracting	2,300	0	100	500	305	1,050	680	300	0	5,235
SSSS:	Timber Salvage Sales	8,701	1,007	659	1,028	5,729	6,495	2,652	7,357	762	34,390
TPBP:	Botanical Products	51	4	5	1	36	1,105	60	125	0	1,387
TPCD:	Timber Pipeline - Recreation Backlog	0	0	0	0	29	49	352	908	0	1,338
TPPS:	Timber Pipeline - Sale Prep	0	0	0	0	86	145	1,038	2,675	0	3,944
TRTR:	10% Roads and Trails Fund for States	0	0	0	0	0	0	0	0	0	0
URCP:	Organizational Camps	7	23	15	108	74	200	20	0	0	447
URFA:	Commercial Film - RO & WO	5	5	7	6	16	4	0	0	2	45
URFF:	Commercial Film - Collection Costs	4	7	12	16	30	10	1	2	3	85
URFM:	Commercial Film - Local Admin Unit	35	39	75	120	390	100	5	3	30	787
URMN:	Cost Recovery Lands Minor Projects	14	62	250	138	87	75	60	10	7	713
QAQA:	Quinault Special Management Area	0	0	0	0	0	25	0	0	0	25

FY 2008 Forest Service Final Allocation Summary
 \$ IN THOUSANDS

Prepared By: Program & Budget Analysis_20080501

BLI	BLI Description	Region 01	Region 02	Region 03	Region 04	Region 05	Region 06	Region 08	Region 09	Region 10	Regional Totals
SUBTOTALS, DIRECT PROJECT FUNDING											
	Discretionary Appropriations	224,115	211,963	212,509	229,651	528,298	306,669	298,971	168,706	90,819	2,271,700
	Trust Funds	17,704	11,409	4,826	10,370	31,620	31,702	27,635	19,993	2,622	157,681
	Perms	30,526	12,064	21,846	14,807	32,826	44,983	23,060	23,363	6,419	209,894
<hr/>											
	Total, Direct Project Funding (Including Facilities M/co.)	272,345	235,436	238,981	254,828	592,744	383,354	348,666	212,062	99,860	2,639,275
	Total, Cost Pool Ceiling	43,305	39,591	43,339	41,666	69,305	77,041	48,475	40,403	18,054	421,209
<hr/>											
	TOTAL - ALL FUNDS	315,650	275,027	282,320	296,494	662,049	460,395	398,141	252,465	117,944	3,060,484

Question 35. In the budget proposal there is mention of a Chief's initiative called Children in the Woods.

Answer. That is correct. "Kids in the Woods" is an umbrella "brand" for the many activities the Forest Service conducts to help children understand and appreciate the natural world. These activities are on-going and continue the long history of the agency's commitment to providing meaningful outdoor activities for children.

Question 36. How much of the FY 2009 funding is expected to be expended on this initiative?

Answer. The FY 2009 funding level for More Kids in the Woods challenge cost share has not been determined at this time. In FY 2007, and FY 2008, the Forest Service provided \$500,000 and \$600,000 respectively for an agency-wide "More Kids in the Woods" challenge cost share opportunity to emphasize its commitment to reconnect children to nature. Partners have increased total funding by at least \$1 million in matching funds each year.

Question 37. Please provide a detailed accounting of what budget line items will be utilized to fund this program or initiative, including what line item and program and how much each program will be asked to provide?

Answer. The FY 2009 funding level for Kids in the Woods has not been determined at this time. A total of \$600,000 will be used to fund the More Kids in the Woods CCS projects in FY 2008 as follows:

Forest and Rangeland Research	\$60,000
State and Private Forestry – Forest Health Management: Federal Lands	\$40,000
State and Private Forestry – Urban and Community Forestry	\$13,000
National Forest System - Recreation, Heritage and Wilderness	\$141,000
National Forest System - Vegetation and Watershed Management	\$122,000
National Forest System - Wildlife and Fisheries Habitat Management	\$82,000
Wildland Fire – Hazardous Fuels	\$54,000
Capital Improvement and Maintenance - Roads	\$73,000
Capital Improvement and Maintenance - Trails	\$15,000
TOTAL	\$600,000

Question 38. Please provide a detailed list of projects that the funds are expected to be spent on.

Answer. The FY 2009 funding level for More Kids in the Woods Challenge Cost Share has not been determined at this time. Project proposals for FY 2008 funding closed on February 15, 2008 and an announcement of the recipients occurred in late April. A total of \$491,056 was distributed on May 5, 2008, for the following projects for FY 2008:

Unit	Project/Activity	Project/Activity	Total
R-1	Investigating Winter Ecology - Montana \$19,471 <i>Climate change, winter ecology, Preserve America</i>	Nature Sleuths – Montana \$24,200 <i>Snowshoeing, geo-caching</i>	\$43,671
R-2	Building Relationships with Inner City/Diverse Groups and the Environment (BRIDGE) – Colorado \$33,000 <i>Forestry, forest management</i>	Kids Diggin' the Fossil Freeway- Nebraska/South Dakota \$12,704 <i>Archeology</i>	\$45,704
R-3	Children's Conservation Corps and Jr. Forest Ranger Program- Arizona \$77,841 <i>Water, fire ecology</i>		\$77,841
R-4	Canyon Country Outdoor Education - Utah \$30,000 <i>Recreation, employment</i>		\$30,000
R-5	Environmental Connections – California \$20,000 <i>Environmental literacy, employment</i>	FamCamp (Family Camping) – California \$10,000 <i>Recreation, environmental literacy, Preserve America</i>	\$30,000
R-6	Watershed and Wildlife Exploration Project – Oregon \$39,300 <i>Plant and wildlife investigations</i>		\$39,300
R-8	Earth Tomorrow: Fostering Environmental Stewardship in Urban Teens of Color - Georgia \$20,000 <i>Environmental literacy</i>	Connecting Urban Youth In Louisville to Nature – Kentucky \$36,459 <i>Environmental literacy, Preserve America</i>	\$56,459
R-9	Schoolyard Habitats Across Wisconsin \$39,122 <i>Training teachers, restoring school yards</i>		\$39,122
R-10	More Kids in the Chugach – Alaska \$11,019 <i>Environmental literacy, fishing Subsistence skills</i>		\$11,019
Northern Area	Fall Forest Adventure – Connecticut, Massachusetts, Pennsylvania, Minnesota \$60,000 <i>Recreation, environmental literacy</i>		\$60,000
Northern Research Station	Bronx Youth Urban Forestry Empowerment – New York \$35,000 <i>Tree care, restoration, environmental learning</i>	Camp Oty'Okwa-Wisconsin \$22,940 <i>Recreation, environmental literacy</i>	\$47,940
TOTAL			\$491,056

Question 39. Please provide the law, regulation, or executive order that provides the legal underpinning for the initiative.

Answer. Many authorities provide the underpinning for the initiative: the Multiple Use and Sustained Yield Act of 1960 as amended (16 U.S.C.528) directs the agency to provide for outdoor recreation; the Cooperative Forestry Assistance Act of 1978, as amended (16 U.S.C. 2101-2114, P.L. 95-313) authorizes the agency to work with State and other officials in implementing Federal programs affecting non-Federal forest lands; the National Environmental Education Act (of 1990) authorizes

the agency to promote environmental education; and the Interior and Related Agencies Appropriations Act of 1992 authorizes the agency to enter into challenge cost share agreements with cooperators (P.L. 102-154, Challenge Cost Share). Many of the activities conducted under Kids in the Woods support the President's Executive Order 13266 and Healthier US initiative aimed at promoting healthy lifestyles for children and adults.

Question 40. Please provide a list by line item and program of projects that will be forgone as compared to FY 2008 as a result of this initiative.

Answer. FY 2009 funding level for More Kids in the Woods Challenge Cost Share (CCS) has not been determined at this time. It is important to note that this program is not taking away from mission related work; rather it is enhancing our ability to do mission related work by attracting a wide variety of partners whose contributions provide at least a 1:1 funding match. In FY 2007, the agency leveraged \$500,000 of Federal funds with \$1 million of partnership funds and in-kind services resulting in a total of \$1.5 million for 24 projects.

Question 41. Since 2002, almost \$2 billion has been transferred from FS accounts to pay for fire fighting costs. The Knutson-Vandenburg (KV) account has been hit the hardest by these transfers and is currently short \$159 million that has not been repaid.

Answer. No response required.

Question 42. Have you made a specific request of the appropriators to fund the repayment of the fire borrowing that has not been repaid?

Answer. No.

Question 43. With regard to other programs, why has repayment of KV not been a priority?

Answer. Repayment of K-V funds is a priority when we have the capability to do so. K-V funds were repaid in full in FY 2005. In FY 2006, the Forest Service transferred a total of \$200 million, of which \$159 million came from the K-V account. That total has not been repaid; however, the Forest Service is required through appropriations language to transfer 50 percent of any ending balance in the fire suppression account to K-V for unpaid fire transfers. In FY 2006, there were not sufficient funds at the end of the year to do this. In FY 2007, there was a balance of \$53 million in the Fire Suppression account and the Forest Service intends to transfer \$26 million back to K-V to repay part of the outstanding balance.

Question 44. Can you explain why in FY 2004, repayment to KV almost doubled from 2003, and was then decreased by almost half again in FY 2005?

Answer. The amount of repayment, and which accounts have been repaid, have historically been determined by Congress. For example, the Interior Appropriations act for FY 2004 included the following Bill language:

For an additional amount, \$301,000,000, to repay prior year advances from other appropriations from which funds were transferred for wildfire suppression and emergency rehabilitation activities . . . Provided further, That this additional amount and \$253,000,000 of the funds appropriated to the Forest Service for the repayment of advances for fire suppression in Public Law 108-83, shall be transferred to the following Forest Service accounts: \$96,000,000 to the Land Acquisition account, \$95,000,000 to the Capital Improvement and Maintenance account, \$9,000,000 to the Working Capital Fund, \$52,000,000 to the National Forest System account, \$31,000,000 to the State and Private Forestry account, \$10,000,000 to the Forest and Rangeland Research account, \$35,000,000 to the Salvage Sale fund, \$28,000,000 to the Timber Purchaser Election account, \$154,000,000 to the Knutson Vandenburg fund, \$20,000,000 to the Brush Disposal account, \$14,000,000 to the Forest Service Recreation Fee Demonstration fund, and \$10,000,000 to the Forest Land Enhancement Program account.

Question 45. How much do you anticipate will be repaid to KV from FY 2008?

Answer. Approximately \$26 million will be repaid to K-V in FY 2008 from FY 2007 Fire Suppression funds.

Question 46. Can you anticipate when the funds borrowed from KV will be fully repaid?

Answer. We will continue to use the authority to transfer unobligated suppression balances to the K-V fund. At this time, we cannot estimate when it might be fully repaid.

Question 47. Can you determine the impact these funds transfers have had on timber sales?

Answer. In the recent past, excess K-V funds were made available to implement a variety of projects that also offered timber volume as a secondary output. Cur-

rently, all existing K-V funds will be needed to perform essential reforestation within timber sale areas.

Question 48. If the lumber market improves, thus improving the agency's ability to sell more timber sales (as stated in the FY09 budget justification), what effect will the lack of \$159 million in KV have on the Forest Service's ability to prepare and implement timber sales?

Answer. The lack of \$159 million in K-V does not affect the agency's ability to prepare and implement timber sales.

Question 49. Why is the Forest Land Enhancement Program not to be repaid? Where will funding for this program come from?

Answer. Authority for the Forest Land Enhancement Program expired in FY 2007. Therefore, transfers made from the Forest Land Enhancement Program will not be repaid.

Question 50. If not repaid, what Forest Land Enhancement Program projects will be foregone or eliminated?

Answer. The authority for the Forest Land Enhancement Program expired at the end of FY 2007.

Question 51. Can you identify from which regions' KV funds you have borrowed from and how much you have borrowed from each region? How do you determine which regions' funds to transfer from?

Answer. Transfers from the K-V fund have not been linked back to specific regions or projects, since there have been enough K-V receipts on hand to do the annual program of work. If the balance in K-V becomes too low to fund the annual program of work, the shortfall will be equally distributed to all Regions that plan K-V work.

Question 52. What projects will be delayed or cancelled as a result of the borrowing of the KV funds?

Answer. In FY 2010, funds collected for essential reforestation will remain in the K-V account. Funds for other projects identified in sale area improvement (SAI) plans will not be available and accomplishment of this work would depend on the availability of, and priority for, other appropriated funds. In general, this includes work such as wildlife and fisheries habitat restoration, watershed improvement, timber stand improvement, fuel hazard reduction, and invasive species treatments for which money was collected and deposited in the K-V trust fund.

Question 53. With regard to timber sales, do you consider a region's productivity/ability to implement timber sales when you determine which regions to transfer funds from?

Answer. When the need to transfer funds arises, the Forest Service identifies unobligated balances from which transfers can be made. Regional timber sale productivity is not a consideration in this process.

Question 54. When funds are repaid, are they allocated to the regions proportionately with regard to how much was borrowed the previous year(s)?

Answer. Yes. As often as is possible, the Forest Service transfers funds directly back to the unit and program from which they were transferred. Exceptions include those times when congressional language specifically determines how repayments will be made.

Question 55. With the increase in funding for fire suppression do you foresee any additional funds being transferred this fire season?

Answer. At this time, we do not foresee transferring any additional funds this fire season.

Question 56. While fire fighting costs were discussed during the hearing, where the major cost increases are occurring was not addressed.

Answer. No response required.

Question 57. Can you identify if there is a trend in the initial attack escapement rate in the WUI—has it been increasing or decreasing? Non-WUI?

Answer. The agency does not currently monitor the number of fires escaping initial attack by WUI versus non-WUI. Overall, the agency has experienced a decrease in the number of fires contained during initial attack. We would expect this trend to be representative of fires both in and out of the WUI. Fires in recent years have become larger and more difficult to control due to a variety of factors, including climate change, historic fire suppression efforts resulting in increased density of hazard fuels, and expansion of residences in the WUI. The agency is modifying our fire report system with a WUI identifier so that it can monitor this activity in the future.

Question 58. On average, since 2001, how many fires have escaped initial attack and what were the causes of the fires?

Answer. The agency has contained 98.1 percent of wildfires during initial attack since FY 2001. The remaining 1.9 percent, or approximately 200 fires per year, es-

aped initial attack and were 300 acres or larger. Of the fires 300 acres and larger, 57 percent were lightning caused and 43 percent were human caused. "Camping" accounted for approximately 25 percent of the human caused fires; the remainders are distributed through a multitude of causes.

Question 59. Regarding roadless vs. non-roadless areas and WUI vs. non-WUI, can you identify how many fires are human-caused and how many fires are non-human-caused in each of these areas?

Answer. The agency does not track fires by roadless and non-roadless or by WUI and non-WUI. By June 2008, we will have the ability to begin tracking WUI and non-WUI incidents through our Fire Report system. Since 2001, approximately 44 percent of all fires have been human caused. A higher percentage of the fires occurring in the WUI are likely to be human caused than those occurring in the non-WUI; however, we do not have national scale data to support this statement.

A recent strategic analysis of fires in roadless, wilderness, and other lands for the Western United States indicated that approximately 28 percent of all unplanned fires occur within inventoried roadless areas or wilderness areas. See the table below for percentage of fires by land class.

**Frequency of All Unplanned Fires by Land Class
FY 2002 – 2006, Western U.S.**

Inventoried Roadless		Wilderness		Other NFS Lands	
% Fires	% Acres	% Fires	% Acres	% Fires	% Acres
18	31	10	23	72	48

** Percent of fires represents the fire's point of origin; Percent acres represent all acres associated with the fire, some acres may not be in the same Land Class as the point of origin. Data source - FIRESTAT

The analysis also indicated that approximately 48% of Forest Service fires that were not contained in initial attack had ignition points in roadless or wilderness areas.

**Frequency of Forest Service Unplanned Fires 300 Acres & Larger
in the Western U.S. by Land Class, Number, and Acres
FY 2002 – 2006**

Inventoried Roadless		Wilderness		Other NFS Lands	
% Fires	% Acres	% Fires	% Acres	% Fires	% Acres
22	22	26	22	52	56

** Percent of fires represents the fire's point of origin; Percent acres represent all acres associated with the fire, some acres may not be in the same Land Class as the point of origin. Data source - FIRESTAT

Question 60. How much of the fire costs are associated with escaped human-caused fires in WUI and in non-WUI areas?

Answer. The agency does not track fires by WUI and non-WUI; we will have this ability by June 2008. Since 2001, approximately 38 percent of the agency's suppression expenditures for escaped fires have been associated with human caused fires. Please note that the percentage can vary significantly between fiscal years. For example, since 2001, it has ranged from approximately 56 percent to approximately 25 percent.

Question 61. Where have the largest escaped fires occurred?

Answer. A recent strategic analysis of large fires for the period FY 2001 through FY 2007 indicated that Forest Service Regions 1, 3, 5, and 6 were the most impacted. See the table below for percentages of large fires by region.

Forest Service Large Fire Occurrence, FY 2001 thru 2007

Forest Service Region	% of FS Fires 300 Acres & Larger	% of FS Fires 50,000 Acres & Larger with FS Costs of \$10 Million or More
01	20 %	18 %
02	7 %	5 %
03	16 %	12 %
04	19 %	8 %
05	13 %	22 %
06	12 %	35 %
08	11 %	
09	2 %	
10		

Additional information is available on the National Interagency Coordination Center's (NICC) web site:

For fires over 100,000 acres from 1997 through 2006:
http://www.nifc.gov/fire_info/lg_fires.htm

For historically significant fires from 1804 through 2006:
http://www.nifc.gov/fire_info/historical_stats.htm

Question 62. Can you differentiate costs for successful initial attacks and costs for escaped fires? If so, please provide us the costs for successful initial attack and the cost for escaped fire each year since 2001. In what regions has initial attack been the least successful and what proportion of fire fighting costs do they represent?

Answer. The agency has an ongoing analysis of unplanned fires and their associated costs. The analysis, when complete, will display the frequency of large fires, initial attack success, and suppression costs geographically. Our intent is to display this information by Forest Service regions unless data constrains us to a different geographic scale. While we could provide some preliminary information, the results of the analysis will provide more in-depth and reliable information. In the interim, please reference the charts and tables in questions 67 and 71.

Question 63. If most of the fire suppression expenses are the result of WUI fires, and most of that land is non-federal can you:

Answer. No response required.

Question 64. Provide a list by year (2001—2007) of the number of fires that progressed from federal lands into the WUI and on to non-federal lands?

Answer. The agency does not track fires by WUI and non-WUI; we will have this ability by June 2008. The table below indicates fires that started on Forest Service lands and also burned private lands and fires that started off Forest Service lands and burned on to Forest Service lands. Please note there is no distinction between WUI and non-WUI.

Fires (all sizes) Transitioning To & From Forest Service Lands by Fiscal Year

Fiscal Year	Number of fires starting on FS lands and burning other lands	Number of fires starting off FS lands and burning FS lands
2001	338	354
2002	406	338
2003	291	284
2004	285	255
2005	242	229
2006	410	366
2007	333	334

** Data does not distinguish between state, private, or other federal lands.

** The Agency reported an average of approximately 10,000 fires per year from FY 2001 through FY 2007.

Question 65. Describe the net cost incurred by the non-federal land owners for the fire suppression cost of fires that leave federal lands and that impact non-federal lands?

Answer. The agency does not maintain fiscal data specific to your question, an in-depth analysis of specific fires would be required to determine specific cost information for non-federal landowners. Approximately 37 percent of the agency's suppression costs are associated with fires with points-of-origin under Forest Service jurisdiction that burn both Forest Service lands and those owned by others

Question 66. Describe the net cost incurred by the federal government for fires suppression costs that moved from non-federal lands onto federal lands?

Answer. The agency does not maintain fiscal data specific to your question, or cost information for non-federal landowners.

Question 67. In FY08, Regions 2, 3 and 10 received considerably smaller allocations in several programs than did other regions.

Answer. No response required.

Question 68. Why is Region 3 receiving the lowest and some of the lowest allocations for forest health activities?

Answer. Allocation of forest health funds appropriated in Forest Health Management budget line items considers a variety of program considerations. Some considered factors result in relatively stable component-specific funding such as forest health survey and technical assistance work, and other components are more competitive between all Forest Service regions, such as forest health monitoring projects. Others are competitive only between western regions, such as funding for western bark beetle and other suppression projects. The combination of these program component-specific funding decisions reflects both on-going and annual priority work commensurate with regional and national priorities.

Question 69. Please provide a detailed explanation of the insect and disease problems in each of the western regions and how those challenges colored how forest health funding was allocated to each region.

Answer. Western forests are affected by three major forest insects and diseases: a complex of western bark beetles, the western spruce budworm, and dwarf mistletoe. A forest disease, sudden oak death, currently only affects Northern California and Southern Oregon but has the high potential to severely impact forests throughout the United States.

The western bark beetle complex is causing the most serious concerns This complex includes the mountain pine beetle, Douglas-fir beetle, spruce beetle, and to a lesser extent, fir engravers, pine engravers, western pine beetle, and western balsam bark beetle. The most significant of these is the mountain pine beetle. This pest is causing tree mortality in every Western State. In FY 2006, nearly 3 million acres were reported infested. This number increased to nearly 4 million in FY 2007. Statewide, New Mexico is the least impacted State.

The western spruce budworm and dwarf mistletoe are found throughout the West. Western spruce budworm causes tree defoliation on several million acres each year; however, this is far below the peak of over 12 million acres in 1985 and 1986. Dwarf mistletoe currently infects over 30 million acres of western forests. Dwarf mistletoe is best managed through silvicultural treatments; therefore, Forest Health Manage-

ment funds are not used to control dwarf mistletoe on National Forest System lands or cost-shared with States for projects on State and private lands. Specific descriptions and number of acres affected by other forest insects and diseases is summarized in the Forest Health Protection document "Forest Insect and Disease Conditions in the United States—2006". A copy of this report was sent to members of the Senate Energy and Natural Resources Committee in October 2007. Additional copies are available upon request. The 2007 conditions report is being compiled and is scheduled to be released in June 2008.

As previously mentioned in the response to question 68, annual pest conditions influence the allocation of funds. Distribution of suppression funds considers annual conditions along with the risk of future mortality. For example, western bark beetle funds are allocated to western regions based on the acres of mortality in the previous year and the risk of mortality depicted through the National Insect and Disease Risk Map process.

Question 70. How much will be allocated to New Mexico for forest health activities?

Answer. In FY 2008, the State of New Mexico will receive \$385,000 from Forest Health Management budget line items in State and Private Forestry and Wildland Fire Management. An additional \$356,000 is provided for projects on National Forest System lands in New Mexico; \$211,000 to the Bureau of Indian Affairs for forest health project work on tribal lands; and \$10,000 to the Bureau of Land Management for a wildland urban interface thinning project. The FY 2009 funding levels will be determined after fall 2008 surveys, but are expected to be reduced from the level provided in FY 2008.

Question 71. With regard to hazardous fuels reduction, what is the justification for allocating Region 3 approximately a third of the amount of funds allocated to Region 5?

Answer. The Forest Service uses the Hazardous Fuels Prioritization Allocation System (HFPAS), a geospatial information and decision support program, to display regional funding priorities based on factors such as wildland fire potential, values at risk and potential negative consequences, and opportunities to increase our effectiveness by leveraging our efforts with other programs to meet multiple objectives. We have used this approach to quantify regional priorities since 2007, and the Department of the Interior has adopted this approach also.

We have seen that California ranks as our highest priority nationally based on the management criteria described here. While Region 3 also has the same kinds of risks and opportunities, the cost of treatment in Arizona and New Mexico is on average much lower than the costs to work in Region 5.

Question 72. Why has the Reforestation Trust funding for Region 3 been the lowest among all the regions?

Answer. The highest priority for the Reforestation Trust Fund is accomplishment of reforestation treatments. The available funds are distributed based on the total reforestation needs and capability identified by the regions. Region 3's regeneration harvest strategy depends heavily on uneven-aged systems where natural regeneration is the best source for successful reforestation. This results in a lower need for artificial regeneration capability relative to other regions.

Question 73. What impacts will this have in New Mexico?

Answer. The national forests in New Mexico will continue to depend heavily on natural regeneration to meet reforestation objectives. These national forests may also use other resources to accomplish their highest priority vegetation management objectives, such as National Forest System-Vegetation and Watershed Management funds, Knutson-Vandenberg funds, and stewardship contracting authorities.

Question 74. Could you please provide a detailed analysis of timber salvage sale trends for Region 3 and what impact this has had on the funding for timber salvage sales for Region 3?

Answer. The following table shows FY 2003-2008 Salvage Sale Fund budget allocations and timber volumes offered or sold for Region 3. Region 3's salvage sale collections have been relatively stable. The budget authority for each fiscal year depends on the amount of collections available and qualifying salvage sale opportunities. Over the last few years, the amount of volume produced has gone down as unit costs increase.

**FY 2003-2008 Salvage Sale Fund
Budget Allocations and Timber Volumes Offered or Sold
Region 3**

Year	Budget (\$ thousands)	Volume Offered/ Sold (MMBF)	Collections (\$ thousands)
2003	993	11.769	424
2004	768	18.385	399
2005	465	11.559	469
2006	645	10.838	772
2007	446	9.861	431
2008	948	N.A.	N.A.

Funding includes cost pools
Volume Offered 2003-2005; Volume Sold 2006-2007

Question 75. What is the justification for Region 3 receiving a significantly lower allocation for forest products?

Answer. In FY 2008, Region 3's Forest Products net allocation is down from FY 2007 by about \$2.4 million; however allocations to the regions were made considering allocations of other funds such as Salvage Sale Funds, Knutson-Vandenberg (K-V) Regional Work funds, and the Purchaser Election—Vegetation Treatment funds available for forest health projects. One of the factors in adjusting Forest Products funding between regions was a conscious trade-off of Forest Products funds for K-V Regional Work funding. Region 3 received \$2 million in K-V Regional Work funds, which is focused on forest vegetation treatments that produce timber volume as an output. In addition, Salvage Sale receipts are down nationally; however, the allocation to Region 3 was approximately \$350,000 higher than in FY 2007. The Region's overall funding available for producing forest products is up approximately \$770,000 relative to FY 2007.

Question 76. Why is Region 3 allocated the least amount of funds for trails and how much will be allocated to New Mexico?

Answer. Funding allocations for Trails is based on each region's existing infrastructure of National Forest System trail miles, based on support for general trail operations and National Scenic and Historic Trails operations. The Southwestern Region (Region 3) manages 6 percent of the agency's total trail system miles. The agency will continue to emphasize distributing funds in areas that maximize recreation delivery, address the highest priority efforts that provide services to the public, and strengthen vital Trails program partnerships in accomplishing stewardship work on the ground. In FY 2008, \$3 million has been allocated to Region 3 to accomplish this work, of which \$1.2 million is planned to be allotted to the national forests in the State of New Mexico. These funding amounts do not include budget authority for cost pools.

Question 77. How much of the Region 2 allocation for the Forest Legacy Program will go to Wyoming?

Answer. Region 2 received funds in fiscal year 2007 to assist the State of Wyoming to complete their assessment of need (AON). Wyoming has drafted their AON and submitted it to the Forest Service for review. Wyoming will not be eligible to receive additional funds until the AON is approved by the Secretary of Agriculture. As a result, Wyoming did not request project funds in 2009, but will be eligible in 2010.

Question 78. Why is Region 2 receiving zero funds for wildfire rehabilitation and restoration?

Answer. In fiscal year 2008, Region 2 has been allocated \$982,000 in Rehabilitation and Restoration funds that are appropriated through the Wildland Fire Management appropriation and then later transferred to the National Forest System appropriation. The majority of these funds were distributed to regions based on the percentage of severely burned acres in each region during the previous 5 years. Region 2 did not receive Wildland Fire Management Rehabilitation and Restoration funds identified in the FY 2008 Department of Defense Emergency Supplemental (P.L. 110-116, Division B, Section 157) because these funds were allocated to meet the emergency rehabilitation needs created by large-scale wildfire events that occurred in FY 2007. Region 2 did not have any large-scale fire events in FY 2007 that qualified for these emergency rehabilitation funds.

Question 79. What is the justification for allocating zero funds to Regions 2 and 10 for stewardship contracting?

Answer. Neither region requested stewardship contracting budget authority in FY 2008, thus none was authorized. Forest Products funding is also available for stewardship contracting work.

Question 80. Please provide an explanation of watershed issues and how this affects allocation decisions for watershed management in Alaska.

Answer. Watershed issues vary greatly throughout the National Forest System. Examples of this variability include: ground water recharge; instream flows; water rights and uses; hillslope stabilization; erosion, sedimentation, and nonpoint source pollution control (Best Management Practices); and emergency rehabilitation of lands damaged by natural events such as floods, wildfires, or hurricanes.

Regional allocations are based on a base/core program of work as well as need. A region's share of base/core program funds is approximately 90 percent of the previous year's allocation of the Vegetation and Watershed funds within the "Maintain and Improve Watershed Conditions" activity line. The remainder represents a strategic investment to implement individual critical watershed improvement projects not funded in base allocations. Some of these funds will be used to remediate identified watershed issues.

The watershed program recently completed a Performance Assessment Rating Tool assessment with the Office of Management and Budget. Following improvement plan recommendations, the Forest Service has developed performance measures to prioritize and track funding allocations for watersheds. These approved measures will help us focus allocations on activities that will most effectively improve watershed conditions and maintain watersheds currently in good condition.

Question 81. Please provide an explanation of the past allocations for state fire assistance to New Mexico and how they have impacted fire suppression in the state.

Answer. Past allocations for competitive western WUI grants (State run) and base program funds are distributed to State foresters to fulfill the minimum need for all States to maintain and enhance coordination and communication with Federal agencies and supply needed data. An additional percentage is allocated to each State based on acres of non-Federal land, population, and level of fire protection required. In New Mexico, as well as in other States receiving this assistance, fire management and forest health programs have benefited through a reduction in hazardous fuels on non-Federal lands in the WUI and through increased firefighting capacity.

Question 82. Please explain how reduced funding to state and private assistance will affect the ability to fight fires in the State of New Mexico.

Answer. Funding for New Mexico is based on a number of factors including a competitive grant process, funds allocated through the State and Private re-design process, and traditional allocations based on factors such as population density and acres of forested land protected. In most States, these Forest Service funds are combined with other sources to make up the full program. New Mexico's fire management effectiveness is based on how it uses this combination of funds to meet the State's needs.

Question 83. Please provide an explanation of FIA issues in New Mexico, and if past funding has been sufficient to address those issues.

Answer. New Mexico has received no forest inventory information for 8 years. Since then, the forests have experienced significant impacts from bark beetle outbreaks and drought. Due to past delays in funding a 5-year implementation plan (1998-2003) to expand FIA to all 50 States, New Mexico will enter the annualized inventory process in late Fiscal Year 2008 as the 47th State.

Question 84. Please specify how much of the FIA funding will be allocated to New Mexico as part of the FY 2009 budget request.

Answer. The FY 2009 President's Budget reduces the overall FIA budget by \$2.588 million. At this time, the allocation to New Mexico has not been determined. In FY 2008, \$452,000 is being allocated to begin the annualized FIA program in New Mexico. The FY 2008 allocation is \$650,000 below the total annual cost (\$1.1 million) of delivering FIA in New Mexico.

RESPONSES OF THE FOREST SERVICE TO QUESTIONS FROM SENATOR BARRASSO

Question 85. In Mr. Rey's testimony he discussed the Forest Service contract extension authority that can help alleviate the current crisis in the lumber market. Please explain the extent of the agency's authority to adjust contracts previously sold and the agency's intended use of that authority at this time.

Answer. The Forest Service has the authority to extend timber sales in the case of a substantial over-riding public interest (SOPI), which in this case relates to the current crisis in the lumber market. The Forest Service can extend the time limits

of a contract up to a year at a time, with the maximum length of time not to exceed the 10 years authorized by the National Forest Management Act. The Forest Service has used the SOPI authority, and will continue to do so as is necessary within the authority.

Question 86. Has the Forest Service instituted ALL of the accountability recommendations issued to the Forest Service fire program by the USDA Office of Inspector General in June 2007?

Answer. There was not a USDA OIG report issued to Forest Service Fire & Aviation Management in June 2007. However, there was issued the Government Accountability Office (GAO) Report 07-655. This report, "Wildland Fire Management: Lack of Clear Goals or Strategy Hinders Federal Agencies' Efforts to Contain the Costs of Fighting Fires," was released on June 1, 2007 and consisted of five recommendations. The Forest Service has completed actions to fulfill four of the five recommendations in the Statement of Action to GAO. Actions are in progress to satisfy GAO Recommendation: Develop a strategy to achieve the clearly defined goals and measurable objectives for containing wildland fire. The Forest Service, working with OMB, has established a timeline to develop a national risk-based strategy. The intent of this strategy is to align incentives, improve accountability, and help control costs by allocating resources on the basis of risk. The Forest Service and OMB have agreed to an October 2008 completion date.

Question 87. The Service named fragmentation of landscapes and reduced habitat on adjoining private lands as one of the four greatest threats to Forest Service lands. The extreme cuts in State and Private Forestry proposed in this budget indicates that addressing that threat is not a priority. What changed?

Answer. The loss of open space continues to be a threat for private lands and a priority for the Forest Service. In December 2007, the Forest Service issued an Open Space Conservation Strategy, which identified 4 priorities and 13 action items for conserving open space. Many of those action items can be implemented without additional funds. As a result of having to make tough budget decisions, the Forest Service budget for 2009 realigns spending to reinforce the agency's commitment to caring for the 193 million acres of national forests and grasslands and providing for the highest priority activities that can demonstrate performance in a transparent manner.

Question 88. If these deep cuts in state and private forestry funding are enacted, how will the agency continue the cooperative conservation initiatives already begun with the states? For instance, good neighbor authority and stewardship contracting are important forest health programs that require state and local partners.

Answer. The Administration's proposal for the 2008 Farm Bill explicitly includes forests, forestry, and NIPF landowners and provides new funding for the same key programs for which many cooperators receive funding from the Forest Service. On balance, we anticipate net funding available from the proposed programs will exceed current amounts, even assuming proposed reductions. As mentioned previously, the FY 2009 budget request reflects the Administration's priorities for supporting national security efforts and sustaining economic growth. The budget focuses on the Forest Service serving as a convener of technical expertise and information rather than funding projects.

This budget request focuses on cooperative agreements for fire suppression and fuels treatments in the wildland urban interface. Forest Health Management-Federal Lands and State Fire Assistance are close to current levels to maintain investments and protection responsibilities for Federal assets. Remaining programs in S&PF are reduced. In the short term, we maintain capacity to provide expertise, knowledge, and the ability to bring groups together but with a significant reduction of grants. S&PF redesign will help us focus available grant funding. In addition, focus on highest priorities will occur, regardless of funding level. State foresters and the Forest Service remain committed to a delivery approach that accomplishes targeted goals on a landscape scale.

Question 89. One of the state forestry programs taking deep cuts is the State Fire Assistance account. Can you demonstrate the basis for this cut?

Answer. The Forest Service, through the State and Private Forestry redesign initiative, is working to ensure that our funds are directed to communities demonstrating the greatest urgency. These communities can use Forest Service grant money to leverage other sources of funding to complete the highest priority projects in areas where they will have the greatest benefit. Additionally, we will continue to actively promote fire prevention and mitigation efforts such as Firewise, a program that provides education and training to local leaders in developing efficient and effective mitigation actions for the wildland urban interface.

Question 90. Are federal firefighters more efficient than state and local agencies?

Answer. Federal, State, and local firefighters work side by side and interchangeably on the fireline. Firefighters are qualified based on specific training and experience criteria; those with like qualifications function at comparable levels of efficiency without regard to agency affiliation.

Question 91. The Forest Service proposed budget for Land Management Planning reflects a commitment to meet the rescissions schedule set for our Forest Plans. However, funding levels for Inventory and Monitoring work do not reflect this same priority. Are defensible Forest Plans not reliant on Inventory and Monitoring information?

Answer. Defensible forest plans do rely on inventory and monitoring information. Inventory and monitoring data are used for a variety of purposes during the revision and implementation of forest plans. Monitoring data are used to conduct annual evaluations on progress made towards achieving desired conditions contained in forest plans. Monitoring data are also used in conjunction with new inventory data and the results of periodic land management plan development assessments to determine the need for change in forest plans. Plan implementation activities are guided by the results of land management plan implementation assessments which are also dependent on inventory and monitoring data.

Question 92. How does the agency plan to meet its commitments without prioritizing this vital function?

Answer. The agency will meet its commitments to revise land management plans by funding inventory and monitoring activities that support this work. Inventory and monitoring work, like all other agency activities, are prioritized to ensure that information collection and analyses are focused around meeting the most important business needs of the agency.

Question 93. Based on this budget estimate for Fiscal Year 2009, the Forest Service is facing what many would call a funding emergency. You are moving money from management accounts to fight fire. The core areas of your mission are suffering. At this critical time, why would you devote valuable resources to an unproven, experimental program like Ecosystem Services incentives rather than devote resources to the agency's core management responsibilities?

Answer. The Ecosystem Service Demonstration Project (ECS-DEP) legislative proposal would not result in agency funds being diverted from our core management responsibilities. The 2009 President's Budget does contain a proposal by which the agency can demonstrate a new approach to achieving management objectives on public lands. The proposal draws from an increasing awareness and experience on the part of the agency and partners with respect to maintaining, enhancing, and preserving the multiple benefits derived from public lands in form of ecosystem services. The opportunity is to realize through projects of common interest to local communities and other partners a means to more effectively, and cost efficiently, obtain mutual public benefits from national forests at greater scales.

The demonstration projects would not delegate or devolve national forest management responsibility and decision making, but would be designed and implemented to be fully consistent and comply with all applicable rules, regulations, and laws. Any projects that may be carried out under ECS-DEP would still be consistent with the applicable land and resource management plan. While partners may already work with the Forest Service to accomplish projects of mutual interest, an ECS-DEP project would differ from current opportunities. The proposed new authority would permit national forests' partnering entities to provide the additional means to carry out projects on National Forest System lands of benefit to both parties, while capturing economies of scale. The proposed authority would also develop suites of ecosystem services measurement and monitoring tools that would provide valuable information to emerging potential private markets. New under ECS-DEP is a provision similar to the "Colorado Good Neighbor Authority" provided for in Public Law 106-291, Section 331 (a similar law was enacted in Utah, also). This provision would facilitate the timely and cost-effective accomplishment of projects at larger scale across multiple ownerships. ECS-DEP also includes a provision to demonstrate the connection between management activities and ecosystem services benefits produced as a result of the project. Projects accomplished under ECS-DEP may have similar outcomes as those conducted under related authorities, but ECS-DEP would not be, for example, subject to cost share. Only partner funds or in-kind activities would be used to accomplish the work of an ECS-DEP.

Question 94. In Mr. Rey's testimony he discussed the Forest Service contract extension authority that can help alleviate the current crisis in the lumber market. Please explain the extent of the agency's authority to adjust contracts previously sold and the agency's intended use of that authority at this time.

Answer. The Forest Service has the authority to extend timber sales in the case of a substantial over-riding public interest (SOPI), which in this case relates to the

current crisis in the lumber market. The Forest Service can extend the time limits of a contract up to a year at a time, with the maximum length of time not to exceed the 10 years authorized by the National Forest Management Act. The Forest Service has used the SOPI authority, and will continue to do so as is necessary within the authority.

RESPONSES OF THE FOREST SERVICE TO QUESTIONS FROM SENATOR SMITH

Question 95. It is my understanding that, except in extraordinary circumstances, the BLM will use categorical exclusions for the temporary meteorological towers installed to test wind speed and collect weather data before a wind power developer even decides whether to pursue a project. Did the Forest Service consider this option? If not, why not?

Answer. Yes. The categorical exclusion option is available for use by the Forest Service's authorizing officers for meteorological towers, unless there is a finding that extraordinary circumstances exist. Environmental evaluation determines if use of a categorical exclusion is appropriate.

Question 96. The Forest Service Handbook 1909.15, section 31.2(3) allows for a categorical exclusion where "approval, modification, or continuation of minor special uses of National Forest System lands that require less than five contiguous acres of land" and including "approving the construction of a meteorological sampling site." Why would this not apply broadly to the temporary meteorological towers installed by wind developers?

Answer. The categorical exclusion option does apply broadly and is available for use by the authorizing officer, unless there is a finding that extraordinary circumstances exist. An environmental evaluation will determine if use of a categorical exclusion is appropriate.

Question 97. In October 2007, the Cadillac-Manistee Ranger Districts in Michigan granted a categorical exclusion for a meteorological tower to test wind speeds and collect weather data. Why not expand this Forest Service-wide?

Answer. Forest Service Handbook 1909.15, section 31.2(3) is an agency-wide categorical exclusion. The categorical exclusion option is available for use by the authorizing officer, unless there is a finding that extraordinary circumstances exist. An environmental evaluation will determine if use of a categorical exclusion is appropriate.

Question 98. Can the Forest Service cite any science that would justify two years of pre-installation and three years of post-installation wildlife monitoring for a temporary meteorological tower?

Answer. The proposed guidelines do not specify that all wildlife monitoring must include 2 years of pre-construction and 3 years of post-operations monitoring. The proposed guidelines state that "the authorized official shall determine the length of term for pre-construction and post-construction monitoring." (Draft FSH 2609.13 section 82), as determined by the appropriate level of environmental analyses. The intent will be clarified in the final guidelines.

Question 99. The draft guidelines specify a minimum wildlife monitoring regime of two years pre-construction and three years post-operations monitoring for all wind projects. Does this proposal take into account demonstrated wildlife impacts in various parts of the country?

Answer. The proposed guidelines do not specify that all wildlife monitoring must include 2 years of pre-construction and 3 years of post-operations monitoring. The proposed guidelines state that "the authorized official shall determine the length of term for pre-construction and post-construction monitoring" (Draft FSH 2609.13 section 82) as proposed by the appropriate level of environmental analysis. The number of years over which monitoring may occur are only recommendations, and as such, do not preclude the option of using other monitoring methods, and/or other timeframes as needed.

Pre-project scoping would identify whether any wildlife issues were likely to be associated with the proposed project site so that monitoring could be specifically targeted. Every project that requires a National Environmental Policy Act assessment takes into account site-specific issues, impacts, and environmental conditions for wildlife and all other resources of concern.

Question 100. The Forest Service requires developers to identify specific turbine locations when submitting a site plan. However, at that stage, years before construction, it is impossible for developers to know specific turbine locations or even overall project size. Further, the turbine model to be used won't be known for some time due to turbine availability and wind regime characteristics that won't become clear until later in the process. Is the Forest Service familiar with "corridor permitting," which is the standard approach used by state and local agencies?

Answer. Yes, we are familiar with this, but have not considered a specific corridor for wind energy development. In coordination with several Federal agencies, the Forest Service is currently evaluating national energy corridors in the 11 Western States and is beginning to focus on the remaining 39 States. Corridor designation is a time-consuming process and requires compliance with all regulations including the National Environmental Policy Act (NEPA) process.

Question 101. Corridor permitting allows turbines to be spaced out anywhere within a mapped, identified and studied corridor, which provides needed flexibility to developers while ensuring full environmental, cultural and other required reviews of all possible locations within the corridor. Will the Forest Service consider this type of permitting? Are there any obvious legal hurdles to doing so?

Answer. Currently, the Forest Service is not considering corridor permitting. Corridor designation requires compliance with all regulations including the National Environmental Policy Act (NEPA) process and takes time to complete. We do not foresee obvious legal hurdles beyond those requirements.

Question 102. The Forest Service has proposed being allowed to require that turbines be relocated even after a project is operational. Given the financial uncertainty surrounding this requirement—a project that was expected to produce x amount of megawatts could produce significantly less if the Forest Service exercised this option—it seems unlikely that bankers will finance projects on Forest Service lands. Is the Forest Service aware of any instances in which turbines were required to be moved in a project where appropriate pre-construction surveys were conducted?

Answer. Our directives are intended to address unusual circumstances such as when the structure becomes a health or safety hazard or when an emergency situation arises resulting from earthquakes or landslides. Removal would normally be required when the permit has expired. This is consistent with actions permitting other structures on National Forest System lands.

Question 103. Can you please explain how the Forest Service arrived at the noise restriction of 10 decibels above background noise levels? How does it compare to existing state or local noise requirements for wind projects?

Answer. The guidelines do not restrict noise levels to 10 decibels at every site. The text in Section 73.11c says “where possible and to the extent feasible”. The Forest Service recognizes that different wildlife species are sensitive to different noise levels above background noise. The draft policy states that the authorized officer would ensure, when possible, noise level restrictions to “avoid habitat abandonment or disruption of reproductive activities.” The 10 decibels ceiling is consistent with the Bureau of Land Management’s Wind Energy Programmatic Environmental Impact Statement (EIS), Chapter 5, for mitigating effects at sage-grouse leks.

Question 104. The Forest Service recommends white strobe lights. Yet, the FAA and FWS recommend red strobe lights. Why did the Forest Service make a different recommendation?

Answer. This is an error in the draft guidelines—both red and white lights are recommended. This will be corrected in the final document.

RESPONSE OF THE FOREST SERVICE TO QUESTION FROM SENATOR AKAKA

Question 105a. I am pleased that you have requested \$75 million for the Legacy Roads and Trails Remediation Program, which is \$35.6 million more than the FY 2008 Enacted level. This Roads Initiative, as you know, addresses the growing problems associated with deteriorating Forest Service roads, including habitat loss, declining water quality, and reduced recreational opportunities, including fishing. The Roads Initiative would also provide economic benefits, saving taxpayers up to \$1,200 annually per mile of road in reduced maintenance costs.

How does the Forest Service plan to implement the program?

Answer. The FY 2009 Budget Justification does not include a program for Legacy Roads and Trails. However, for FY 2008, the Forest Service plans to implement activities that support the program using existing regulations and policies established under authority of the Forest Highway Act of 1958 (23 USC 101 & 205), National Forest Roads and Trails Act of 1964 (16 USC 532 to 538), and Federal Land Policy and Management Act of 1974 (16 USC 1608).

Funds for the authorized FY 2008 program have been allocated to Forest Service regions. National reporting of all accomplishments, including detailed reports on selected exemplar projects, will be required.

The Omnibus made existing mandatory funds available as a discretionary function. The direction in the Bill language for the work to be accomplished with this new effort is currently appropriate under existing appropriations including perma-

ment and trust appropriations. The agency will continue this work through other existing programs in FY 2009 and beyond.

Question 105b. Will projects be prioritized based on “need,” or on other criteria, such as by geographical region(s)?

Answer. For FY 2008, funds provided will be used for projects that comply with the language contained in the Consolidated Appropriations Act of 2008. Funds will be used for “urgently needed road decommissioning, road and trail repair and maintenance and associated activities, and removal of fish passage barriers, especially in areas where Forest Service roads may be contributing to water quality problems in streams and water bodies which support threatened, endangered or sensitive species or community water sources and for urgently needed road repairs required due to recent storm events.” Other considerations include availability of partnership funds and capability to award contracts in FY 2008.

Question 105c. How much of a “need” is there for remediation of Hawaiian forest roads?

Answer. There are no National Forest System lands in Hawaii, and thus there are no National Forest System Roads in Hawaii. Appropriations authorized under 23 USC 205 are only available for construction and maintenance on National Forest System Roads (Forest Development Roads).

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