

DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2017

WEDNESDAY, MARCH 2, 2016

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:02 a.m., in room SD-124, Dirksen Senate Office Building, Hon. Lisa Murkowski (chairman) presiding. Present: Senators Murkowski, Cochran, Blunt, Daines, Cassidy, Udall, Feinstein, Leahy, Reed, Tester, and Merkley.

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

STATEMENT OF HON. SALLY JEWELL, SECRETARY

ACCOMPANIED BY:

MICHAEL CONNOR, DEPUTY SECRETARY

KRISTEN SARRI, PRINCIPAL DEPUTY ASSISTANT SECRETARY

OPENING STATEMENT OF SENATOR LISA MURKOWSKI

Senator MURKOWSKI. Good morning. I would like to welcome everyone to our first hearing of the Interior Appropriations Subcommittee for fiscal year 2017. We are here to review the budget request for the Department of the Interior.

I would like to welcome our witnesses this morning. We have the Honorable Secretary Sally Jewell, who is accompanied by Deputy Secretary Mike Connor as well as Principal Deputy Assistant Secretary Kris Sarri. Welcome to all of you.

Since this is our first hearing this year, I will just remind colleagues that we will follow past practices and adhere to the early bird rule for recognizing members for questions. I will call on members in the order they arrive, going back and forth between majority and the minority. We will do 6-minute rounds of questions.

My expectation this morning is that we will likely do two to three rounds of questions, depending on votes and schedules of the members and the witnesses. I will try to accommodate everyone so that they have an opportunity to address the issues that they wish to raise.

I also want to thank and welcome my ranking member, Senator Udall. We managed to mark up this bill for the first time in 6 years in fiscal year 2016. While we didn't agree on everything that was in the bill, things were never disagreeable. I really appreciate that.

I think that my friend from New Mexico has an overall good nature and a passion for the issues that are important to this subcommittee and I greatly respect it. So I am looking forward to another productive year for the subcommittee, working with both you and all the members of the subcommittee.

Turning to the budget request for the Department of the Interior, it is \$12.25 billion for programs within this subcommittee's jurisdiction. This includes \$290 million for a proposal similar to last year, which allows certain firefighting costs to be appropriated as disaster funds. This total is 2 percent above the enacted level.

But I should note for my colleagues that the department's request does not include funds for the Payments in Lieu of Taxes program (PILT) as part of the discretionary budget.

Funding for PILT was provided within our bill last year at the fully authorized level of \$452 million. So when you look at an apples-to-apples comparison to fiscal year 2016, my assessment is that the President's request is roughly 5.8 percent above current levels.

Secretary, as I noted when you appeared before the Energy Committee last week, there are a number of aspects of the President's budget proposal that I do find troubling. It includes a number of mandatory spending proposals without providing any offsets.

Mandatory spending for the Land and Water Conservation Fund (LWCF) is at \$425 million without an offset. Similarly, for the National Park Service, the budget proposes mandatory spending of \$1.5 billion over a 3-year window, again with no offsets.

This administration has engaged in this somewhat questionable practice of proposing mandatory funding for popular programs with no offsets during the last several budget cycles. This approach raises expectations that funding will materialize when we all know that finding payfors—even for the most popular programs—is extremely difficult in this budget environment.

If the authorizing committees are unable to find offsets in their jurisdiction to pay for these proposals, it puts more pressure on this subcommittee to find funds out of our limited resources.

The budget also prioritizes certain programs within this subcommittee's jurisdiction over others, and essentially places them on autopilot at the expense of other dire needs. Some of those needs, and I am sure we will hear about them this morning, are the needs in Indian country, where our schools are failing and suicide rates are so far above the national average that it is just heartbreaking.

I know, Secretary, that you share concerns about what is headed in Indian Country with me.

The healthcare system is strained to its limits, often providing services in facilities that are over 100 years old.

So you have a situation where funding increases, as proposed for LWCF and the National Park Service, are elevated and prioritized each year among all the programs over which this subcommittee has oversight. This budget appears to have done just that.

I don't want to send the wrong impression here. I will work with the administration and my colleagues on a responsible, bipartisan National Park Service centennial bill. I think that is important. But I do think the \$1.5 billion proposal put forward is not realistic. I hope we can be creative in the use of public/private partnerships

and other means to stretch our Federal funding further and to reach consensus on a bill that appropriately celebrates the 100th anniversary of our national parks.

I am also concerned that, yet again, when oil prices have fallen dramatically and many companies are on the verge of bankruptcy, the department indicates in its budget request that it will propose a host of new fees and royalty rate increases on energy producers that will exceed \$1.7 billion. There are also new fees on grazing and hard-rock mining.

I just don't see how making it more expensive to do business on public lands is sound policy or good for the United States Treasury.

I am pleased that this budget fully funds contract support costs and adopts the approach that I put forward in the Senate mark for fiscal year 2016, which establishes a separate, indefinite appropriation for these costs to ensure that these legal obligations are met and other programs will not be affected.

We have come a long way since a couple years ago when the administration proposed circumventing the tribes' victory in the Ramah decision and sought to cap these costs. I thank all my colleagues both here in the Senate and in the House for their support in this effort.

Finally, Madam Secretary, there remains King Cove, which is still totally unresolved. We once again discussed this issue last week in your testimony before the Energy Committee. But, again, I don't see anything in this budget request to help those whose lives are in needless danger. You did agree last week, Secretary, to publicly release the nonroad, nonsolutions study that Interior commissioned for King Cove during the budget hearing. When we get to the questions time, I do plan to ask you about the timing on this report.

I have talked to virtually all of my colleagues about the need for a lifesaving road to King Cove. I mention it again here, particularly for the information of members who are not on the Energy Committee, so that they remain aware that I remain committed to do everything in my power as the chairman of that committee and as chairman of the Interior Subcommittee to fight for the construction of this critical road.

With that, I want to thank, again, the Secretary and the Deputy Secretaries, and my colleagues for their appearance here this morning.

And I will now turn to Ranking Member Udall for any comments that he would like to make.

STATEMENT OF SENATOR TOM UDALL

Senator UDALL. Good morning. Thank you, Madam Chair, for those very kind comments at the beginning. I will reciprocate here in a minute with some also.

Good morning, also, Secretary Jewell. We are very pleased to have you appear before the subcommittee to discuss the Department of the Interior's fiscal year 2017 budget request. I am also pleased to welcome Deputy Secretary Mike Connor and Deputy Assistant Secretary Kris Sarri before the subcommittee.

Before we turn to the budget, I want to thank Chairman Murkowski for working with me to produce what I think is a very good

budget for the department in 2016. Madam Chairman, we have had some challenging policy issues to work through, so I am very pleased that we were able to pass a bill that included critical increases for national parks, tribal programs, Land and Water Conservation Fund, and many of the programs that we will discuss this morning.

I also want to recognize, Madam Chair, your hard work and your leadership of this subcommittee. I know it will be a pleasure to work with you again this year, and to work with your very fine staff to support our common interests in this bill.

That said, this subcommittee's job is not going to be easy. Under the Budget Control Act, discretionary spending for nondefense programs is essentially flat in 2017. At the same time, we have to fund certain must-do increases across the Government, including firefighting and tribal contract support costs for this subcommittee. So that flat funding level effectively means a cut.

On paper, the department's discretionary request also looks flat compared to fiscal year 2016, in keeping with the budget caps. But if you dig a little deeper, it is clear that the President used savings from a number of proposals to create room for some significant increases. These proposals include funding part of the firefighting budget with a new disaster cap authorization and providing mandatory funding for the Payment in Lieu of Taxes program.

In fact, when you factor in all the sources of funding, this budget is really a 2 percent increase overall for the department. I like many of the increases that this budget proposes. It provides a 9 percent increase for our national parks and a 5 percent increase for the Bureau of Indian Affairs to support tribal education and social service needs.

I could not agree, Chairman Murkowski, with you more, in talking about the dire state and dire situation in Indian country, in terms of education.

This budget also expands on the increases that we provided in the 2016 omnibus to the Land and Water Conservation Fund (LWCF). It proposes \$475 million for LWCF programs funded by this bill, and proposes to transition the program to its full authorized level of \$900 million in future years.

There are many important increases as well for wildlife refuges, energy development, science and climate change programs—all very important investments. But let's be clear. Since funding is tight, our ability to fund many of these increases depends on getting agreement to reform the wildland firefighting budget and enacting a long-term mandatory funding source for the Payment in Lieu of Taxes program.

Until we are successful in enacting those changes, we will have to prioritize what we fund very carefully, and that means very tough trade-offs.

The budget also includes some important legislative proposals that I expect we will discuss today. In particular, I want to applaud the administration's leadership to reform energy and mining activities on public lands and make sure that taxpayers are getting a fair return from the development of those lands. I am pleased to see that your budget addresses hard-rock mining reforms, including setting a fair royalty for mining operations on public lands and pro-

posing a hard-rock abandoned mine fee to address legacy cleanup issues.

I have also sponsored legislation to take on this issue. We need real mining reform, and we have needed it for a long time. It makes no sense that we still rely on an antiquated law that is nearly 150 years old as the framework for mining in this country.

Events like the Gold King Mine disaster should serve as a wake-up call for all of us. We have to get serious about cleaning up abandoned mines. There are abandoned toxic mine sites throughout the West. These mines are ticking time bombs. They are releasing a slow-motion stream of lead, arsenic, cadmium, and toxins into water supplies, water we need for drinking, irrigation, and recreation.

The cleanup costs are absolutely astronomical. I have seen estimates between \$9 billion and \$21 billion. In New Mexico alone, the cost is estimated between \$385 million and \$840 million.

Today's mining industry has much better standards, but this toxic legacy cannot be left unaddressed. The damage has been done, and taxpayers should not be left holding the bag for the mess as well as for future cleanup costs. The cost of inaction on mining reform has been too great already. We cannot afford to wait, and it is time that we act.

You are doing the right thing, Secretary Jewell, and I want to work with you to enact common-sense reforms.

Thank you again for appearing before us. I look forward to hearing your testimony and having a good discussion and dialogue.

Thank you, Madam Chair.

Senator MURKOWSKI. Thank you, Senator Udall.

We have the chairman of the full Appropriations Committee with us this morning.

Mr. Chairman, would you care to make any comments or statements before we hear from the Secretary?

STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. Madam Chair, I appreciate the recognition. I am delighted to be able to announce that, this year, the City of Natchez, Mississippi, is celebrating its tricentennial anniversary, a very rich history. A historically significant area of the Lower Mississippi River Valley will be brought together with local municipalities and counties in helping make sure that tourists know of this destination site where you will learn a lot and meet a lot of fine people. So come to Natchez and help us celebrate. Thank you.

Senator MURKOWSKI. Thank you, Mr. Chair.

I just had to think, tricentennial. As a State, we are about 58 years old in Alaska. So boy, if that does not remind you—

Senator COCHRAN. To be 58 again. [Laughter]

Senator MURKOWSKI. To be 58 again, yes. America is a beautiful place.

With that, let us go to the Secretary of the Interior. Welcome this morning. We appreciate you being here and look forward to your comments and the questions that will follow.

SUMMARY STATEMENT OF HON. SALLY JEWELL

Secretary JEWELL. Thank you. And congratulations on the tricentennial. It would be fun to be there.

Chairman Murkowski, Ranking Member Udall, Chairman Cochran, and members of the subcommittee, thank you so much for the opportunity to discuss the fiscal year 2017 budget request for the Department of the Interior. This is the administration's final budget, and I want to take the opportunity to thank all of you and your capable staffs for working with me over the last 3 years to help the Department meet its mission for the American people.

I would like also to take a moment to mention the incident at the Malheur National Wildlife Refuge in Harney County, Oregon. Through tremendous patience and professionalism, the FBI, with support from State and local law enforcement, ended the occupation on February 11 as quickly and safely as possible after more than 40 days.

It was an incredibly disruptive and distressing time for our employees, their families, and the Harney County community. I am proud of our Department of the Interior law enforcement personnel who supported the response and helped keep our employees safe.

We continue to cooperate with DOJ, the FBI, and others, as the investigations move forward. And we remain committed to working with local communities on the management of public lands.

Interior's overall fiscal year 2017 budget request is \$13.4 billion, a lion's share within this subcommittee. Specifically for programs within this subcommittee's jurisdiction, as mentioned, is \$12.3 billion.

It builds on the successes we are achieving through partnerships, the application of science and innovation, and balanced stewardship. It gives us the tools to help communities strengthen resilience in the face of climate change, conserve natural and cultural resources, secure clean and sustainable water, engage the next generation with the great outdoors, promote a balanced approach to safe and responsible energy development, and expand opportunities for Native American communities.

These areas are core to our mission and play a vital role in job creation and economic growth.

The budget invests in our public lands, providing \$5 billion to support operations of our national parks, historical and cultural sites, wildlife refuges and habitats, and managing multiple use and sustained yield on our Nation's public lands.

It focuses investment on important working landscapes like the western Sage-Steppe, and the Arctic, and proposes a 10-year, \$2 billion coastal climate resilience program to support at-risk coastal States and local governments, including funding for communities in Alaska to prepare for and adapt to climate change.

As the National Park Service begins its second century, the budget provides \$3 billion and includes a proposal to dedicate significant funding to reduce the deferred maintenance backlog. It calls for full and permanent funding of the Land and Water Conservation Fund and extends the expired authority for the Historic Preservation Fund.

It reflects the administration's strategy to more effectively budget for catastrophic wildfires, as you pointed out. And in response to drought challenges across the West, it continues to safeguard sustainable and secure water supplies.

We continue to engage the next generation of Americans to play, learn, serve, and work outdoors with \$103 million for youth engagement. This includes mentoring and research opportunities at the U.S. Geological Survey; urban community partnerships; scholarships and job corps training for tribal, rural, and urban youth; and work opportunities within our bureaus. There is \$20 million for the Every Kid in a Park initiative, which introduces America's fourth graders to their public lands, providing education programs across the country and transportation support for low-income students.

We continue to promote a balanced approach to safe and responsible energy development that maximizes a fair return for taxpayers with \$800 million for renewable and conventional energy development, a \$42 million increase. We are on track to meet the President's goals of permitting 20,000 megawatts of renewable energy capacity on public lands by 2020, with nearly \$100 million for renewable energy development and infrastructure.

Offshore, this budget supports the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement with funding to reform and strengthen responsiveness, oversight, and safety for oil and gas development.

Onshore, an increase of \$21 million supports the Bureau of Land Management's (BLM's) efforts to develop a landscape-level approach to oil and gas development, modernize and streamline permitting, and strengthen inspection capacity.

We are expanding educational and job opportunities for Native American communities with \$3 billion for Indian Affairs, a 5 percent increase, to support native youth education, American Indian and Alaskan Native families, public safety, and building resilience to climate change. The President's budget calls for a \$1 billion investment in Indian education as part of Generation Indigenous, and \$278 million to fully fund contract support costs, a cornerstone of tribal self determination.

The budget supports our commitment to resolve Indian water right settlements and supports sustainable water management in Indian country with \$215 million, a \$5 million increase.

The budget includes funding to strengthen cybersecurity controls across all agencies. It also invests in science and innovation with \$150 million for natural hazards at the USGS, an \$11 million increase. Funding will continue development of Landsat 9, a critical new satellite expected to launch in 2021.

This is a smart budget that builds on our previous successes and strengthens partnerships to ensure we balance the needs of today with opportunity for future generations. So thank you, members of the subcommittee. I look forward to any questions you may have.

[The statement follows:]

PREPARED STATEMENT OF HON. SALLY JEWELL

Madame Chairman, Ranking Member Udall, and members of the subcommittee, I am pleased to present the 2017 President's budget for the Department of the Interior providing \$13.4 billion for the Department's programs with \$290 million avail-

able in the event of catastrophic fires. Of this amount, \$12.3 billion is within the jurisdiction of this subcommittee, an increase of \$224.4 million with the fire cap adjustment.

This is a strong budget that builds on our accomplishments. Our request enables us to carry out our important missions—maintain our core capabilities, meet commitments, and invest in key priorities. The investments in this request show the administration remains focused on meeting the Nation's greatest challenges looking forward and ensuring our economy works for all.

Our budget is part of the President's broader strategy to make critical investments in domestic and national security priorities while adhering to the bipartisan budget agreement signed into law last fall, and lifts sequestration in future years to continue investment in the future. This budget recognizes the importance of Interior's programs to the overall strength of the Nation's economy. To put this into perspective, in 2014, Interior-managed lands and activities contributed about \$360 billion in national economic output, supporting an estimated 2 million jobs. Of this, energy and mineral development on Interior-managed lands and offshore areas generated more than \$241 billion in economic activity and supported nearly 1.1 million jobs.

At the same time, our 2017 proposed investments lay the groundwork for promoting renewable energy development, managing the Nation's lands responsibly, helping to protect communities in the face of climate change, and investing in science to inform natural resource management. Our budget features investments to launch the second century of the national parks and expand public accessibility to and enjoyment of America's public lands. It supports tribal priorities in Indian Country, including a \$1.1 billion investment to transform Indian schools and education, and provides full funding for tribal contract support costs. This request addresses significant resource challenges for the Nation, including water availability, particularly in the arid West, and makes important investments in America's water infrastructure.

The 2017 budget includes \$1.0 billion for research and development activities throughout the Department, an increase of \$84.5 million from the 2016 enacted level. Activities supported include scientific analysis of natural systems and applied field research to address specific problems, such as thawing permafrost, invasive species, and flooding. With multiple science programs across the Department's bureaus and offices, science coordination remains a critical component in the process of effective science application. Interior is well served by the deployment of science advisors in each bureau. These advisors serve critical roles within the organizations and across the Department by sharing information concerning new research efforts, identifying and evaluating emerging science needs, and ensuring effective science delivery and application. The Interior 2017 budget reflects high priority needs identified for scientific research across the Department.

THE 2017 BUDGET ADVANCES A RECORD OF ACHIEVEMENT

This budget builds on a record of achievement across Interior's diverse mission. For the past several years, the Department led an unprecedented proactive strategy to develop land use plans with Federal, State, and local partners to address the deteriorating health of America's sagebrush landscapes and the declining population of the Greater sage-grouse. This landscape scale conservation effort is an extraordinary collaboration to significantly address threats to the Greater sage-grouse across 90 percent of the species' breeding habitat. These efforts enabled the U.S. Fish and Wildlife Service to conclude the charismatic rangeland bird does not warrant protection under the Endangered Species Act. This collaborative, science-based strategy is the largest land conservation effort in U.S. history, and helps to protect the species and its habitat while also providing certainty needed for sustainable economic development across millions of acres of Federal and private lands throughout the western United States. The 2017 budget includes \$89.7 million for Sage Steppe conservation, an increase of \$22.9 million over 2016 enacted.

This budget continues to advance development of renewable energy. Over the summer of 2015, Interior's offshore wind energy leasing efforts led to beginning construction of the first offshore wind farm. This first of its kind project will provide a model for future development of offshore wind energy. Since 2009, Interior has approved 56 wind, solar, and geothermal utility scale projects on public or tribal lands. When built, these projects could provide about 14,600 megawatts—enough energy to power nearly 4.9 million homes and support more than 24,000 construction jobs. The 2017 budget includes \$97.3 million for clean energy programs, an increase of \$3.1 million over 2016 enacted.

The 2017 budget sustains President Obama's strong commitment to tribal self-determination, strengthening tribal nations, and investing in the future of Native youth. Interior established the Land Buy Back Program which, in only 2 years of active land purchases, invested more than \$730 million in Indian Country to restore nearly 1.5 million acres of land to Indian tribes. The effort to improve and transform the Bureau of Indian Education to better serve American Indian and Alaska Native youth is building the foundation for improved student outcomes and enduring traditions and native cultures. In 2016, work will begin to replace the final 2 of 14 Bureau of Indian Education schools identified in 2004 as requiring the greatest need for replacement construction. Also, in 2016, Interior will finalize the next list of replacement schools determined through a negotiated rulemaking process. This budget includes \$138.3 million for education construction and maintains a commitment to continue to invest in improving educational opportunities and quality from the earliest years through college.

Interior continues to engage in innovative efforts to leverage youth engagement and partnerships to advance the Department's extraordinary mission. Interior set the goal to provide 40,000 work and training opportunities during 2014 and 2015 for young adults, toward a goal of 100,000 by 2017. Interior met its priority goal—providing 52,596 work and training opportunities over the past two fiscal years by collaborating across all levels of government and mobilizing the 21st Century Conservation Corps. From Denali to the Everglades, members of the youth conservation corps are gaining work experience, helping improve the visitor experience, and mobilizing entire communities in the stewardship of our parks, refuges, waters and heritage. The 2017 budget includes a total of \$102.5 million, an increase of \$37.6 million over 2016 enacted, for programs to advance youth engagement.

Partnerships are critical to enhancing our public lands and providing additional recreational opportunities to the public. An example of the significant impact of these efforts is the CityArchRiver project is a public-private partnership building connections that enhance downtown St. Louis, the Gateway Arch grounds at the Jefferson National Expansion Memorial, and the Mississippi riverfront. This partnership includes the National Park Service, Missouri Department of Transportation, Great Rivers Greenway District, City of St. Louis, Bi-State Development Agency, CityArchRiver Foundation, and others. In January, the Foundation completed a \$250 million capital campaign which means the Foundation has raised \$221 million in private funding for construction of the \$380 million CityArchRiver project and an additional \$29 million to seed an endowment that will help maintain and operate the park moving forward.

PROMOTES THE CONSERVATION AND PROTECTION OF AMERICA'S NATURAL AND CULTURAL RESOURCES

This year, the National Park Service celebrates 100 years of preserving and sharing America's natural, cultural, and historic treasures. Interior's 2017 budget makes investments to connect a new generation to "America's Best Idea," and to care for and maintain our national parks for the next 100 years. Last year, the National Park Service's 410 units welcomed 307 million visitors—setting a new visitation record. Every tax dollar invested in a park returns more than \$10 to the U.S. economy.

The budget includes a discretionary increase of \$190.5 million to invest in the next century of the National Park Service. This includes a \$20.0 million increase for the *Every Kid in a Park* initiative, a \$20.0 million increase to the Centennial Challenge program providing a Federal match to leverage partner donations for projects and programs at national parks, and a \$150.5 million increase to address high priority deferred maintenance needs across the national park system.

This current funding is complemented by a legislative proposal to provide new mandatory funding. The National Park Service Centennial Act includes \$100.0 million a year, for 3 years, for Centennial Challenge projects to provide the Federal match in support of signature projects at park units; \$100.0 million a year for 3 years for the Public Lands Centennial Fund, a competitive opportunity for public lands agencies to support conservation and maintenance projects; and \$300.0 million a year, for 3 years, for Second Century Infrastructure Investment projects to make a meaningful and lasting impact on the NPS deferred maintenance backlog. The Act also provides authority to collect and retain additional camping or lodging fees and funds collected from purchases of the lifetime pass for citizens 62 years of age or older. Receipts for this Second Century Fund will be matched by donations to fund visitor enhancement projects.

Together, the discretionary and mandatory funding proposals will allow the National Park Service to make targeted, measurable upgrades over the next 10 years

to all of its highest priority, non-transportation assets, restoring and maintaining them in good condition.

America's public lands and waters offer space to get outside and get active, and provide living classrooms with hands-on opportunities to build skills. The administration launched the *Every Kid in a Park* Initiative to inspire the next generation to discover all America's public lands and waters have to offer. Starting with the 2015–2016 school year, all fourth grade students and their families are able to receive free admission to all national parks and other Federal lands for a full year. The National Park Service budget for 2017 includes \$20.0 million for *Every Kid in a Park* to introduce at least one million fourth grade students from elementary schools serving disadvantaged students in urban areas to nearby national parks and provide park programs tailored for young people and their families, especially at high visitation and urban parks.

Investments in America's great outdoors create and sustain millions of jobs and spur billions of dollars in national economic activity through outdoor recreation and tourism. An estimated 423 million recreational visits to Interior lands contributed \$42 billion to the economy and supported about 375,000 jobs nationwide. The 2017 budget proposes full funding for Land and Water Conservation Fund (LWCF) programs at Interior and the Department of Agriculture. This innovative, highly successful program reinvests royalties from offshore oil and gas activities into public lands across the Nation. Starting in 2017, the budget will invest \$900.0 million annually into conservation and recreation projects, equal to the amount of receipts authorized for deposit into the LWCF each year, through a combination of \$475.0 million in current discretionary funding and \$425.0 million in mandatory funding. These investments will conserve public lands in or near national parks, refuges, forests and other public lands, and provide grants to States for close-to-home recreation and conservation projects on non-Federal lands.

The budget continues efforts to manage and promote the health and resilience of ecosystems on a landscape scale, including a continued focus in priority landscapes such as the California Bay-Delta, the Everglades, the Great Lakes, Chesapeake Bay, and the Gulf Coast. The request includes a total of \$79.2 million for Bureau of Land Management efforts, to protect and restore America's vast sage steppe landscape supporting abundant wildlife and significant economic activity, including recreation, ranching and energy development. This investment reflects Interior's continued support of the unprecedented Federal and State collaboration to conserve the imperiled sage steppe landscape in the face of threats from fire, invasive species, expanding development, and habitat fragmentation. The budget also invests \$160.6 million in landscape scale efforts to address the complex natural resource issues facing the Arctic.

IMPLEMENTS THE PRESIDENT'S CLIMATE ACTION PLAN

As manager of roughly 20 percent of the land area of the United States and a partner with tribal, Federal, State, local, and territorial government land managers, the Interior Department works to address the challenges of natural hazards brought on by a changing climate as an integral part of its mission. The budget includes funding to improve the resilience of communities and ecosystems to changing stressors, including flooding, severe storm events, and drought as part of the administration's effort to better understand and prepare for the impacts of a changing climate.

The budget proposes \$2.0 billion in mandatory funding for a new Coastal Climate Resilience program, to provide resources over 10 years for at-risk coastal States, local governments, and their communities to prepare for and adapt to climate change. This program would be paid for by redirecting roughly half of the savings that result from the repeal of offshore oil and gas revenue sharing payments that are set to be paid to only four States under current law. A portion of these program funds would be set aside to cover the unique impacts of climate change in Alaska where rising seas, coastal erosion, and storm surges are threatening Native Villages that must prepare for potential relocations.

Population growth near forests and rangelands and a changing climate are increasing wildfire risk and resulting costs. The budget calls for a new funding framework for wildland fire suppression, similar to how other natural disasters are addressed. The budget includes base level funding of 70 percent of the 10-year average for suppression costs and an additional \$290.0 million through a cap adjustment, available in the event of the most severe fire activity, which comprises only 2 percent of the fires but 30 percent of the costs. This framework allows for a balanced suppression and fuels management and restoration program, with flexibility to ac-

commodate peak fire seasons, but not at the cost of other Interior and U.S. Department of Agriculture missions.

Healthy communities require secure, sustainable water supplies. This is particularly challenging with record drought conditions and increasing demand taxing watersheds throughout the country, especially in the arid West. To help increase the security and sustainability of Western watersheds, the budget continues investment in the Department's WaterSMART program to promote water reuse, recycling, and conservation, in partnership with States, tribes, and other partners. Funding is also included for research, development, and challenge competitions to find longer term solutions through new water technologies. The budget invests in the Nation's water infrastructure to ensure millions of customers receive the water and power that are the foundation of a healthy economy.

POWERS THE FUTURE THROUGH BALANCED ENERGY DEVELOPMENT

To enhance national energy security and create jobs in new industries, the budget invests in renewable energy development programs to review and permit renewable energy projects on public lands and in offshore waters. Under the President's Climate Action Plan, these funds will allow Interior to continue progress toward its goal of increasing approved capacity authorized for renewable—solar, wind, geothermal, and hydropower—energy resources affecting Interior managed lands, while ensuring full environmental review, to at least 16,600 Megawatts (since the end of fiscal year 2009). The budget includes an increase of \$2.0 million for the Office of Insular Affairs to provide assistance to implement energy projects identified by the territories in their comprehensive sustainable energy strategies.

To address the continuing legacy of abandoned mine lands on the health, safety, environment, and economic opportunity of communities, the budget proposes \$1.0 billion to States and tribes over 5 years from the unappropriated balance of the AML Trust Fund, administered by the Office of Surface Mining Reclamation and Enforcement. As part of the President's POWER+ Plan, the AML funding will be used to target the reclamation of mine land sites and associated polluted waters in a manner that promotes sustainable redevelopment in economically distressed coal-field communities. The budget includes legislative reforms to strengthen the healthcare and pension plans that provide for the health and retirement security of coal miners and their families.

The budget provides support for onshore energy permitting and oversight on Federal lands, with the Bureau of Land Management's discretionary and permanent oil and gas program receiving a 17 percent increase in funding compared to the 2016 enacted level. The funding increase will enhance BLM's capacity to oversee safe, environmentally-sound development and ensure a fair return to taxpayers, with increases targeted to improve leasing processes, implementation of new regulations and rules, and a modernized automated permitting process. The BLM's costs would be partially offset through new inspection fees totaling \$48 million in 2017, requiring the onshore oil and gas industry to share in the cost of managing the program from which it benefits, just as the offshore industry currently does.

The budget also supports reforms to strengthen oversight of offshore industry operations following the 2010 *Deepwater Horizon* oil spill, with an additional emphasis on risk management. The budget includes \$175.1 million for the Bureau of Ocean Energy Management and \$204.9 million for the Bureau of Safety and Environmental Enforcement, which share responsibility for overseeing development of oil and gas resources on the Outer Continental Shelf.

STRENGTHENING TRIBAL NATIONS

The President's budget maintains the administration's strong support for the principle of tribal self-determination and strengthening tribal communities across Indian Country. This commitment is reflected in a nearly 5 percent increase for the Bureau of Indian Affairs over the 2016 enacted level. The budget calls for full funding for contract support costs that Tribes incur from managing Federal programs, complemented by a proposal to secure mandatory funding in future years. The budget provides significant increases across a wide range of Federal programs that serve tribes; proposes a "one-stop" approach to improve and coordinate access to Federal programs and resources; seeks to improve the quality of data by partnering with the Census Bureau; supports sustainable stewardship of land, water, and other natural resources; provides funds for communities to plan, prepare, and respond to the impacts of climate change; and expands resources to promote tribally based solutions and capacity building to strengthen tribal communities as a whole. The budget continues to address Indian water rights settlement commitments and programs to sup-

port tribes in resolving water rights claims, developing water sharing agreements, and supporting sustainable water management.

The budget includes key investments to support Generation Indigenous, an initiative addressing barriers to success for American Indian and Alaska Native children and teenagers. In addition to Interior, multiple agencies—including the Departments of Education, Housing and Urban Development, Health and Human Services, Agriculture, and Justice—are working collaboratively with tribes on new and increased investments to implement education reforms and address issues facing Native youth. The budget provides over \$1 billion for Interior investments in Indian education.

IMPROVES OVERSIGHT AND USE OF FEDERAL DOLLARS

Interior has several multi-year efforts underway to reduce its nationwide facilities footprint, and improve the efficiency and effectiveness of its information technology infrastructure and financial reporting capabilities. The budget includes \$6.4 million to consolidate building space and reduce costs to the taxpayer for privately leased space. Interior achieved a 4.6 percent reduction—2.1 million square feet—in office and warehouse space between fiscal year 2012 and fiscal year 2015. This represents a net annual cost avoidance of approximately \$8 million. In 2016, the modernization of the sixth and final wing of the Main Interior Building will be completed, including infrastructure upgrades that improve energy efficiency and sustainability and reconfigured space to support higher occupancy.

The budget includes \$3.0 million for Interior's Digital Services team to increase the efficiency and effectiveness of the agency's highest impact digital services. The budget continues to optimize the Department-wide Financial and Business Management System with targeted investments to improve reporting and increase data quality and transparency, as envisioned in the DATA Act.

The budget includes an increase of \$2.6 million to support implementation of Federal Information Technology Acquisition Reform Act, to improve standardization of information technology investments by strengthening the role of the Department's Chief Information Officer in strategic planning, budget formulation and execution, and acquisition of information management and technology activities. The budget includes \$34.7 million in the appropriated working capital fund to continue the Department's remediation of its cybersecurity systems and processes, an increase of \$24.7 million above the 2016 enacted level. The additional funding will allow the Department to secure its valuable information on behalf of our employees, customers, partners and the American public.

The United States Treasury received \$7.2 billion in 2015 from fees, royalties and other payments related to oil and gas development on public lands and waters. A number of studies by the Government Accountability Office and Interior's Office of Inspector General found taxpayers could earn a better return through policy changes and more rigorous oversight. The budget proposes a package of legislative reforms to bolster administrative actions focused on advancing royalty reforms, encouraging diligent development of oil and gas leases, and improving revenue collection processes. The administration is committed to ensuring American taxpayers receive a fair return from the sale of public resources and benefit from the development of energy resources owned by all Americans.

The budget includes legislative proposals related to Reforms of Hardrock Mining. To increase safety and minimize environmental impacts, the budget proposes a fee on hardrock mining, with receipts to be used by States, tribes and Federal agencies to restore the most hazardous sites—similar to how coal Abandoned Mine Lands funds are used. In addition, to ensure taxpayers receive a fair return from mineral development on public lands, the budget proposes a royalty on select hardrock minerals—such as silver, gold and copper—and terminating unwarranted payments to coal producing States and tribes that no longer need funds to clean up abandoned coal mines.

BUREAU HIGHLIGHTS

Bureau of Land Management.—The 2017 request is \$1.3 billion, \$7.1 million above 2016. This includes \$1.2 billion for BLM operations, an increase of \$2.1 million above the 2016 enacted level, with \$1.1 billion for Management of Lands and Resources and \$107.0 million for Oregon and California Grant Lands programs. The change in total program resources from 2016 and 2017 is larger, as the budget proposes offsetting user fees in the Rangeland Management and Oil and Gas Management programs which reduce the total request by \$64.5 million.

The budget also includes \$44.0 million in current appropriations for LWCF land acquisition, including \$8.0 million to improve access to public lands for hunting,

fishing, and other recreation. BLM's LWCF land acquisition investments promote the conservation of natural landscapes and resources by consolidating public lands through purchase, exchange and donation to increase management efficiency and preserve areas of natural, cultural, and recreational importance. The BLM estimates 23 million acres (or nine percent) of BLM-managed public lands lack public access or have inadequate public access, primarily due to checkerboard land ownership patterns. The BLM's proposed land acquisition project within the Rio Grande del Norte National Monument in New Mexico illustrates the many benefits of land acquisition to BLM's mission. An investment of \$1.3 million would allow BLM to acquire 1,186 acres of private inholdings within the monument to preserve traditional uses, secure connectivity to the Rio Grande Wild & Scenic Corridor, preserve avian and wildlife habitat, protect prehistoric human habitation sites, and improve recreation and tourism.

Complementing the second century of the parks, the BLM budget includes investments in the National Conservation Lands, which recently celebrated their 15th anniversary. Thirteen new National Conservation Lands units were designated during the current administration and visitation and visitor expectations and demands have consistently increased for the whole National Conservation Lands system during this period. The 2017 budget features a \$13.7 million increase to meet basic operating requirements and support critical and overdue investments to effectively safeguard the cultural, ecological, and scientific values for which they were designated and provide the quality of recreational opportunities intended with the National Conservation Lands designation. A program increase of \$1.1 million in Cultural Resources Management will enhance BLM's capacity to preserve and protect the vast treasure of heritage resources on public lands and a program increase of \$2.0 million in Recreation Resources Management will further implement a National Recreation Strategy to facilitate access to public lands.

The BLM continues to support the President's broad energy strategy, with significant increases requested in 2017 to strengthen its ability to effectively manage on-shore oil and gas development on Federal lands. The 2017 budget for oil and gas management activities, including the request for direct and fee funded appropriations and estimated permanent appropriations totals \$186.6 million, an increase of \$27.6 million in total program resources over the 2016 enacted level.

For direct appropriations, the oil and gas request is a net program increase of \$19.9 million. Within this net total, \$13.1 million will support implementation of rules and regulations to ensure oil and gas operations are safe, environmentally responsible, and ensure a fair return to the taxpayer. These include new oil and gas measurement and site security regulations, hydraulic fracturing regulations, and venting and flaring regulations. A \$2.1 million increase will complete modernization of the Automated Fluid Minerals Support System. The development work associated with Phase II of AFMSS modernization includes new functionality supporting new proposed rules and those currently expected to be finalized in 2016. Overall, the AFMSS modernization project also will support greater efficiencies in oil and gas permitting and inspection activities.

The Oil and Gas Management request also includes a program increase of \$2.6 million for oil and gas special pay costs to improve BLM's ability to recruit and retain high caliber oil and gas program staff to provide effective oversight and meet workload and industry demand. Finally, the BLM budget request includes a program increase of \$2.8 million to enhance BLM's capability to address high priority legacy wells in the National Petroleum Reserve-Alaska to supplement permanent funds provided in the Helium Security Act of 2013. The 2017 budget continues to request authority to charge inspection fees similar to those in place for offshore oil and gas inspections. Such authority will reduce the net costs to taxpayers of operating BLM's oil and gas program and allow BLM to be more responsive to industry demand and increased inspection workload in the future. A \$48.0 million decrease in requested appropriations reflects shifting the cost of inspection activities to fees.

In 2017, BLM will continue to invest heavily in the Greater Sage Grouse Conservation Strategy and the budget includes a program increase of \$14.2 million to protect, improve, or restore sage steppe habitat. Funds will also assist States in implementing GSG conservation plans. The BLM's efforts to implement the Greater Sage Grouse Conservation Strategy are also reliant upon successful execution of the National Seed Strategy, which is also integral to the administration's wildland fire rehabilitation efforts and the success of the Secretary's Integrated Rangeland Fire Management Strategy. The budget includes a \$5.0 million program increase within Wildlife Management to more aggressively implement the National Seed Strategy.

Other budget highlights include program increases totaling \$16.9 million in the Resource Management Planning, Assessment, and Monitoring subactivity. This includes \$4.3 million to expand the BLM Assessment, Inventory, and Monitoring pro-

gram for increased data collection and monitoring central to the success of high priority landscape management efforts such as the Western Solar Energy Plan, as well as implementation of the Department's plan for the National Petroleum Reserve-Alaska, the Greater Sage Grouse Conservation Strategy, and the broader landscape mitigation strategy. The request also includes an increase of \$6.9 million to accelerate implementation of the BLM enterprise geographic information system, which aggregates data across boundaries to capture ecological conditions and trends; natural and human influences; and opportunities for resource conservation, restoration, development, and partnering. The remaining \$5.7 million increase will support high priority planning efforts that could include the initiation of new plan revisions in 2017, as well as plan evaluations and implementation strategies.

Bureau of Ocean Energy Management.—The 2017 President's budget for BOEM is \$175.1 million, including \$80.2 million in current appropriations and \$94.9 million in offsetting collections. This is a net increase of \$4.3 million in current appropriations above the 2016 enacted level.

The total 2017 estimate of \$94.9 million for offsetting collections is a net decrease of \$1.7 million, including reductions in rental receipts partially offset by a new \$2.9 million cost recovery fee for the Risk Management Program. An increase in direct appropriations of \$6.0 million makes up for the projected decrease in rental receipts.

The budget provides \$23.9 million for offshore renewable energy activities. To date, BOEM has issued 11 commercial wind energy leases offshore; conducted 5 competitive wind energy lease sales for areas offshore Maryland, Massachusetts, New Jersey, Rhode Island, and Virginia; and approved the Construction and Operations Plan for the Cape Wind project offshore Massachusetts. Additionally, BOEM is in the planning stages for wind leasing offshore New York, North Carolina, and South Carolina. In 2015, BOEM executed the first wind energy research lease in U.S. Federal waters with the Commonwealth of Virginia's Department of Mines, Minerals, and Energy.

The 2017 budget provides \$64.2 million for conventional energy development, a programmatic increase of \$4.2 million above 2016. These funds support high priority offshore oil and gas development activities, including lease sales outlined in BOEM's Five Year OCS Oil and Gas Leasing Program for 2012–2017. Under this program, BOEM's eight sales generated over \$2.97 billion in high bids. Five lease sales remain on the lease sale schedule through mid-2017. The next lease sales are Eastern Gulf of Mexico Lease Sale 226, Central Gulf of Mexico Lease Sale 241, and Western Gulf of Mexico Lease Sale 248, all scheduled to be held during 2016.

The 2017 provides \$68.4 million for BOEM's Environmental Programs. These funds support world class scientific research to provide critical information informing policy decisions regarding energy and mineral development on the OCS.

Bureau of Safety and Environmental Enforcement.—The 2017 President's budget for the Bureau of Safety and Environmental Enforcement is \$204.9 million, including \$96.3 million in current appropriations and \$108.5 million in offsetting collections. The 2017 budget is a net \$196,000 increase above the 2016 enacted level, reflecting an increase of \$7.9 million in current appropriations and a \$7.7 million decrease in offsetting collections. The total 2017 estimate of \$108.5 million in offsetting collections assumes decreases from 2016 of \$11.5 million for rental receipts, \$2.2 million for cost recoveries, and a \$6.0 million increase for inspection fee collections. Funding for Oil Spill Research is maintained at the 2016 enacted level of \$14.9 million. The 2017 budget supports continued safe and responsible offshore energy development.

Office of Surface Mining Reclamation and Enforcement.—The 2017 budget request is \$157.9 million, \$82.6 million below the 2016 enacted level.

The 2017 budget for Regulation and Technology is \$127.6 million, \$4.3 million above 2016. The request includes \$10.5 million, \$1.8 million above 2016, to improve implementation of existing laws and support State and tribal programs. The 2017 budget includes \$65.5 million for State and tribal regulatory grants, this level of funding supports State requirements.

The budget includes program increases of \$2.5 million to advance the Bureau's GeoMine Project; \$1.2 million for applied science to conduct studies to advance technologies and practices specific to coal mined sites for more comprehensive ecosystem restoration; \$1.0 million to expand the use of reforestation techniques in coal mine reclamation and provide opportunities for youth and community engagement; \$2.3 million to support Technical Assistance; and \$1.6 million for National Environment Policy Act compliance document preparation, legal review, and program monitoring.

The 2017 budget for the Abandoned Mine Reclamation Fund is \$30.4 million, \$86.9 million below 2016. The 2016 enacted level included a \$90.0 million increase for grants to three States for the reclamation of abandoned mine lands in conjunction with economic and community development activities. The 2017 budget pro-

poses a broader legislative effort to support reclamation and economic and community development as part of the administration's POWER+ Plan. POWER+ would provide \$200 million per year to target the cleanup and redevelopment of AML sites and AML coal mine polluted waters in a manner that facilitates sustainable revitalization in economically depressed coalfield communities. The budget includes a \$1.5 million program increase for technical assistance to States, tribes, and communities to address AML technological advances and issues for AML site reclamation. The budget also includes program increases of \$525,000 for applied science studies pertaining to abandoned mines, \$799,000 to enhance and expedite current OSMRE efforts in digitizing underground mine maps, and \$287,000 for support within the Office of the Solicitor.

U.S. Geological Survey.—The 2017 budget is \$1.2 billion, \$106.8 million above 2016, to advance our national commitment to research and development that supports economic growth, balances priorities on resource use, addresses climate change, and ensures the security and well-being of the Nation. The budget improves response to and warning of natural disasters, responds to drought and other water challenges, supports sustainable domestic energy and minerals development, and advances scientific understanding of land use, land change, and the effects of resource decisions to assist communities and land managers in making choices informed by sound science.

The 2017 budget invests in the USGS's capabilities for science and innovation to monitor and respond to natural disasters with increases for priority science to help stabilize and rehabilitate ecosystems after fires and provide geospatial information, monitoring strategies, and other relevant scientific information faster for real-time fire response. Related increases build USGS' capability to respond to landslide crises, and expand the use of flood inundation mapping and rapidly deployable streamgages to meet urgent needs of flood-threatened communities lacking a permanent streamgage.

The budget continues \$8.2 million to develop the West Coast Earthquake Early Warning system to complete a production prototype system, expand coverage, and beta-test alerts. The budget continues funding of \$3.0 million to repair and upgrade monitoring stations on high-threat volcanoes. The budget includes funding to assume long-term operations of the Central and Eastern United States Seismic Network from the National Science Foundation and allows USGS to continue a 5-year effort to deploy, install and improve the Global Seismic Network, ensuring that the Network continues to provide global earthquake and tsunami monitoring, nuclear treaty research and verification, and earth science research.

The budget provides an increase of \$18.4 million for science to support sustainable water management, nearly doubling the investment made in 2016. As climate models forecast increasingly frequent and more intense droughts, improving water management science is a paramount concern for land and water management agencies, States, local governments, and tribes. The budget would improve water use information and research, provide grants to State water resource agencies, and create hydrologic models and databases for better decision support. The budget also includes \$3.9 million for drought science and \$4.0 million to develop methods to assess regional and national water use trends during drought. Innovation is critical to address the severe threats to water supply posed by drought and climate change.

The budget provides increases across several programs to advance understanding of conventional and unconventional energy, critical minerals such as rare earth elements, and the environmental health effects of resource development. These investments include \$3.6 million to provide decision ready information to support safe and prudent unconventional oil and gas development, \$2.0 million to study the environmental impacts of uranium mining in the Grand Canyon, and \$1.0 million to identify and evaluate new sources of critical minerals and continue criticality analysis for mineral commodities.

The USGS budget increases science investments for changing landscapes, including \$9.8 million in the Arctic, \$3.0 million for the vulnerable sagebrush habitats of the Intermountain West, and \$3.9 to improve coastal science that will help communities build resilient coastal landscapes and improve post-storm contaminant monitoring network along the Atlantic coast. The budget also establishes a Great Lakes Climate Science Center to focus on the many natural resource challenges in the distinct bio-geographic Great Lakes region. As with the eight existing Climate Science Centers, the Great Lakes CSC will help address regional concerns associated with climate change, providing a pathway to resilience and supporting local community priorities.

The budget includes increases of \$2.1 million to address research on pollinator health and expand the small group of USGS researchers working on this critical component of agricultural and ecosystem health, \$1.4 million for tribal climate

science partnerships, and \$2.5 million for better tools to detect and control invasive species, particularly new and emerging invasive species. The budget continues a commitment to priority ecosystems including the Chesapeake Bay, the Everglades, Puget Sound, the Upper Mississippi River, the California Bay-Delta, and the Gulf Coast.

The USGS plays a pivotal role in providing research, analysis, and decision support tools. The budget supports these efforts and includes investments to extend the four-decade long Landsat satellite program with the development of Landsat 9, and provide information to better understand and respond to changes in the environment. The 2017 budget provides an increase of \$17.6 million for satellite operations, funding the development of Landsat 9 ground systems and satellite operations and an investment to retrieve and disseminate data from the European Space Agency's Sentinel-2 earth observation satellite. The budget provides an increase of \$4.9 million to expand the three-dimensional elevation program and leverage partnerships across the Nation, accelerate Alaskan map modernization, and provide coastal imaging to help communities make infrastructure resilience investments. The budget also provides \$3.0 million to develop the computing resources necessary to produce and disseminate Landsat-based information products.

High-quality science depends on a strong science infrastructure. The budget makes necessary investments to continue the USGS legacy of reliable, valuable scientific information and monitoring. These investments fund science support, facilities and equipment, including laboratories, and the administrative support that is the backbone of science production and delivery. The 2017 budget also includes program increases to enhance the Mendenhall post-doctoral program, support tribal science coordination, enhance science education, and engage youth in underserved communities in earth and biological sciences through outreach activities and science camps.

Fish and Wildlife Service.—The 2017 budget for FWS includes current appropriations of \$1.6 billion, an increase of \$54.5 million compared to the 2016 enacted level.

The 2017 request for FWS includes \$1.3 billion for FWS operations, of which \$506.6 million supports National Wildlife Refuge System operations and maintenance. A feature of the 2017 FWS budget is support to expand opportunities for all Americans to access public lands and experience the great outdoors, regardless of where they live. With 80 percent of the U.S. population currently residing in urban communities near more than 260 wildlife refuges, Interior is leveraging the National Wildlife Refuge System to encourage urbanites to rediscover the outdoors. The request includes \$10.0 million for the Refuge System's Urban Wildlife Conservation Partnerships to expand opportunities for urban populations including an increase of \$2.0 million for additional Refuge System law enforcement officers to ensure the safety of visitors, natural and cultural resources, and Federal employees and facilities. The budget includes \$40.7 million for general Refuge Law Enforcement operations.

The request also includes funding within Law Enforcement and International Affairs to combat wildlife trafficking. The budget provides \$75.1 million for the law enforcement program to investigate wildlife crimes, enforce the laws governing the Nation's wildlife trade, and continue cooperative international efforts to prevent poaching and trade in illegal wildlife products. The request includes \$15.8 million for the International Affairs Program, an increase of \$1.1 million above 2016. This includes increases of \$500,000 to provide technical support for international efforts to reduce illegal wildlife trafficking and develop innovative conservation activities. Also within International Affairs, is \$550,000 to support the U.S. Chairmanship of the Arctic Council.

The budget invests in resources for the Refuge System which has lost more than 400 staff positions since 2010. The request for the Refuge System is \$506.6 million, an increase of \$25.2 million above 2016. This includes increases of \$1.0 million for pollinator conservation, \$3.7 million for wildlife and habitat inventory and monitoring, \$2.0 million to establish management capability across 418 million acres of submerged land and water within the Pacific Marine National Monuments, and \$4.4 million to begin rebuilding capacity within the Refuge System to improve the condition of refuge system facilities and resources, improve the visitor experience and manage natural resources.

The budget emphasizes improving the resilience of communities and wild landscapes, enabling them to better adapt to a rapidly changing environment, and uses smart investments in conservation and landscape-level planning to improve the Service's ability to facilitate economic growth, while avoiding and mitigating the impacts on wildlife and habitat.

Within the FWS main operating account, the request provides \$252.3 million for Ecological Services to conserve, protect, and enhance listed and at-risk species and

their habitat, an increase of \$18.3 million. Since 2008, FWS has downlisted or delisted 15 species, more than in any other administration. The increases within Ecological Services include \$5.7 million to support conservation, restoration and economic development across the Gulf Coast region and other parts of the Country.

The budget includes \$152.8 million for Fish and Aquatic Conservation, a program increase of \$4.6 million. Within this request is \$53.8 million for operation of the National Fish Hatchery System and \$7.9 million to combat the spread of Asian carp in the Missouri, Ohio, upper Mississippi Rivers, and other high priority watersheds. The request also includes an increase of \$1.5 million to support fish passage while improving the resilience of communities to withstand flooding.

The budget funds Cooperative Landscape Conservation at \$17.8 million, an increase of \$4.8 million above 2016. The approach employed by Landscape Conservation Cooperatives to identify landscape scale conservation solutions fosters collaboration across a wide variety of partners and builds capabilities beyond the scale any single State, tribe, Federal agency, or community could achieve alone. The requested increase will support landscape planning and design, and partner cooperation that will improve the condition of wildlife habitat and enhance the resilience of communities.

The 2017 budget for Science Support is \$20.6 million, an increase of \$3.6 million above 2016. The request includes an additional \$1.0 million to expand application of Strategic Habitat Conservation, an approach to conservation that, in cooperation with stakeholders, identifies priority species and habitat, desired biological outcomes, and develops conservation strategies to achieve these outcomes. This approach supports the design of successful management strategies that deliver measureable improvements to wildlife populations and habitats. The FWS will use a program increase of \$2.6 million to obtain high priority data and scientific tools needed by on-the-ground resource managers.

The FWS budget includes \$137.6 million for LWCF Federal land acquisition, composed of \$58.7 million in current funding and \$79.0 million in permanent funding. Within the request for current funding, is \$19.9 million for high priority acquisition projects focused on FWS specific needs, including \$16.0 million for collaborative projects in coordination with partners and other Federal agencies, and \$2.5 million to support increased access to FWS lands for sportsmen and recreationists. The FWS requests \$2.5 million in discretionary funding for the Everglades Headwaters National Wildlife Refuge and Conservation Area, one of the great grassland and savanna landscapes of eastern North America, to acquire nearly 1,000 acres to help protect high-quality habitat for 278 Federal and State listed species. Acquisition of this property would protect the headwaters, groundwater recharge, and watershed of the Kissimmee Chain of Lakes, Kissimmee River, and Lake Okeechobee region, and improve water quantity and quality in the Everglades watershed, supporting the Comprehensive Everglades Restoration Plan goals and protecting the water supply for millions of people.

Supporting the administration's America's Great Outdoors initiative objectives is \$106.0 million for grant programs administered by FWS. The 2017 budget maintains 2016 funding levels for grants through the Cooperative Endangered Species Conservation Fund, North American Wetlands Conservation Fund, Multinational Species Conservation Fund, and the Neotropical Migratory Bird Conservation Fund. Funding for the State and Tribal Wildlife grant program on which many States and tribes rely to fund non-game animal conservation, is an increase of \$6.4 million.

National Park Service.—The 2017 President's current budget request for NPS of \$3.1 billion is \$250.2 million above the 2016 enacted level. Highlights of the 2017 budget include \$190.5 million in increases for the NPS Centennial, as well as a focus on the stewardship of natural and cultural resources, including a \$20.0 million increase for the Historic Preservation Fund grant programs to document and preserve stories and sites related to the Civil Rights Movement.

The NPS budget request for operations is \$2.5 billion, an increase of \$154.8 million from 2016. A \$2.2 million programmatic reduction to refocus operations funding partially offsets the following increases: \$49.2 million for additional repair and rehabilitation projects, \$46.6 million for additional cyclic maintenance projects, \$20.0 million for the Every Kid in a Park initiative, \$10.7 million for new parks and responsibilities, \$8.1 million for healthcare insurance for seasonal employees, \$3.0 million for climate change adaptation projects, \$2.6 million for increased communications bandwidth at parks, \$2.0 million for the Vanishing Treasures program, \$1.2 million to address energy development near parks, \$1.1 million for Arctic science and monitoring, and \$1.0 million for uranium mining studies in the Grand Canyon.

The 2017 budget provides a total of \$35.0 million for the Centennial Challenge matching program, an increase of \$20.0 million. These funds will provide a Federal match to leverage partner donations for signature projects and programs at national

parks into the NPS' second century. All Federal funds must be matched on at least a 50:50 basis. In 2016, Congress appropriated \$15 million for projects which will be matched by almost \$33 million from more than 90 park partners. This program is bolstered by the administration's legislative proposal to fund an additional \$100.0 million a year for 3 years for this program as a permanent appropriation.

The 2017 request for the Historic Preservation Fund is \$87.4 million, an increase of \$22.0 million from 2016. Of this total, \$46.9 million is requested for grants-in-aid to States and Territories, which is level with 2016. A total of \$12.0 million is requested for grants-in-aid to tribes, an increase of \$2.0 million. The remaining \$20.0 million increase is for grants to document and preserve the sites and stories of the Civil Rights Movement; of which \$17.0 million is for competitive grants, and \$3.0 million is for grants to Historically Black Colleges and Universities.

The 2017 budget includes \$54.4 million for National Recreation and Preservation programs that support local community efforts to preserve natural and cultural resources. This is a decrease of \$8.2 million compared to 2016. These changes consist of a program reduction of \$10.4 million to Heritage Partnership Programs; and programmatic increases of \$0.9 million for modernization and digitization in the National Register program, \$0.8 million for the Preservation Technology and Training grants program, \$0.3 million for the Federal Lands to Parks program, and fixed costs increases.

Construction funding totals \$252.0 million, \$59.1 million above 2016. This request provides funding critical to the implementation of the Centennial initiative to make a meaningful impact on the NPS deferred maintenance backlog. The budget includes \$153.3 million for line-item construction projects, a \$37.1 million increase, which will fund projects such as the \$13.2 million rehabilitation of the Paradise Inn Annex and snow bridge connection at Mount Rainier National Park in Washington, and \$13.9 million for the final phase of the rehabilitation of the El Portal sanitary sewer to prevent raw sewage spills at Yosemite National Park in California.

The 2017 current funding request for LWCF Land Acquisition and State Assistance is \$178.2 million, an increase of \$4.6 million from 2016. This includes \$110.0 million for State Assistance grants, maintaining the increase provided in 2016. The budget requests \$68.2 million for Federal Land Acquisition, an increase of \$4.6 million. This provides \$26.6 for projects addressing NPS specific needs, \$10.8 million for collaborative acquisition projects, \$2.0 million for projects to improve recreation access, and \$10.0 million for American Battlefield Protection Program acquisition grants. A high priority for NPS, the Hawaii Volcanoes National Park is also part of the Island Forests at Risk collaborative landscape proposal. An investment of \$6.0 million would allow NPS to begin acquisition of a parcel which protects the hawksbill and Green turtles, and island monk seal habitat, and contains anchialine pond communities and coastal strands of endangered plants. Significant archaeological sites, cultural landscapes, petroglyphs and ancient trails are also present. Time is a concern as the area faces potential rezoning from conservation to medium density urban and resort development.

Indian Affairs.—The 2017 President's budget for Indian Affairs is \$2.9 billion in current appropriations, \$137.6 million above the 2016 level. Funding for the main operating account for Indian Affairs, Operation of Indian Programs is \$2.4 billion, \$127.9 million above 2016. The 2017 request for Construction is \$197.0 million, \$3.0 million above 2016.

The 2017 budget supports continuing efforts to advance self-governance and self-determination, improve educational outcomes for American Indian children, support human services activities, prudently manage tribal natural resources, build stronger economies and self-sufficiency, and maintain safer Indian communities.

Key to self-governance and self-determination is full funding for Contract Support Costs. The 2017 request includes \$278.0 million for Contract Support Costs, \$1.0 million above 2016, which will fully fund these costs based on the most recent analysis. As in the 2016 enacted bill, the budget requests funding for Contract Support Costs in a separate dedicated current account. To further stabilize long-term funding, the 2017 budget includes a legislative proposal to reclassify these costs as permanent funding beginning in fiscal year 2018.

The Interior budget proposes a \$1.1 billion investment in Indian education and construction to continue to support the transformation of the BIE to support tribes in educating their youth, and deliver an improved and culturally appropriate education across Indian Country. The budget includes \$49.3 million in increases across a number of programmatic areas in BIE related to the transformation.

The budget includes \$138.3 million for Education Construction, maintaining the \$63.7 million increase provided in 2016. The request will provide the funding stability necessary to develop an orderly education construction pipeline and properly pace projects. The 2016 enacted appropriation will replace two remaining BIE school

campuses on the 2004 priority list—Little Singer Community School and Cove Day School, both in Arizona—and support planning for the schools identified on the new school replacement construction list nearing finalization. The 2017 funding will be applied to construction costs for projects chosen from the new list.

To further higher education, the budget includes increases of \$9.4 million for scholarships, adult education and tribal colleges and universities; and \$3.6 million for Johnson O'Malley education grants to provide additional resources to tribes and organizations to meet the unique and specialized educational needs of American Indian and Alaska Native students.

To foster public-private partnerships to improve the student experience at BIE-funded schools, the 2017 budget again proposes appropriations language enabling the Secretary to reactivate the National Foundation for American Indian Education. The proposed bill language will initiate a foundation focused on fundraising to create opportunities for Indian students in and out of the classroom.

As part of the President's commitment to protect and promote the development of prosperous tribal communities, Indian Affairs proposes to expand the Tiwahe "family" initiative. This effort takes an integrated approach to address the inter-related challenges impacting the lives of youth, families, and communities in Indian Country—including poverty, violence, and substance abuse. The Tiwahe approach seeks to empower individuals and families through health promotion, family stability, and strengthening communities as a whole.

The 2017 budget expands the Tiwahe initiative with increases totaling \$21.0 million for programs in social services, Indian Child Welfare Act, housing, tribal courts, and job placement and training. To better focus funding and evaluate outcomes in meeting social service needs in Indian Country, the Department will evaluate social service and community development needs in Indian Country in 2016. The evaluation will inform programmatic design, assessments, management, and budgeting.

The budget contains a number of increases to support tribal nation-building and economic development. The budget includes \$4.0 million for a Native One-Stop Support Center to make it easier for tribes to find and access hundreds of services available to tribes across the Federal Government. The 2017 budget includes \$1.0 million to help tribes adopt uniform commercial codes which help build the legal infrastructure on reservations to promote credit and other capital transactions. The budget provides \$12.0 million to enable Interior to work with American Indian/Alaskan Native communities to improve Federal data quality and availability, to create a reimbursable agreement with the Census Bureau to address data gaps in Indian Country, and to create an Office of Indian Affairs Policy, Program Evaluation, and Data to support effective, data-driven, tribal policy making and program implementation. The budget also proposes \$1.3 million increase for the Small and Needy Tribes program to assist eligible tribes in expanding and sustaining tribal governance.

The 2017 budget strongly supports sustainable stewardship of trust lands, natural resources, and the environment in Indian Country. These priorities include the protection and restoration of ecosystems and important landscapes; stewardship of land, water, ocean, and energy resources; resilience in the face of a changing climate; and clean and sustainable energy development.

The budget provides a \$15.1 million program increase over 2016 across eight natural resource programs to support tribes in developing science, tools, training, planning, and implementation of actions to build resilience into resource management, infrastructure, and community development activities. Funding will be set-aside to support Alaska Native Villages in the Arctic and other critically vulnerable communities to evaluate options for the long-term resilience of their communities. The budget also includes \$2.0 million to address subsistence management in Alaska to better prepare for the impacts of climate change, as part of an ongoing commitment to improve the Nation's resilience. In addition, the budget includes a total increase of \$8.7 million for trust real estate service activities to reinforce the stewardship of trust resources. The expanded capacity will address the probate backlog, land title and records processing, geospatial support needs, and database management in addition to providing expanded technical and legal support for authorized settlements involving tribal water rights.

The 2017 budget request for Indian Land and Water Claim Settlements is \$55.2 million, a \$5.7 million increase over the 2016 enacted level for payments on enacted settlements. The budget includes \$25.0 million for the final payment to the Aamodt settlement and \$10.0 million in one-time funding to provide the Yurok Tribe, located in Northern California, funds to acquire lands as authorized in the Hoopa-Yurok Settlement Act. This acquisition supports efforts by the Yurok Tribe, State of California, private foundations and individual donors to conserve over 47,000 acres of the Klamath-Siskiyou ecoregion to ensure the long-term health of temperate forests, rare wildlife, and extraordinary runs of wild salmon. The land, to be conserved as

a salmon sanctuary and sustainable community forest, will restore the Yurok Tribe's historic connection to the land, support the Yurok economy through jobs in forestry and restoration, and provide revenue to the tribe through sustainable timber and salmon harvests and the sale of carbon credits. The budget also includes increases totaling \$12.9 million in the Operation of Indian Programs account to provide expanded technical and legal support for tribal water rights settlement negotiations and implementation. A reduction of \$29.2 million in the settlement account reflects completion of the Taos Pueblos water settlement in 2016.

The 2017 budget request for the Indian Guaranteed Loan Program is \$7.8 million, the same as 2016, which will provide loan guarantee and insurance authority for \$106.0 million in loan principal to support Indian economic development.

Departmental Offices.—The 2017 budget request for Departmental Operations is \$278.4 million, a decrease of \$443.4 million below the 2016 enacted level. The decrease reflects a reduction of \$452.0 million associated with the Payments in Lieu of Taxes program. In 2017, the budget proposes to fund PILT as permanent funding not subject to appropriation. State and local governments depend on PILT funding to finance such vital services as firefighting and police protection, construction of public schools and roads, and search and rescue operations. Providing a mandatory source of funding will create greater certainty that PILT investments will be available in future years. The budget proposes mandatory PILT funding for 1 year, while a sustainable long-term funding solution is developed for the program.

The budget proposes program increases of \$1.5 million for work with the National Invasive Species Council to develop an Early Detection Rapid Response framework. Early detection and rapid response (EDRR) has the potential to result in significant cost savings, as compared to battling invasive species such as Asian carp, cheatgrass, and emerald ash borer once established. The EDRR request support multiple pilot projects to demonstrate early detection and rapid response approaches, as well as conducting assessments to identify current capacities and gaps in capacities to implement EDRR.

The budget includes \$1.0 million for Native Hawaiian community development through capacity building and technical assistance. This request will allow the Department to provide support to Native Hawaiians similar to the capacity building and technical assistance the Department provides to other Native Americans, and the Insular Areas consistent with the Hawaiian Homes Commission Act and Hawaiian Homes Land Recovery Act. The Department will work with the Native Hawaiian community on a variety of economic, social, and cultural projects.

The 2017 Budget includes critical investments to ensure effectiveness and compliance of Interior information technology investments. The request includes \$3.0 million to develop a Digital Service Team responsible for driving the efficiency and effectiveness of the Department's highest-impact digital services. Additional information technology investments are proposed under the Working Capital Fund appropriated account.

Within the request for Departmental Operations is \$129.3 million for Office of Natural Resources Revenue's receipts management programs, \$3.8 million above 2016. The increase includes \$968,000 to fully fund Osage Trust Accounting responsibilities in compliance with the Osage settlement agreement; \$1.0 million to expand Geospatial Information Systems; and \$1.2 million to strengthen ONRR's audit and compliance mission activities.

The 2017 request for the Office of Insular Affairs is \$102.7 million, \$12.4 million above the 2016 level excluding Palau Compact Extension funding of \$13.1 million. The 2017 budget proposes \$149.0 million in permanent funding to support enactment of a new Compact with Palau. The appropriated funding request includes increases of \$4.0 million for community, landscape and infrastructure adaptation and resilience initiatives; \$3.9 million to improve health and safety conditions in insular school facilities; \$2.0 million to implement energy projects; \$2.0 million for Coral Reef Initiative and Natural Resources; \$1.6 million for direct technical assistance grants; and \$1.0 million to support invasive species eradication efforts, including the coconut rhinoceros beetle and little fire ant. Brown Treesnake Control is funded at \$3.0 million, a program decrease of \$500,000, reflecting completion of an automated aerial bait system in 2015. The budget requests \$3.3 million for Compact of Free Association, level with 2016, excluding \$13.1 million provided for Palau Compact Extension in 2016.

The budget includes \$69.4 million for the Office of the Solicitor, \$3.6 million above 2016 to support additional personnel and necessary legal services for delivering the Department's mission. The Office of the Solicitor's ability to provide early and continuous legal counsel in new priority areas to ensure that developing programs are grounded in established legal principles and precedents is absolutely vital. The requested increase will allow the Office of the Solicitor to provide the much needed

preventive assistance that is lost to the demands of non-discretionary litigation. The additional funding will also be used to restart the Honors Program, where recent law graduates are hired at the entry level and trained to assume senior positions. This program will ensure DOI has experienced lawyers as many senior staff becomes eligible for retirement.

The request for the Office of the Inspector General is \$55.9 million, \$5.9 million above 2016 to support audits concerning Offshore Energy Oversight, Indian Country, and Cybersecurity, and Offshore Energy Investigations.

The Office of the Special Trustee request is \$140.4 million, \$1.4 million above 2016. The budget includes increases of \$1.5 million to provide additional estate planning opportunities to Indian Trust beneficiaries; \$1.3 million for an appraiser training program to address the shortage of qualified appraisers and the resulting delays in completing appraisal evaluations; \$1.5 million to enhance talent management capabilities and systems automation; and less than \$400,000 to modernize and improve business processes and enhance the Trust Funds Accounting System. These increases are partially offset by a \$3.4 million reduction in funding for Historical Trust Accounting based on anticipated workload levels.

Department-wide Programs.—The 2017 request for the Department's Wildland Fire Management program is \$824.6 million without the proposed fire cap adjustment, and \$1.1 billion including the adjustment. The base budget includes \$276.3 million for fire suppression, which is 70 percent of the 10 year suppression average spending. The cap adjustment of \$290.0 million covers the remaining 30 percent of the 10-year average and provides a contingency. The cap adjustment would only be used for the most severe fires, since it is 2 percent of the fires that cause 30 percent of the costs. The new budget framework for Wildland Fire Management eliminates the need for additional funds through the FLAME Act.

The 2017 budget includes \$179.1 million for Fuels Management and Resilient Landscapes subactivities, \$9.1 million above 2016 enacted. Of this, \$30.0 million is proposed in a new Resilient Landscapes subactivity to build on resilient landscapes activities supported by Congress in 2015 and 2016. This equates to a \$20.0 million increase for the program to take better advantage of the shared goals of bureau resource management programs to treat large landscapes to achieve and maintain fire-adapted ecosystems that both reduce the threat of catastrophic wildfire and achieve restoration and other ecological objectives. The increase for Resilient Landscapes is partially offset with a program realignment of \$21.7 million in the Fuels Management program from 2016.

Other highlights in the Wildland Fire Management budget include an increase of \$6.9 million in Preparedness to maintain or strengthen initial and extended attack capacity. Specific increases include \$2.8 million to enhance the initial attack capability of rural fire departments and rural fire protection associations. The budget includes program increases of \$1.6 million to purchase replacement vehicles for the BIA fire program and \$1.5 million to cover utility costs for the Alaska Fire Service's leased space. The budget includes \$20.4 million for Burned Area Rehabilitation, a \$1.5 million increase to address greater post-fire rehabilitation needs caused by the 2015 and 2016 fire seasons; and \$10.0 million for Facilities Construction and Deferred Maintenance, a \$3.6 million increase to address the deferred maintenance backlog.

The 2017 budget request for the Central Hazardous Materials Fund is \$13.5 million, \$3.5 million above 2016, to fund the remedial design for the Red Devil Mine cleanup in Alaska. The 2017 request for Natural Resource Damage Assessment and Restoration is \$9.2 million, \$1.5 million above 2016 to increase restoration activities.

The 2017 budget proposes \$111.5 million for the appropriated portion of the Department's Working Capital Fund, \$44.4 million above 2016. The majority of the increase, \$24.7 million, continues cybersecurity remediation in the wake of the serious cyber intrusions experienced during 2015. Other increases include: \$10.2 million to support the Department's multi-year effort to implement requirements identified under the Digital Accountability and Transparency Act, known as the DATA Act, and monitor compliance; \$5.2 million for the Department's Office Consolidation Strategy; \$2.6 million to fund Federal Information Technology Acquisition Reform Act coordination and reporting activities for the Department; \$1.0 million for Cultural and Scientific Collections; and \$702,000 for Service First activities.

LEGISLATIVE PROPOSALS

The 2017 President's budget includes a suite of legislative and offsetting collection proposals affecting spending, revenues, and available budget authority that require action by the congressional authorizing committees. These mandatory proposals address a range of administration priorities, from investing in high-priority conserva-

tion and recreation programs to achieving a fair return to the American taxpayer from the sale of Federal resources and reducing unnecessary spending. The 2017 budget includes seven spending proposals with an estimated \$18.0 billion in outlays over the next decade. This spending is partially offset by revenue and savings proposals to reduce outlays from the Treasury by an estimated \$4.5 billion over the next decade.

Gulf of Mexico Energy Security Act and the Coastal Climate Resilience Program.—The administration is committed to ensuring American taxpayers receive a fair return from the sale of public resources and taxpayers throughout the Country benefit from the development of offshore energy resources owned by all Americans. The Gulf of Mexico Energy Security Act of 2006 opened some additional areas in the Gulf of Mexico for offshore oil and gas leasing, while maintaining moratoria on activities east of the Military Mission Line and within certain distances from the coastline of Florida. The Act provides that 37.5 percent of Outer Continental Shelf revenues from certain leases be distributed to just four coastal States—Alabama, Louisiana, Mississippi, and Texas—and their local governments based on a complex allocation formula. The administration proposes to repeal GOMESA revenue-sharing payments to these select States from Gulf of Mexico oil and gas leases, which are set to expand substantially starting in 2018.

More than half of the savings, \$2.0 billion, from the repeal of GOMESA revenue sharing payments to States will be redirected to a new Coastal Climate Resilience Program to provide resources for at-risk coastal States, local governments, and their communities to prepare for and adapt to climate change. A portion of these program funds would be set aside to cover the unique impacts of climate change in Alaska where some native villages are so threatened by rising seas, coastal erosion, and storm surges, that they must prepare for potential relocation.

Historic Preservation Fund.—The budget includes a legislative proposal to extend the authority to deposit \$150.0 million in receipts from offshore oil and gas revenues annually into the Historic Preservation Fund.

Bureau of Indian Affairs Contract Support Costs.—The budget includes a legislative proposal to reclassify funding for the existing Contract Support Costs program from discretionary to mandatory beginning in fiscal year 2018. The budget proposes to adjust the discretionary budget caps to reflect the reclassification to mandatory funding. New contract support cost estimates will be provided on a 3-year cycle as part of the reauthorization process.

POWER + Accelerate AML Distribution for Mine Cleanup and Economic Recovery.—The budget proposes to allocate a portion of the remaining unappropriated balance of the Abandoned Mine Lands Fund to target the cleanup and redevelopment of AML sites and AML coal mine polluted waters in a manner that facilitates sustainable revitalization in economically depressed coalfield communities. The proposal will provide \$1.0 billion over 5 years to States based on AML program and economic eligibility factors—such as the unemployment rate of coal mining regions—and remaining priority coal problems, including abandoned mine drainage, where reclamation linked to job creating economic development strategies will help revitalize impacted communities.

United Mineworkers of America Pension Reform.—The budget proposes to better provide for retired coal miners and their families by revising the formula for general fund payments to the 1993 UMWA Health Benefit Plan. The new formula will consider all beneficiaries enrolled in the plan as of enactment, as well as those retirees whose health benefits were denied or reduced as the result of a bituminous coal industry bankruptcy proceeding commenced in 2012. Additionally, the proposal will transfer funds through the Pension Benefit Guaranty Corporation to the trustees of the 1974 UMWA Pension Plan to ensure the plan's long-term solvency. The plan, which covers more than 100,000 mineworkers, is underfunded and approaching insolvency. The new formula will provide an additional \$375.0 million to the UMWA in 2017 and \$4.2 billion over 10 years.

Land and Water Conservation Fund.—The budget proposes \$900.0 million in combined current and mandatory funding in 2017, and starting in 2018, the budget proposes permanent authorization of \$900.0 million in mandatory funding for LWCF programs in the Departments of the Interior and Agriculture. During a transition to mandatory funding in 2017, the budget proposes \$425.0 million for mandatory funding and \$475.0 million for current funding, to be shared by Interior and Agriculture.

National Parks Centennial Act.—The budget proposes enactment of legislation, the National Park Service Centennial Act, to honor the Park Service's 100th anniversary. The Act specifically authorizes the following: \$100.0 million a year for 3 years for the Centennial Challenge to leverage private donations; \$300.0 million a year for 3 years for NPS deferred maintenance; and \$100.0 million a year for 3

years for a Public Lands Centennial Fund, which will competitively allocate funds for projects on public lands to enhance visitor services and outdoor recreation opportunities, restore lands, repair facilities, and increase energy and water efficiency. The availability of mandatory funding to address deferred maintenance and other conservation projects will allow NPS to plan ahead more efficiently to achieve significant results. Stable and predictable funding streams will allow projects to be appropriately scheduled and phased for more effective project delivery and completion. The proposal includes the authority to collect additional camping or lodging fees, and funds from purchases of the lifetime pass for citizens 62 years of age or older. Receipts for this Second Century Fund will be matched by donations in order to fund visitor enhancement projects. The impact of this new revenue source is estimated at \$40.4 million in 2017. Also included is a proposal to establish a program to allow a Visitor Services Management Authority to award and manage contracts for the operation of commercial visitor services programs and activities.

Federal Land Transaction Facilitation Act.—The budget proposes to reauthorize this Act which expired on July 25, 2011, to allow lands identified as suitable for disposal in recent land use plans to be sold using this authority. The sales revenue will be used to fund the acquisition of environmentally sensitive lands and administrative costs associated with conducting the sales.

Recreation Fee Program.—The budget proposes legislation to permanently authorize the Federal Lands Recreation Enhancement Act, authorized through September 30, 2017. The program currently brings in an estimated \$335 million in recreation fees annually under this authority that are used to enhance the visitor experience on Federal land recreation sites.

Federal Oil and Gas Reforms.—The budget includes a package of legislative reforms to bolster administrative actions to reform management of Interior's onshore and offshore oil and gas programs, with a key focus on improving the return to taxpayers from the sale of these Federal resources and on improving transparency and oversight. Proposed statutory and administrative changes fall into three general categories: advancing royalty reforms, encouraging diligent development of oil and gas leases, and improving revenue collection processes. Collectively, these reforms will generate roughly \$1.7 billion in revenue to the Treasury over 10 years, of which \$1.2 billion will result from statutory changes. Many States also will benefit from higher Federal revenue sharing payments as a result of these reforms.

Palau Compact.—On September 3, 2010, the U.S. and the Republic of Palau successfully concluded the review of the Compact of Free Association and signed a 15-year agreement that includes a package of assistance. The budget assumes authorization of mandatory funding for the Compact in 2017 to strengthen the foundations for economic development in Palau by developing public infrastructure and improving healthcare and education. The cost for this proposal for 2017–2024 is \$149.0 million.

Payments in Lieu of Taxes.—The budget proposes to extend PILT mandatory funding for an additional year with the current PILT payment formula based on the amount of Federal land within an eligible unit of local government, its population, and certain other Federal payments the local government may receive. The cost of a 1 year extension of the PILT program is estimated to be \$480.0 million in 2017.

Reclamation of Abandoned Hardrock Mines.—The budget proposes to create an Abandoned Mine Lands Program for abandoned hardrock sites financed through a new AML fee on hardrock production on both public and private lands. The fee is estimated to generate \$1.8 billion through 2026 to reclaim the highest priority hardrock abandoned sites on Federal, State, tribal, and private lands.

Reform Hardrock Mining on Federal Lands.—The budget proposes to institute a leasing program under the Mineral Leasing Act of 1920 for certain hardrock minerals, including gold, silver, lead, zinc, copper, uranium, and molybdenum, currently covered by the General Mining Law of 1872. Half of the receipts will be distributed to the States in which the leases are located and the remaining half will be deposited in the U.S. Treasury. The proposal is projected to generate revenues to the U.S. Treasury of \$80.0 million over 10 years, with larger revenues estimated in following years.

Return Coal Abandoned Mine Land Reclamation Fees to Historic Levels.—The budget proposes legislation to modify the 2006 amendments to the Surface Mining Control and Reclamation Act, which lowered the per-ton coal fee companies pay into the AML Fund. The proposal would return the current fee of 28 cents per ton of surface mined coal to 35 cents a ton, the same level companies paid prior to the 2006 fee reduction. The additional revenue, estimated at \$258 million over 10 years, will be used to reclaim high priority abandoned coal mines and reduce a portion of the estimated \$6.0 billion needed to address remaining dangerous coal AML sites nationwide.

Termination of AML Payments to Certified States.—The 2017 budget proposes to discontinue unrestricted payments to States and tribes certified for completing their coal reclamation work. This proposal terminates all such payments with estimated savings of \$520.0 million over the next 10 years.

Termination of EPL Act Geothermal Payments to Counties.—The 2017 budget proposes to repeal Section 224(b) of the Energy Policy Act of 2005 to permanently discontinue payments to counties and restore the disposition of Federal geothermal leasing revenues to the historical formula of 50 percent to the States and 50 percent to the Treasury. This results in estimated savings of \$41.0 million over 10 years.

Bureau of Land Management Foundation.—The budget proposes to establish a congressionally chartered National BLM Foundation to leverage private funding to support public lands, achieve shared outcomes, and focus public support on the BLM mission.

National Foundation for American Indian Education.—The budget proposes appropriations language enabling the Secretary to reactivate a foundation created by Congress in 2000 to generate private donations in support of the mission of the Bureau of Indian Education. The proposal will allow the foundation to start anew to obtain nonprofit tax exempt status, with a new Board of Directors focused on making the foundation a successful fund raising entity.

Migratory Bird Hunting and Conservation Stamp Act—Duck Stamp.—The budget includes a legislative proposal to provide limited authority to increase the price of a Duck Stamp, with the approval of the Migratory Bird Conservation Commission, to keep pace with inflation.

Wildland Fire Suppression Disaster Cap Adjustment.—The budget proposes to amend the Balanced Budget and Emergency Deficit Control Act to establish a new framework for funding Fire Suppression Operations to provide stable funding, while minimizing the adverse impacts of fire transfers on the budgets of other programs. Under this new framework, the 2017 budget request covers 70 percent of the 10-year suppression average within the domestic discretionary cap or \$276.3 million for the Department of the Interior. This base level ensures the cap adjustment will only be used for the most severe fire activity as 2 percent of the fires incur 30 percent of the costs. Only extreme fires that require emergency response or are near urban areas or activities during abnormally active fire seasons—which rightly should be considered disasters—will be permitted to be funded through the adjustment to the discretionary spending limits. For 2017, the request for the budget cap adjustment for the Department is \$290.0 million. The cap adjustment does not increase overall spending, as the ceiling for the existing disaster relief cap will be reduced by the same amount as the increase required for fire suppression.

OFFSETTING COLLECTIONS AND FEES

Bureau of Ocean Energy Management Risk Management Fee.—The budget proposes appropriations language for a new cost recovery fee to recoup funds for services rendered by the Risk Management Program. The program is critical to protecting the American taxpayer from becoming financially responsible for liabilities associated with oil and gas and renewable energy operations on the Outer Continental Shelf. This proposed fee will generate an estimated \$2.9 million annually, fully offsetting the requested risk management programmatic increase in 2017.

Bureau of Safety and Environmental Enforcement Inspection Fee.—The budget includes appropriations language modifying and expanding the enacted inspection fee language to clarify that facilities subject to multiple inspections are subject to additional fees for each inspection. The BSEE estimates the inspection fees will generate \$65.0 million in 2017.

Fee for Onshore Oil and Gas Inspections.—Through appropriations language, Interior proposes to implement inspection fees in 2017 for onshore oil and gas activities subject to inspection by BLM. The proposed inspection fees are expected to generate \$48.0 million in 2017, level with 2016. The fees are similar to those already in place for offshore operations and will support Federal efforts to increase production accountability, safety, and environmental protection.

Grazing Administrative Fee.—The budget proposes a grazing administrative fee to offset costs to administer the program. The budget proposes to implement a fee of \$2.50 per animal unit month through appropriations language on a pilot basis. Interior estimates the fee will generate \$16.5 million in 2017 to support the Rangeland Management program at the 2016 level. During the period of the pilot, BLM will work to promulgate regulations to continue this cost recovery fee administratively, once the pilot expires.

National Wildlife Refuge Damage Cost Recovery.—The budget includes appropriations language to authorize the Fish and Wildlife Service to retain recoveries for the cost to restore or replace damaged habitat from responsible parties.

CONCLUSION

Thank you for the opportunity to testify on the President's 2017 budget request for the Department of the Interior. This budget is responsible, and proposes to maintain core capabilities with targeted investments to advance the stewardship of lands and resources, renewable energy, oil and gas development and reforms, water conservation, youth employment and engagement, and improvements in the quality of life in Indian communities. I thank you again for your continued support of the Department's mission. I look forward to answering questions about this budget. This concludes my written statement.

Senator MURKOWSKI. Thank you, Secretary.

Mr. Connor or Ms. Sarri, were either of you prepared to provide an opening statement or should we just go to questions?

Secretary JEWELL. Just questions.

Senator MURKOWSKI. Okay, thank you.

KING COVE

Let me start off, Madam Secretary, as I mentioned to you in my opening statement, and as we discussed in the Energy Committee hearing last week, my ongoing concern about the situation in King Cove, the promise that you had made to me and to the committee to do what you could to help the people of King Cove. As I noted, I do not see anything in the President's budget that would help to facilitate that promise.

You have indicated that the report that you had requested has been completed. I asked if that would be released. You indicated that it would be. Can you give me an indication as to when we might expect that?

Secretary JEWELL. I did ask my Chief of Staff, as you know, an Alaskan, to follow up on that, which he is doing. One complication I did not realize last week is it is actually the Army Corps' report, so we will need to work with them on posting it. But Tommy is working through it, and we will make sure we get it to your office as soon as we are able to do that.

Senator MURKOWSKI. We conveniently have a hearing with the Army Corps this afternoon, so perhaps I will have a chance to ask them that question at that point in time.

Are you able to provide me any details of the report at this point in time?

Secretary JEWELL. I am happy to go through just a high-level overview. As I expressed in the letter from July, three alternatives were identified in that report. As we discussed, and I know we differ on this point, I do not support a road through the refuge because of the extraordinary damage we believe—

Senator MURKOWSKI. I understand that. If what you are telling me is that what we will see in this report is what we have seen before, then I would rather not take the subcommittee's time to have you detail that right now, because, as you know, that was unacceptable not only to me before, but it was unacceptable to the people of King Cove.

WILDLIFE MANAGEMENT

So we will continue this discussion, but let me move to another issue that is equally unsettling to the people of Alaska right now. That is the proposed regulations from the Park Service and Fish and Wildlife on the proposal to govern wildlife management and procedures to close areas that are currently open to hunting and fishing in the State.

These are controversial because they call into question State management authority over fish and game, over resources within their borders. This is contrary and inconsistent with the Alaska National Interest Lands Conservation Act (ANILCA), a statute which gives the State of Alaska and the Department of Fish and Game management inside our preserves, our refuges, and our parks. Do you believe that the State of Alaska has the right to manage its wildlife within the borders of the State?

Secretary JEWELL. Certainly, Senator Murkowski, I believe the State has the right to manage its wildlife. I also, though, say that the Fish and Wildlife Service and the Park Service must operate within the congressional mandates they have. What they have struck in this is really around non-subsistence take of predators, things like——

Senator MURKOWSKI. Let me ask about that subsistence take, because I know you have said that these regs do not impact subsistence. But since the amount of game that is available for natives around the State is definitely impacted by the take of wildlife by predators, how can you suggest that somehow the subsistence rights of our native people are not impacted by these new predator control policies?

A bigger question is whether you think it is proper for the Federal Government to effectively reverse the State Board of Game decisions, because that is effectively what we are seeing here. From Alaska's perspective, we have ANILCA that says the State has the right to manage. Now you have the Federal Government, the Park Service, the Fish and Wildlife Service, saying, yes, except for when we think that what we are doing is more appropriate.

It is a violation of what has been set out not only within ANILCA but within the United States Constitution. I hope you appreciate the anxiety that has been created right now in the State because of these proposed regulations.

I know you had a discussion with Congressman Young about this yesterday. You know where he is coming from, clearly. I think you know where myself and Senator Sullivan are coming from on it.

We have a collision going on right now between your Federal agencies with the Park Service and with the Fish and Wildlife Service stepping in and telling a State that, effectively, we do not think that the State can manage what by Constitution and Federal law we have given you that authority to manage.

That is more of a rhetorical question for you, but you need to understand how significant an issue this has become in the State of Alaska. It may be right up there with the fight on the Arctic National Wildlife Refuge (ANWR) and King Cove. It may surpass them all, because this truly does go to a State's rights issue.

I am out of my 6 minutes already, so I am going to turn to my ranking member, but we will have time for multiple rounds here.

Senator Udall.

Senator UDALL. Thank you, Madam Chair.

Several Senators on my side have urgent hearings to actually chair, so I am going to defer my questions and call on Senator Leahy to ask questions at this point. Thank you very much, Madam Chair.

Senator LEAHY. Thank you, Madam Chair.

Thank you, Senator Udall.

Secretary Jewell, as I mentioned to you earlier, it is great to see you here. I was thinking, as we were looking at the picture, when you were in Vermont this time for the Leahy Environmental Summit, I am glad you were able to enjoy a day of snowshoeing in Vermont's Green Mountains, something both my wife and I love to do at our home.

But you know what? Last year, you had about 6 feet of snow in Vermont's backcountry. If you were there today, the grass would be sticking up through the little bit of snow on the ground. At our home, we have not been able to snowshoe or cross-country ski. It has just been strange, so let me ask you a couple questions.

I understand you got an earful on the House side yesterday. Members blamed you and the administration for all sorts of harm to the States, almost suggesting you personally control the price of fossil fuels. Oil just went up, so I am sure they are all going to call you this morning and give you credit for that, too.

But I want to praise you for your foresight and leadership in addressing this problem. We have an obligation not only to current taxpayers, but to future generations to see that all Federal programs deliver a fair return to American taxpayers. That can be coal mining activity, offshore oil exploration, logging, even our Federal grazing permits. The price to extract these natural resources should not be so heavily subsidized that it encourages damage to our Federal lands or wildlife or causes, as it could, permanent damage to the taxpayers of this country.

COAL LEASING PROGRAM REVIEW

My question is, does your proposed fiscal year 2017 budget provide the resources to complete a full evaluation of the coal leasing program? Will it include a cost-benefit analysis to consider, among other things, carbon emissions and medium- and long-term impacts of climate change? Could you do a similar valuation on oil exploration?

Secretary JEWELL. Thank you very much, Senator Leahy. It was a pleasure to be in your State.

I will say, a year ago, when I was in Senator Murkowski's State, the green grass was poking through, because they did not have snow.

We are launching a programmatic environmental impact statement on the coal program. It has not been done for 30 years. It is very evident from a Government Accountability Office (GAO) report and our own Inspector General report, there are not only questions about the adequacy of payment to the taxpayers, but also that it does not take into account the impact of climate change.

The assessment we will launch with this programmatic environmental impact statement (PEIS) will take into account climate change and the impact broadly of the coal program, as well as the returns and the royalties.

I cannot get it done within the time I am here. It is too complicated. It takes too long. We will have an interim report, which will scope out exactly what will be done, with a timeline through which we intend to complete that work.

I have not, at this point, contemplated a similar program on the oil and gas activities. Coal has been criticized, as I mentioned, by our own Inspector General and the GAO, so I am prioritizing that.

WIND ENERGY AND BATS

Senator LEAHY. There are other programs that you have for development of renewable energy projects. You have wind energy on Federal land. I wrote to the department last week on Bat Week. I will point out that I don't talk about fictional Batman. I talk about real bats and what they do helping with our crops, keeping down pests, and other all these other things.

If you have wind energy, you also have this question of bat and bird interaction, migrating birds, bats, and so on. If additional resources are available, what could your department do to, one, make progress on wind energy, but also in a way that would help with flights of birds and flights of bats, all of which are so important to our whole ecosystem.

Secretary JEWELL. Thank you very much for pointing out the importance of bats, in particular, as pollinators, and they are in real trouble right now because of White-Nose Syndrome, which you are well aware of.

I have seen through the USGS the work we are doing with the wind energy industry and others on early warning systems to detect when there are avian species like bats and birds in the area, that will proactively shutdown wind turbines. It is a relatively modest amount, and I would say that if we had more, we could probably accelerate that work. Some of it is being paid for by industry, which is also appropriate, to reduce those impacts. And it is a concern of the Fish and Wildlife Service.

Where we site these wind energy projects on public lands, it does take into account the migration patterns and the potential impact.

But with more resources, we certainly could do more.

Senator LEAHY. Let me and my office help you with that, and also, help you with industry, because people are concerned, as you know. And I know you are.

TEMPORARY EMPLOYEES

One last question. Your department, like others, relies on temporary employees for programs we have funded either through partnership agreements or the discretion of Congress. I worry sometimes these temporary employees are on permanent things.

For example, at the risk of being at all parochial in this committee of all committees, we have the Lake Champlain sea lamprey control. The Fish and Wildlife Service has run this continuously now for 25 years. Some of the employees are classified as temporary. We always have money in there for this program.

I worry these temporary—they have to be experts. If they are temporary, they say, I can get a job somewhere else, and they leave and we lose all the expertise. How do we make these people permanent?

Secretary JEWELL. Madam Chair, do you mind if I respond? I know we are over time.

Senator LEAHY. I am sure she has similar things in Alaska, for that matter.

Secretary JEWELL. Well, quickly, I will say our budget does support an increase for the wildlife refuge system. That would enable us to take some positions that are temporary and make them permanent.

Specific to the sea lamprey, we actually have four positions that are supported by the State Department because of the cross-border issues with Canada. Those, because they are not funded by our department, are term positions, and, are therefore, temporary. We certainly would be willing to look at a more permanent authorization for them.

There is a blend of the Fish and Wildlife budget being lower in the past, and we asked for increases, but also part of it is being supported by the State Department. We appreciate the challenge.

Senator LEAHY. Thank you.

Thank you, Madam Chair.

Senator MURKOWSKI. Senator Cassidy.

Senator CASSIDY. If one of my colleagues has a hearing to chair, they can go ahead.

Senator REED. I have a hearing. Thank you. Very gracious.

Senator MURKOWSKI. Senator Reed.

Senator REED. Thank you, Madam Chairman. Let me begin by commending you and your colleague for your great leadership. Thank you very much.

BLACKSTONE NATIONAL HISTORIC PARK

Madam Secretary, thank you. One of the major developments in Rhode Island, as you know, is the creation of the Blackstone National Historic Park. Thank you, because you were there with us kayaking along the Blackstone River. We thank you for that.

The way it is envisioned, it is a partnership park. The existing Blackstone Valley Heritage Corridor, a federally funded entity, is going to work in partnership with the National Park Service to develop the plan to implement it and to do all those things.

But there is a growing concern, and I would like your comments about how you balance these two entities, so that they have adequate resources to continue their jobs and one does not suffer at the expense of the other as we go forward and coordinate their operations. Could you comment on that, Madam Secretary?

Secretary JEWELL. I will make a quick comment. We have just slightly above the funding recommended for 2017 versus 2016. For 2017, it is \$932,000. In 2016, the funding with the National Heritage Areas was \$501,000. Once we get the 2017 amount, the Park Service will work closely with the National Heritage Area to figure out what the appropriate split is.

I certainly understand how important that funding is, and I will pass that along to the Park Service.

Senator REED. Thank you. I think both entities now have to continue at an appropriate pace. At some point, there might be a transition point where the Park Service accumulates more support and activities as we go forward. But at this point, I think it is important to keep both those entities empowered, resourced, and working together.

Another issue with respect to the park, because it is such a major undertaking, the first one in our State, and we are all looking forward to its successful implementation, one of the first sites is likely to be Slater Mill, which is really the beginning of the Industrial Revolution in the United States. It is the first real factory in America.

That is likely to be the first component of the park. Do you have any notion about how that transfer will be completed in this fiscal year, the resources available, and sort of anything else you might want to add?

Secretary JEWELL. I have been to the Slater Mill site. It is extraordinary, and compliments to the community on that. I have not spoken with the Park Service specifically about plans for Slater Mill, so let me get back to you on the record for that one.

[The information follows:]

SLATER MILL

The National Park Service (NPS) is working closely with the Old Slater Mill Association to acquire the Historic Slater Mill campus. The board of the non-profit has agreed to the property transfer, which will make this property the anchor and manageable unit of the new park. The estimate for the transfer of the property is spring 2017. Currently, title work is underway.

Once the property is owned by the NPS, it is anticipated that the Old Slater Mill Association will continue to offer high quality programming at Slater Mill and remain an active partner in the management of the national park property. The NPS will use its current budget to support that programming, as well as preserve and maintain the historic structures. Of the \$926,000 budget this fiscal year, the park retained \$425,000 and transferred \$501,000 to the national heritage area. This \$425,000 is the core of the resources available for the new park, though it is also anticipated that the NPS will fund one-time projects such as investing in waysides and signs within the next year.

Senator REED. Thank you, Secretary, and your staff.

And I want to thank the chairwoman again, and particularly thank Senator Cassidy for his graciousness. Because I have to get back to another hearing, I will just wish you well.

Thank you.

Senator MURKOWSKI. So, theoretically, that was the majority's turn. We should go to this side, but Senator Cassidy was gracious, so I do not know, we will ask you, Senator Cassidy.

Senator REED. We all vote for Senator Cassidy.

Senator MURKOWSKI. Thank you.

OIL AND GAS RULEMAKING

Senator CASSIDY. Secretary Jewell, when you put out the well control rule and the Bureau of Land Management (BLM) venting rule, I am told that you used \$80 oil and \$4 natural gas to justify the economics. Is that correct?

Secretary JEWELL. I do not know specifically what was used in the economic assumptions. That probably is correct, given the timing that it was done, but we can get back to you and confirm that.

Senator CASSIDY. Is it fair to say that probably the economics of that are now different because of the lower prices?

Secretary JEWELL. To the extent the economics are dependent on oil prices, it would be, but oil prices, of course, are a commodity and they fluctuate from \$100 to below \$30 a barrel. So, I do not know how much that specifically impacts the cost of the well control rule. It certainly impacts the industry.

Senator CASSIDY. Now, when it impacts the economics of the industry, it is fair to say that a well that could be economically developed at \$80 a barrel probably cannot be at \$30. That just goes without saying. There is a marginal cost to compliance with regulation, and if that marginal cost is on \$30 as opposed to \$80, it is going to make a difference in economics. I think that goes without saying.

Secretary JEWELL. Well, if I can just say there are a lot of things that will impact the economics. The cost of the rig, the cost to drill, the risk, and all of those things are factored in.

Senator CASSIDY. Absolutely.

Secretary JEWELL. I used to do this for a living, so I certainly understand that.

Senator CASSIDY. I get that. But, marginal cost of regulation is a cost.

WELL CONTROL RULE

Now, according to a Wood Mackenzie report, the well control rule, the cost of compliance, could cause a decline of 55 percent in exploratory wells by 2030. I just say that for the record. Others may fuss with that.

But at the same time, it is fair to say that there is some cost associated with the well control rule.

That said, one of the concerns that has been raised with me regarding the well control rule is that the Bureau of Safety and Environmental Enforcement (BSEE) is promulgating this, and they are promulgating it, but it apparently violates a congressional mandate that specifically is the National Technology Transfer and Advancement Act, the NTTAA, which bars the use of government unique technical standards in lieu of voluntary consensus standards. Again, I have a document here that goes through the statement of it.

Any thoughts about that? Because it does seem, what I have heard about the well control rule is being given kind of ex cathedra as opposed to from a voluntary consensus methodology.

Secretary JEWELL. I have never heard of the Act you referenced, but I am confident through our solicitors that everything we are doing in regard to the well control rule is within our rights and consistent with what we believe we must do for the safe and responsible development of offshore resources, particularly in the wake of the *Deepwater Horizon* spill.

Senator CASSIDY. It isn't insofar as—believe me, I care about the *Deepwater Horizon*. It is not insofar as regulations are not required but rather that BSEE is supposed to show that voluntary consensus standards are impractical. I am not sure that it is clear that the voluntary consensus standards are impractical, and I am not sure that it has been shown.

So, it is not so much the regulation should not be promulgated but rather the technique should be first the consensus standards, and then only, again, my term, if you will, is *ex cathedra* being prescribed without the consensus standards being formed.

Obviously, that might be something a little technical, but if you could address that for the record, I would appreciate that.

Secretary JEWELL. We are happy to follow up.

Senator CASSIDY. Related to that, and again on the well control rule, is that, clearly, if we are going to have an impact upon the ability of oil wells to be drilled, that is going to affect the energy supply in the United States. I am told that under Executive Order 13211, from May 18, 2001, such things require a statement of energy effects.

BSEE has denied that there is an impact upon energy supply from these regulations, which seems a little crazy. But nonetheless, if they do, it means that they have another reporting requirement.

Any thoughts about that? It just seems so self-evident that if you are going to have an impact upon the supply of oil and gas that you are going to have an energy effect. That may be a little technical for this conversation. I do not know if you are prepared to comment on that.

Secretary JEWELL. I will just comment briefly that the well control rule really codifies many of the practices currently in place in the Gulf that were addressed after the *Deepwater Horizon* spill. I do not support the notion that the regulation itself would impact energy supply. I am happy to get back to you for the record.

[The information follows:]

IMPACT OF THE NTTAA ON THE DEVELOPMENT OF THE WELL CONTROL RULE

BSEE's promulgation of the rule is consistent with the NTTAA's requirement that agencies use technical standards that are developed or adopted by voluntary consensus standards bodies rather than government-unique standards, except where inconsistent with law or impractical. BSEE expressly proposed to incorporate the following voluntary consensus technical standards in its rule:

- American Petroleum Institute (API) Standard 53 (Blowout Prevention Equipment Systems for Drilling Wells);
- American National Standards Institute (ANSI)/API Specification (Spec.) 11D1 (Packers and Bridge Plugs);
- ANSI/API Spec. 16A (Drill-through Equipment);
- API Spec. 16C (Choke and Kill Systems);
- API Spec. 16D (Control Systems for Drilling Well Control Equipment and Control Systems for Diverter Equipment);
- ANSI/API Spec. 17D (Design and Operation of Subsea Production Systems—Subsea Wellhead and Tree Equipment); and
- ANSI/API RP 17H (Remotely Operated Vehicle Interfaces on Subsea Production Systems).

The NTTAA and the associated implementing guidance in Office of Management and Budget (OMB) Circular A-119 permit an agency to include in its regulations a voluntary consensus standard “in whole [or] in part” (OMB Circular A-119, at p. 3). Thus, the NTTAA does not require that BSEE incorporate every provision of each standard. For example, BSEE has excluded from its regulations the API Standard 53 provision that authorizes offshore operators to “opt-out” of the requirement to use dual shear rams for BOPs on floating facilities. BSEE believes that a decision to “opt out” should be based on a risk assessment subject to oversight.

In addition, OMB explains that the NTTAA:

[D]oes not preempt or restrict agencies' authorities and responsibilities to make regulatory decisions authorized by statute. Such regulatory authorities and responsibilities include determining the level of acceptable risk and risk-management, and due care; setting the level of protection; and bal-

ancing risk, cost, and availability of alternative approaches in establishing regulatory requirements. (OMB Circular A-119, at p. 25).

BSEE's proposed variations from the industry standard do not indicate that the bureau is seeking to use government-unique standards in its regulations. Rather, BSEE's non-incorporation of portions of industry standards is fully consistent with the NTTAA because OMB has clarified that agencies may incorporate consensus standards in whole or in part in their regulations. Additionally, OMB has clarified that the NTTAA does not preempt or restrict an agency's authority to make regulatory determinations about the level of acceptable risk and risk-management, and due care, setting the level of protection, and balancing risk and cost. BSEE's incorporation of less than all of API Standard 53 is based upon these principles and is not inconsistent with the NTTAA.

The potential impacts of the well control rule on oil and gas supplies:

BSEE received comments that the initial Regulatory Impact Analysis did not account for asserted impacts of the proposed regulation on national energy security. These comments appear to assume that this rulemaking will cause a reduction in domestic oil production, thereby implicating the requirements of Executive Order 13211 applicable to agency actions that significantly affect the Nation's energy supply, distribution, or use. These comments suggested that the rule would weaken national energy security by reducing domestic oil production and increasing reliance on foreign oil. BSEE does not agree with this comment. BSEE's own analysis indicates that the net effect of the final rule on the oil and gas industry would be positive (*i.e.*, the potential benefits exceed the potential costs). This does not support the assumption that the rule would precipitate a reduction in domestic oil production. The regulations consist of an envisioned level of safety derived from numerous post-*Deepwater Horizon* studies and existing industry standards. The regulations also allow for alternative methods to achieve the envisioned level of safety. There is no reason to conclude that this approach will adversely affect U.S. energy production. Technological advancements and variable market factors, such as the price of oil, which are unrelated to the requirements of the proposed rule, are likely to be the most important factors to affect future domestic oil production.

Senator CASSIDY. Please. And I will say that, speaking to folks, they actually feel like the initial rules that came out after the Macondo were actually fairly reasonable. It is those that were proposed that would go beyond it that are again being given almost, in effect, by fiat, not with consensus standards.

According to at least one consultant, it is going to have a significant impact upon the drilling of exploratory wells.

So we will fashion these for the record, and look forward to your reply.

Secretary JEWELL. If I could just say briefly, there was a lot of industry input after the draft rule. Those have been taken into account, and I believe you will see significant changes from the draft rule to the final when it is released.

Senator CASSIDY. Sounds great.

LAND BUY-BACK PROGRAM

On the Land Buy-Back Program, what is the cost basis for the sale of the land? Does that include the mineral rights that might be beneath it, the grazing rights, et cetera?

Secretary JEWELL. Mike.

Mr. CONNOR. We are not typically acquiring land through the Land Buy-Back Program with mineral rights on it. We are right now excluding—

Senator CASSIDY. I thought this is where the Indian tribes were allowed—the Native American tribes were allowed to buy land back from the United States. Did I misunderstand that program?

Mr. CONNOR. This is one where resources are provided to acquire these fractionated interests in lands and restore to tribal ownership. So there are significant tracks out there that do not have mineral interests. We are doing appraisals of those lands and restoring those to tribal—

Senator CASSIDY. I see. So, those typically do not have mineral and grazing rights associated with them.

Mr. CONNOR. That is correct.

Secretary JEWELL. Just to clarify, they are not Federal lands. Typically, they are in fractionated private ownership consolidated for the tribes.

Senator CASSIDY. Okay. I yield back. Thank you.

Senator MURKOWSKI. Senator Tester.

Senator TESTER. Thank you, Madam Chair.

LAND AND WATER CONSERVATION FUND

I, too, want to thank Senator Cassidy for his courtesy. That happens seldom around here, so we thank you for that very, very much, even though I was not the beneficiary directly.

Secretary Jewell, thank you for being here. I want to talk about the Land and Water Conservation Fund for a second. We have been over the numbers before. You know the impact it has on Montana's overall economy—\$5.8 billion in consumer spending in a State of 1 million people. Seventy percent of Montana businesses list public access as a major reason they do business in our State.

In 1978, this fund was funded at \$900 million—1978, the year I graduated from college, a long time ago. Now we are finally back up to \$900 million, \$475 million discretionary, \$425 million mandatory. I appreciate that.

Back in 1978, it was supposed to be funded by offshore oil revenue. When we had this debate on the Senate floor, people said there was lots of money in this account, lots of money in this account. It was my understanding it flows into the general fund.

The question for you is, do we need an offset for the Land and Water Conservation Fund? When it was set up in 1978, it was set up to be at \$900 million, and somebody took that money and we never heard a word about offset back in those days.

Secretary JEWELL. There are people here with much more history on this body than I have. It was authorized at \$900 million. It has fluctuated wildly, and less than half, I believe, has actually been appropriated, and the rest has been used for other purposes.

Senator TESTER. Was it appropriated at \$900 million back then, do you know?

Secretary JEWELL. It was.

Senator TESTER. And it has been appropriated at that level a few times since then.

The reason I bring this up is because in my opinion at least these places are not going to be around forever. They might not be around in 10 or 20 years. When you are looking at proposals, what are you looking at when you utilize this fund money?

Secretary JEWELL. There is a stateside program, which is prioritized by States. That is very, very important. On the Federal programs, we really have a list that is far longer than what we are able to do for things like sportsman's access, critical parcels be-

tween pieces of public land that promote access, inholdings where it is costing us money to provide rights-of-way that would actually reduce our costs. There are a number of different things.

Senator TESTER. Does the \$900 million bring you up to a point where you can address all of the requests?

Secretary JEWELL. No.

Senator TESTER. Half the requests?

Secretary JEWELL. No. It would just enable us to make progress. There is a much longer list of requests.

Senator TESTER. I appreciate you trying to get back to the \$900 million figure. It actually should have been indexed so it would be more than that now, in my opinion. These are special ecosystems that are not going to be around much longer.

COAL LEASING PROGRAM REVIEW

I want to talk about the Federal coal program for a second. I believe in transparency. I believe in a fair return to the taxpayer. These public lands are owned by every citizen in this country, contrary to what some might say.

I think that it is critical that we get a fair return on those coal dollars. I think, and correct me if I am wrong, the last time there was an assessment done on Federal land, coal leasing was in the early 1980s. Is that correct?

Secretary JEWELL. It was 30 years ago. It was 1986.

Senator TESTER. Nineteen eighty-six, the year that I bought a brand-new Chevy pickup four-wheel drive, three-quarter ton for \$12,000. That same pickup would cost around \$38,000 now, by the way, because I am looking to trade it off.

But that aside, can you tell me, I think it is a good idea to do the research and it is a good idea to make sure we are getting a fair return, but this cannot go on forever. I mean, it has to be a date certain.

I have heard 3 years. Is 3 years a reasonable amount time to get this survey done? And, if it is, would you support legislation saying that?

Secretary JEWELL. I would support legislation putting a date certain. Three years, we believe, is as fast as we could do it. The program review done in the 1980s was longer than that. The pause on coal leasing extended longer than that, as a result.

I will be putting in place a date certain timeline when I leave, but that could be undone by a successor and I would welcome a clear timeline so we can complete this in a timely way.

GRAZING FEES

Senator TESTER. Okay, Madam Chairman brought up the Federal grazing fee. It was raised up to \$2.11 in this budget, correct me if I am wrong, maybe it was not. Maybe it was done before that.

The point I want to make is this. There are some who want to transfer our Federal lands to our States. The amount of grazing fees that are charged by the States are much, much, much higher. And the private grazing fees are much higher than the State fees.

Could you talk about, because I do not know that a lot of people are talking about this—we have more cattle in Montana than we have people, by the way. Can you talk about the impact transfer-

ring these Federal BLM or Forest Service lands to States would have on grazing fees?

Secretary JEWELL. The impact would be dramatic. The Federal Government charges \$2.11, which was set by Congress many years ago. While our budget asks for an administrative fee of \$2.50, right now we cannot even cover 35 percent of our costs of administering the program.

Just to give you some examples, in your home State, the State charges \$19.57 compared to the Federal Government's \$2.11. In Colorado, it varies between \$9 and \$15.25. In Wyoming, it is \$6.14. On private lands, it is \$21, 10 times what the Federal Government rate is. That is pretty consistent.

I would say that for the grazing interests, people are getting an incredibly good deal on BLM lands right now. The increase we are talking about still would not even fully cover our costs just to administer the program.

Senator TESTER. Thank you very much. I look forward to working with you on this budget.

Thank you, Madam Chair.

Senator MURKOWSKI. Thank you, Senator Tester.

Senator Daines.

Senator DAINES. Thank you, Madam Chair.

Good to see you again, Secretary Jewell.

COAL LEASING PROGRAM REVIEW

Last week in the Energy Committee, I mentioned my concerns about the programmatic review and the pause on coal leasing. It is very troubling for many back home in Montana and for the Crow tribe. I think we need to be careful to not make producing Federal coal completely uneconomical.

That is a reality that is dangerously close under the current administration's moratorium on coal leasing, and if not inevitable, if our States and I think our tribes are left out of the process.

At last week's hearing, I asked about gathering input from the States and the tribes, and you mentioned six listening sessions the department has had, and that there is a very open process. Several tribal members and others who rely on these coal jobs to provide for their families for the revenues, for the general fund, expressed strong concern regarding potential administration actions at the listening session that was actually held in Billings, Montana. In fact, most present there expressed concern.

Yet the administration is moving forward with this programmatic review and a coal leasing moratorium. Quite frankly, I think there needs to be something more formal to allow the States and tribes and other stakeholders a more predictable and impactful seat at the table, like the Royalty Policy Committee, which actually you allowed to lapse in 2014. I think Congresswoman Lummis mentioned that yesterday in a hearing.

ROYALTY POLICY COMMITTEE

The question was, why did the agency allow the proposed rule-making initiative to move forward when the Royalty Policy Committee, which was important—it has members from the States, from the tribes, from non-governmental organizations (NGOs), from

industry, the committee lapsed in 2014, a very important voice in this process. Why did we go forward with rulemaking initiatives when you allowed that committee to lapse?

COAL PROGRAM

Secretary JEWELL. Let me say a couple things, if I may. First, I will have to look into the committee lapsing, but royalty rates on the Federal coal program have not changed in 30 years, so I am not sure of the function of the committee.

There are minimum royalty rates set, and then a lot of exceptions that actually reduce the royalty rates. We have seen a real decline in revenue coming in from the coal program, and the decline in production is really due to economic factors like the switch to natural gas and a change in the interest in exports of coal, which I know the Crow tribe was interested in.

The bonuses over the last 10 years were about \$.875 per ton. And in 2015, \$.315 a ton, so the price is collapsing on coal due to market conditions.

ROYALTY POLICY COMMITTEE

Senator DAINES. Right. I understand the dynamic nature certainly of what is going on. I guess, it makes it in my opinion even more important—why wouldn't we want to have the States' voice, the tribes' voice, industries' voice, NGOs' voices there in a more formal process as far as their input goes, which was a key part of this Royalty Policy Committee, which lapsed in 2014?

Secretary JEWELL. I just had some more recent information handed to me.

The Royalty Policy Committee last met in 2008. The charter was renewed in 2010, but did not meet because of other events—*Deep-water Horizon*, after which the Minerals Management Service, was reorganized and created the Office of Natural Resources Revenue was created. The Royalty Policy Committee was set up to expire in 2012.

It was renewed as a potential vehicle for the Extractive Industries Transparency Initiative multi-stakeholder group, but the most recent charter expired in 2014, and our Office of Natural Resources Revenue did not feel it made sense to reestablish it.

But we are happy to look into that more for the record. That is as much information as I have right now.

Senator DAINES. The concern I hear back home is that we want to make sure the States' voices are heard in that process, that the tribes' voices are heard in that process, the industry voices are in that process, as well as NGOs. I think the stakes are perhaps much higher now than they might have been in the past and why it is so important.

I believe this policy needs to be reinstated. And I am concerned why rulemaking is going forward here without having that important body functioning, given I think the dynamics and the stakes are a lot higher today than they might have been in the past.

COAL LEASING PROGRAM REVIEW

Secretary JEWELL. Just to adjust a little bit, rulemaking is not what is happening. It is a programmatic and environmental impact statement, which is a review of the overall program. We absolutely will be listening to industry. We will be listening to tribes. We will be listening States, local stakeholders, local communities. People impacted by this on the ground will be a very robust part of this process, I promise you.

Senator DAINES. I appreciate Senator Tester's concerns voiced a little earlier about trying to get a 3-year date certain, in terms of this programmatic review. I have an amendment that I am trying to work to get bipartisan support on that to, again, deliver some certainty here in what is very much an uncertain process in many regards.

TRIBAL CONSULTATION

I want to pivot over and talk about the meaningful consultation with Indian tribes. The Crow tribe I do not think believes they have had meaningful consultation.

What does meaningful consultation look like to you, Secretary Jewell, because they are saying that they do not really feel like they have had a meaningful consultation.

Secretary JEWELL. I have not met with the Crow for probably 1.5 years, maybe a bit more. But, if they feel the consultation they had is not meaningful, please have them let us know, and we will make sure we are responsive.

I would say meaningful consultation is not necessarily reaching an agreement on a position a tribe necessarily wants, but it is making sure their position is known and heard. We have been committed to that throughout this administration.

Senator DAINES. As you know, their unemployment rate today is about 40 percent. The loss of these jobs takes the unemployment rate to north of 80 percent. It is devastating for the tribe.

Secretary JEWELL. I understand, and I know you understand, too, that the economics of coal are changing dramatically. What we are looking to do is not the cause of that. There is a multifaceted global market for coal that is, in fact, going down dramatically.

Senator DAINES. I would argue that the EPA power plan is having a tremendous impact right now in creating uncertainty there as well.

I understand the economic dynamics. The EPA power plan is probably the single most devastating impact right now on the coal business up there in Montana. Thank you.

Senator MURKOWSKI. Senator Daines, I appreciate you bringing up the issue, though, of tribal consultation. Secretary, I am going to turn to Senator Feinstein, but I would just like to put you on notice.

I have a large delegation of Alaskan Native leaders that are in Washington, DC, this week. Every single one of them is bringing up with me the breakdown that they are seeing with tribal consultation with the agency. So I will put that on your plate as well, and I can speak with you about specifics.

Senator Feinstein.

WATER

Senator FEINSTEIN. Thank you very much, Madam Chairman.

I just want to say, it is fortuitous you are also chairman of the Energy Committee, and the subject I want to bring up today is a bill that we have submitted for your consideration, and that is a California water bill, which would hopefully be part of a Western water bill.

I cannot express too strongly how serious this drought is for California. A lot of people have counted on El Niño. It may or may not bear real fruition, but the State has really had dramatic problems. Let me just give you a few.

We have 69 California communities that face significant water supply and water quality issues. In other words, most of them do not have water. We have lost \$2.7 billion from the drought in just 2015. More than 1 million acres of California farmland have been fallowed in 2015. The drought has led to a loss of 35,000 permanent jobs in the State.

Land subsidence in the southern Central Valley has caused large areas to begin to sink because of overpumping groundwater, and it is sinking as much as 2 inches per month. As a result, bridges, aqueducts, and roads have begun to crack.

So, I would like to ask a couple questions of the Deputy Secretary on the subject. Deputy Secretary Connor, is it true that we have worked closely with Reclamation and your office in the drafting, redrafting, and amending of this bill?

Mr. CONNOR. It is absolutely true.

Senator FEINSTEIN. Deputy Secretary Connor, is it true that every amendment or suggestion, and there have been many, made by Reclamation and your office has been worked through and incorporated into the bill?

Mr. CONNOR. Senator, a great many. I would hesitate to say all, but I think for the most part, most of the very substantive ones have been addressed. I believe there may be some technical issues that we still are discussing. But yes, in general, I agree with your statement.

Senator FEINSTEIN. Okay, I would like to know, not now, but what those technical issues are.

Do you believe that the bill, if enacted, would increase operational flexibility and increase water supply during this drought?

Mr. CONNOR. I agree, yes, on both counts.

Operational flexibility in the bill incorporates provisions that reflect the flexibility we have tried to maintain in our water operations, and that we have over the past couple years developed, consistent with our drought contingency plan.

It institutionalizes those provisions. It provides greater resources for monitoring activities that greatly help in our operations. It facilitates transfer. I think in the midst of this drought, it does increase flexibility and has the capacity to provide for more water. I would say, in the long-term, it absolutely, unquestionably will provide for more water supply reliability for California.

Senator FEINSTEIN. Thank you very much. I appreciate that.

FUNDING FOR CALIFORNIA MONUMENTS

Madam Secretary, if I may, I want to thank you for your efforts related to the President's designation of three new national monuments in the California desert. The California desert has been a very big deal for me. We have done two desert bills. As a city girl, the California desert is such a wonderful place to visit. At night, the shadows, the dawn, the flora, the fauna, the petroglyphs, it is just an incredible place. So I am very delighted to see these monuments.

If I understand your budget request, it includes \$6.5 million for the BLM office in California that is responsible for managing the national monuments. That is an increase of \$1.9 million when compared with last year.

While I understand the monuments were designated after submission of the President's fiscal year 2017 budget, do you believe the additional \$1.9 million will be enough for BLM to manage the 1.7 million acres of land it is now responsible for?

Secretary JEWELL. I am just going to do a high level answer, and then turn it to Kris for the direct answer.

I want to say a profound thank you for your work on the drought legislation—hard, hard work—and also for your tireless work over many, many years on the protection of the California Desert.

Senator FEINSTEIN. You might be interested to know, Madam Secretary, we have done 26 drafts of that legislation and made 41 amendments to it, as the time has gone on, and as we have talked and consulted with others. So, that has been 2 years of work, and I might say, much harder than the desert bill.

Secretary JEWELL. It was very constructive. And the subsidence you pointed out is something few people know about.

We have increased money in the budget overall for the National Landscape Conservation System in BLM that does include the California deserts. There is not specific money in the budget for them beyond an allocation for that, because of the timing of the monuments. We will be doing a lot of planning associated with that, and future budgets will reflect that.

But, Kris, do you want to jump in?

Ms. SARRI. Sure.

Senator, thank you very much for the question. As the Secretary mentioned, there is an increase for BLM's conservation lands. We are up to \$50 million for the request. That does include the \$1.9 million increase for the California areas. BLM thinks that will be sufficient if they get the budgetary increase to take care of the new monument.

Senator FEINSTEIN. Thank you. That is very helpful. I appreciate it.

ABANDONED MINES

Just a quickie, one of the prior Senators mentioned the problem with abandoned mines. It is a serious problem in our State. We have some 24,422 abandoned mines. According to BLM, there are 1,672 known mine sites on or near BLM property. BLM estimates that there were an additional 22,730 sites that have yet to be even inventoried.

BLM says that will require \$118 million just to complete the inventory. That is an enormous cost just to inventory.

My question is, would you take a look at that cost? I am concerned about these. I know we get \$1 million, \$2 million a year to deal with these, and some have been boarded up where people can fall into them. But I am very concerned that we could still have some kind of a catastrophic event.

So, if you would take a look, BLM has requested \$20 million in discretionary funding for its nationwide Abandoned Mine Lands program. You propose \$1.8 billion in mandatory funding from a new fee that most people think will not go anywhere in Congress.

So, if you have some suggestions, Madam Secretary, I would love to hear them.

Secretary JEWELL. I will just say thank you for pointing out this issue, as did Senator Udall. He does have some legislation he is proposing.

This is an enormous problem. We will certainly look into the cost and get back to you on the record for that, because I do not have a great answer, except that I know that just to inventory across landscape is hundreds of millions of dollars. That is because these are remote sites. To inventory them, we have to understand what is happening, and the features within those sites. That is very labor-intensive work.

But we will look into that and be happy to work with this subcommittee and others on bringing a long-term solution.

Senator FEINSTEIN. Let me ask you just quickly this question. To inventory them first, so much money, could there be another criteria for selecting abandoned mines to take care of? It seems to me those would be the mines where you have hikers, visitors, where there is the most jeopardy of an accident. Could it be done on that basis?

Secretary JEWELL. I will talk to the BLM and ask them. I am fairly confident those are the ones they have prioritized within the National Park Service, those that do have closed visitor access. But we will check into that, and I will get back to you on it. Thank you very much.

[The information follows:]

ABANDONED MINE LANDS

The BLM confirms the estimated cost of completing an inventory of abandoned mine lands in the State of California is \$118 million. The BLM also confirms for both conducting inventories and reclaiming AML sites, priority is given to areas and sites with high visitation or near population centers.

Senator FEINSTEIN. Thank you, Madam Chairman.

Senator MURKOWSKI. Senator Blunt.

Senator BLUNT. Thank you, Chairman.

ST. LOUIS ARCH

Secretary Jewell, I want to thank you for mentioning the arch in your written testimony. It is one of the very first projects, and maybe in terms of private funding the largest project in terms of local funding that is going into that partnership.

It does seem to me that we have a real opportunity there and in other places to really usher in what I believe is your vision of

the second century of the Park Service. I would say that I hope it would not hurt his reputation in the service, but the new regional director, Cam Sholly, appears to fully understand the importance of setting this model. We are enjoying working with him, as, more importantly, the people locally are enjoying working with him.

We were able to get some language in the omnibus appropriations bill. Chairman Murkowski supported that legislation that just would help attract private dollars.

What that language does is direct the Treasury Department to invest the dollars privately raised in interest-bearing accounts. I know in the case of the arch the goal is to raise \$29 million of endowment funding. I would hope the endowment funding and any future funding raised for that and other projects benefits from that new sense of direction to the Park Service and, more importantly, to the Treasury. I do not think the Park Service ever resisted the idea that private money should actually benefit the project it had been raised for as opposed to any interest going into the general treasury.

Secretary JEWELL. We share a common interest in that. I have to compliment the St. Louis community; \$250 million of private money raised for the CityArchRiver project, which is extraordinary.

Thank you for your efforts, so that they could use the interest during the interim timeframe as opposed to going to the Treasury. That is very helpful. We will continue to advocate for that, broadly.

STE. GENEVIEVE SPECIAL RESOURCE STUDY

Senator BLUNT. Right. There is another study going on that should be released any time. I will just bring it to your attention to be sure that you spend a little time looking at it. This is on Ste. Genevieve, Missouri, which is just south of St. Louis on the Mississippi River.

It is a French settlement that still actually has a substantial number of 18th-century French buildings in that community, some of which have been under the direction of the State parks system for some time.

But my belief is that both the State parks system and study that the National Park Service is about to do will reach the conclusion that a better place to preserve that unique part of our history is probably as a unit of the National Park Service. I would expect that to come out any day. I hope you have a chance to look at it.

Like I said, these are 18th-century structures west of the Mississippi River. A lot of them are the vertical log structure that was unique to the way the French were building housing compared to the horizontal structure that other people were. I am interested in that and hope you will be, too.

COAL LEASING PROGRAM REVIEW

Just to follow up a little bit on one of Senator Daines' comments, on the 3-year date certain on the coal study, I actually do not know how much there is to figure out about coal that we do not already know. I was going to suggest that I thought 3 years was an excessive amount of time for that study.

So, you hear that point of view, as well as just promise us that you will get it done in 3 years.

I really think you should look at this and determine what you are going to know that takes 3 years as opposed to half that time or 2 years or sometime that is less than 3 years. I think the questions on coal have already been well asked.

I will say that, in Missouri, we are 80 percent coal-dependent for utilities. Ninety percent of that coal comes from the Powder River Basin. The fact that a taxpayer should get a fair return there is important, but it is also important in the other energy resources. While oil and gas on State and private lands have almost doubled between 2010 and 2014, there have been no changes, no appreciable change, on Federal Government lands.

I do think return to taxpayers for what we can minimize the intrusiveness of in terms of oil and gas is an important return.

SOLAR PROJECTS

I also know that on a significant amount of Federal land, over 30 solar projects have been approved since 2010. I am not opposed to solar at all, but if you are worried about impacting the way the landscape should look, or it would look if people were not involved in the landscape, I am sure 30 solar projects have more impact on that topic.

And there is no Federal return, there is no taxpayer return, on solar. I am not objecting to that. I am not opposed to solar. I am not opposed to wind. I am actually truly an all-of-the-above person.

But if we are interested in fair taxpayer return, it would seem to me that we would be looking pretty aggressively at why we have 89 percent more production in State and Federal lands and essentially no more production on Federal lands. I will let you respond to that.

Secretary JEWELL. Let me just clear up one point. We do actually charge solar energy companies when they are leasing Federal land for solar, and for wind. There is a charge to them. Just as we are doing for offshore wind in the Atlantic, we are doing lease sales similar to what we do in the Gulf of Mexico for offshore oil and gas.

Senator BLUNT. Good. Would you provide me or the subcommittee how that works?

Secretary JEWELL. Yes, we are happy to.

[The information follows:]

Solar and wind energy developments are authorized under the authority of the Federal Land Policy and Management Act, which requires that the BLM generally receive fair market value for an authorization. The BLM has established payment requirements for solar and wind energy developments based off of comparable commercial practices from non-Federal lands. The payments to BLM consist of both an acreage rent and megawatt (MW) capacity fee. The acreage rent is required annually each year, regardless of the operational status of the development, and is determined based upon the location of the development on the public lands. A per MW capacity fee is required annually at the start of energy generation of the development, and is determined based upon the development's capacity and efficiency of the technology. The annual payments may differ between solar and wind energy developments based upon the acreage encumbered, efficiency of the technology used, and the generation capacity for that development.

The BLM has received increased payments for solar and wind energy developments since 2010, corresponding with the increasing number of rights-of-way issued. In 2010, the BLM received little more than \$3 million in payments, almost all of which was from wind energy developments. In 2015, the BLM received over \$15 million in annual payments for solar and wind energy developments, of which over \$10.5 million were annual payments for solar developments, compared to \$4.5 mil-

lion for wind energy developments. In addition to the annual payments, the BLM may also hold auctions for solar developments in designated areas. Such auctions are held infrequently; the most recent was held in 2014 for lands in Nevada. The BLM received over \$5.8 million in bids for the parcels auctioned. Both the bonus bid revenues and the required annual rental payments are returned to the Treasury.

Senator BLUNT. If that is a one-time payment or an ongoing payment, as you would have from production from other facilities. I would like to see that.

Secretary JEWELL. Yes, we are happy to do that. It is an ongoing rental payment. There is a bonus paid upfront, and then there is an ongoing rental payment. I think it is per acre or per tract, but we will get back to you on that.

COAL LEASING PROGRAM REVIEW

Also, just to point out, because I had not said it earlier today, on the programmatic EIS for coal, it actually is complicated. There are a lot of different interests at stake and a number of different States at stake. There is metallurgical coal. There is steam coal.

We do believe, based on how long it takes us, for example, to do a programmatic EIS on an offshore leasing program, that 3 years is a pretty expedited timeframe.

I will be not in this job, clearly. That will change in about 11 months, maybe we're down to 10.5. We do have 20 years of supply of Powder River Basin coal, Federal coal, under lease to companies already. We do have emergency provisions in the pause that we put on the leasing program during the PEIS to allow companies to continue to mine and to get a permit, if their mine is at risk of closing because of the pause or if a coal-fired power plant is at risk of closing because of the pause. We also grandfathered projects that were nearing their completion.

So we do not believe there will be disruption in the supply of coal or to the jobs.

Senator BLUNT. Let me make one point there before the end of my time, and we are at the end of my time, but I noticed last time was little extensive too.

How long the study would take if the study hadn't put long-term Government program in abeyance until the study was over, I think that is two different questions. Patriot Coal in St. Louis just went into bankruptcy. Shortly after they went into bankruptcy, as I understand it, I have not talked to them, but everything I have read about this would indicate that one of the things they thought would bring them out of bankruptcy was that they were right at the end of the permit process to get access to some coal mining area that they hadn't previously had.

That is now postponed until the study is over. I do not know what impact that is going to have on the company, but I assume it is significant. They, as many others would have, would have pursued what they understood to be Government policy, which just suddenly stopped so the Government can figure out what they were doing. It does seem to me the Government can figure out what they are doing without necessarily stopping everything we have been doing for a long time.

Thank you, Chairman.

Senator MURKOWSKI. Senator Merkley.

Senator MERKLEY. Thank you, Madam Chairman.

MALHEUR NATIONAL WILDLIFE REFUGE

And thank you, Madam Secretary, for being here and helping us understand a variety of things.

When you started out your commentary, you mentioned Harney County and Malheur Refuge. That has been a traumatic experience for Oregon. We are hoping to work with the Department of Justice in terms of some compensation back to the completely overstrapped local system of justice that was dealing with that, in partnership with FBI.

But also the Burns Paiute Tribe, and this would be more relevant to Interior, had to incur a lot of increased costs and damage to sacred sites. It is still being evaluated.

Is it possible that the BIA could assist the tribe in some of these expenses that they are going to incur?

Secretary JEWELL. It is certainly something we would be happy to look at. I know that the FBI left recently, and we are just now doing an inventory of the damage. But certainly, we can work with the Bureau of Indian Affairs (BIA) if there are costs incurred by the tribes in addressing that.

I did meet with the tribes on the phone beforehand. I did meet with Judge Grasty from the county recently in my office. I will be making a trip there when the time is right to visit. We will make sure we encompass the tribes and I engage with the BIA as well.

Senator MERKLEY. Thank you. I really appreciate that. I know the tribe appreciates that as well.

One of the ironies is that that particular county where the occupation occurred has had some terrific successes on collaboration, the types of successes that we all say need to happen through dialogue and cooperation and sharing perspectives and so forth, one including sage-grouse conservation, another being the Malheur Refuge itself, management of the refuge.

Judge Grasty, who you mentioned, has thought that, given their successes in Federal-county collaboration, this would be a very good place to have a center that helped advance that type of collaboration, both from the local experiences, but bringing in the issues from throughout the West.

So, I think it is a terrific idea. There are tensions that certainly are natural between a longstanding landlord, the Federal Government, and a longstanding ranching and grazing tenants, and issues over the use of the land. And having a center to facilitate collaboration, it seems like a pretty cool thing.

Any chance we could get some support for that idea from the administration?

Secretary JEWELL. This is a new concept I have not really considered, so we would be happy to consider it.

I will say what happened in advance of the occupation of the refuge and the cooperation that has happened throughout Oregon with not just our own agencies, but also the Natural Resources Conservation Service has been extraordinary. I think there are models there to learn from.

I would hope it will set a model for every office—Fish and Wildlife Service, BLM—working cooperatively across the landscape. But

we are happy to do give that consideration, and I will chat with Judge Grasty the next time we talk.

Senator MERKLEY. Thank you very much. I appreciate that.

KLAMATH

I also appreciate the administration's support for the Klamath settlement efforts. We had substantial development with the process of decommissioning the dams being taken offline and, therefore, removing some of the obstacles. There is still a lot of work to be done to capture through legislation the water certainty for the irrigators, the land for the Klamath Tribes, habitat restoration, and so on and so forth. You have been a great partner.

Can we continue to ask you to assist us?

Secretary JEWELL. We absolutely will be there. We know there is a legislative fix that is needed to move this forward, and we are fully supportive.

Senator MERKLEY. Thank you. I appreciate it.

And there was, by the way, \$3 million appropriated in fiscal year 2016 to support the agreements, specifically habitat restoration. Because the agreements were not concluded or the legislation was not concluded, we just want to try to make sure that the \$3 million actually does get spent on the habitat restoration efforts, so it would be helpful to keep moving the process forward as much is possible.

Mr. CONNOR. I believe that process will continue with additional funds that were made available from Reclamation with the spending plan. The upper basin agreement with the Klamath Tribes is still in effect, and there is some restoration activity that is contemplated as part of that agreement, and we want to carry forward with that.

Senator MERKLEY. Great. Thank you. Thank you for all your assistance on this, Michael.

COAL LEASING PROGRAM REVIEW

Turning to coal leasing, I think it flies to the top of the chart for questions that you have been asked. It shows how much different Senators care about this from substantially diverse perspectives.

I certainly agreed with Senator Blunt when he was saying that we should be able to figure out the answer in a shorter period of time. To me, the answer is already obvious, but it is probably the opposite of what Senator Blunt might conclude.

Currently, we have, I believe, in terms of leases, already granted about a 20-year supply of coal already leased out for extraction. Am I in the ballpark on that?

Secretary JEWELL. That is correct. It is 20 at current production rates, and production rates are declining, so it is likely more than 20.

Senator MERKLEY. So we have a tremendous supply that already has been leased. And we also know that when you do a new lease, that lease might be exploited for decades thereafter. So if we do a new lease now—there are occasions where a lease has been exploited for 30, 40, even 50 years—we are essentially locking in a contract for many decades in the future. Am I still on track?

Secretary JEWELL. That is correct.

Senator MERKLEY. So here is the thing, we are seeing the impact of burning fossil fuels all over Oregon from the growth of the pine beetle because winters are warmer and so damage to our forest.

We have three of the worst ever droughts in the last 15 years in Klamath Basin, a huge impact on agricultural families.

The winter sports in the Cascades have declined as the snowpack has declined. The trout streams are getting smaller and warmer, which nobody who fishes likes to see smaller, warmer streams.

Our oysters on the coast are having trouble reproducing because the ocean is more acidic, 30 percent more acidic than before the Industrial Revolution. If that is not a canary in the coal mine, I do not know what it is.

So we have the knowledge, not just in some theoretical model in the future, but right now facts on the ground. We know there is extensive damage to our forestry, to our fishing, to our farming, to our natural resources. And therefore, why would we possibly do a new lease locking in more extraction and combustion decades into the future?

So that is the conclusion I would come to. If the administration reaches the same conclusion, as you put it, before your time is up, I would love to see the coal leasing program ended.

Secretary JEWELL. All right. Thank you.

Senator MERKLEY. Thank you.

Senator MURKOWSKI. Senator Udall.

Senator UDALL. Madam Chair, thank you very much.

NATIONAL PARKS DEFERRED MAINTENANCE

Secretary Jewell, I am pleased to see that you have proposed a 9 percent increase for national parks, including major investments in construction and maintenance programs to address the estimated \$11.9 billion maintenance backlog at parks nationwide. It is mind-boggling, that number.

CARLSBAD CAVERNS

We have a particular issue with park maintenance in New Mexico I want to briefly raise. The public elevators at Carlsbad Caverns National Park have been out of service since early November, leaving visitors to hike in and out of the caverns if they want to visit.

Obviously, the lack of elevator service creates a problem for visitors who have accessibility issues as well as a problem for the general public.

I have had the chance to raise this issue with you personally. And you know how important it is to me for the Park Service to restore temporary elevator service at the park as possible and to come up with a plan to permanently upgrade the elevators. I appreciate you working with me on this to resolve this issue as quickly as possible and to ensure that the local communities know what to expect.

VALLES CALDERA NATIONAL PRESERVE

I also would like to thank you for your strong support of the Valles Caldera National Preserve during its recent transition to be-

come part of the national park system. I am also pleased to note that you have included \$3.3 million in your budget request to continue funding for the preserve into 2017.

Now that you have visited, I know you will agree with me that the preserve is one of the crown jewels of the national park system. What makes it so special is not just a stunning landscape, however. There is recreation, hunting, fishing, and grazing at Valles Caldera. All those make it a vibrant park for New Mexico's community and for our local economies.

That is why I am concerned to hear that the Park Service is still weighing whether to continue traditional grazing permits on the preserve for this upcoming season. The law that transferred the Valles Caldera to the National Park Service allows these longstanding permits to remain in place while the Park Service develops its long-term management policies. These ranchers deserve to know now that they can count on their grazing permits for the season.

Can I have your commitment that you will work with me and other members of the congressional delegation who are also very concerned about this to resolve this issue quickly and avoid any further disruption to these traditional grazing permits?

Secretary JEWELL. Certainly, Senator, we will be happy to engage directly with you. The Park Service is well aware of the need to act fast on this.

I will say there are some complexities, an endangered species, for example, that needs to be incorporated into their planning process, and figuring out the market rates for appropriate grazing fees. But we are very happy to work with your office to keep the priority high for the Park Service.

Senator UDALL. Thank you very much. I think on the endangered species issues, there are areas where there are not endangered species issues, and I think the park superintendent is very aware of those, and the local people on the ground.

Another issue related to the transition of the Valles Caldera is the importance of continuing a multiyear stewardship contract with the Jemez Pueblo. This project supports vital landscape restoration work and jobs for tribal members.

As you know, I worked to include \$1.5 million in the 2016 omnibus to support forest restoration projects at new parks like Valles Caldera. Could you tell me what work you expect to accomplish this year with the funding we provided? Is funding included in your fiscal year 2017 budget to continue this effort?

Secretary JEWELL. So the short answer is yes, funding is included. It is going to be used for thinning about 1,200 acres of forest. As we are both aware, they had devastating forest fires, and that is really important. So that will continue.

Senator UDALL. Great. Thank you very much for that response.

VENTING AND FLARING

As you know, I am very supportive of the department's efforts to develop new rules related to methane venting and flaring. New Mexico's natural resources provide jobs and royalty payments that are an important part of our State's economy, but outdated requirements are resulting in over \$100 million worth of natural gas being

wasted, which has cost my State \$43 million in lost royalties since 2009.

There is also a serious health component to this issue.

I understand that you are now in the public comment period on the methane venting and flaring rule. Could you give us a sense of the timeline for the final rule? What are some of the issues you are hearing from industry that you believe will be addressed in the final rule?

Secretary JEWELL. At this point, the public comment period ends next month on April 8. So far, we have had two public listening sessions, one in Farmington, New Mexico, the other one in Oklahoma City. We will be taking input on all of those comments.

I cannot tell you what all of them are because we have not analyzed them yet. I am sure you are aware of what some of them are, in terms of cost and methodology and the importance of doing this. But once we have all of those comments in, we will be happy to analyze them and factor that into the rulemaking.

Senator UDALL. Great, thank you very much.

COAL

I have a question here on coal, but that one is kind of like beating a dead horse. Senator Wyden and I have a piece of legislation on that, and I think I will submit that one for the record.

INDIAN EDUCATION CONSTRUCTION

I am very pleased that this subcommittee was able to provide an 85 percent increase for Indian school construction and improvements in the 2016 omnibus. That amount includes funds to finish the schools on the 2004 school construction priority list. It also provides a down payment to begin work on new schools that the Bureau of Indian Education (BIE) is in the process of selecting. I am glad that you were able to include another \$45 million for replacement school construction in your 2017 budget.

I know that BIE is currently considering applications for schools that want to be considered for the next round of funding. There are four schools in New Mexico that are currently competing for a place on the final list, and they are all very anxious to find out whether they will get selected.

In addition, this subcommittee needs to know how the funds in your budget will be used so that we can support your efforts during the appropriations process.

When do you expect to finalize your new school construction list? And what is your plan for providing the subcommittee with more detail on how year 2017 budget request will align with that list?

Secretary JEWELL. The Indian Affairs team is hard at work, and they are nearing finalizing the list. We narrowed the list down from many, many schools to 10 that submitted additional information, which has been received. It is being analyzed, and I would expect that sometime in the coming weeks to see the final version of the list for the new school construction.

There are also replacement buildings, which would be considered afterwards.

We are very happy to provide you with information on how the funding would be used. We are happy to work with the committee and provide you with an inventory of that.

But as you pointed out, this is a much bigger issue than we have money in the budget to address. We can just begin to chip away at the list and work on stemming the increase in deferred maintenance.

But we need a longer-term solution, as happened with the Department of Defense schools, to really address this long-term systemic problem, which is afflicting fully a third of our schools that are considered in poor condition, including a bunch of them in your State.

Senator UDALL. Thank you. I know you have a real passion for this.

Madam Chair, I see I am well over time here. I do not know whether we are doing another round or not.

Senator MURKOWSKI. I have some more questions. We have given our colleagues some latitude here so they can move on to other things, but if we can continue for a little bit longer, that would be great.

MITIGATION

Madam Secretary, I want to go back to some of the lands issues. Something that has caused a level of concern is where we are in this big discussion about mitigation.

As you know, the President has issued this memorandum on mitigation, and then you have your Secretarial Order Number 3330. I think these two issues are causing more questions than resolving any issues.

Just a couple years ago, as we were dealing with issues within the National Petroleum Reserve, the concern was the metrics that were relied on to arrive at a \$8 million cost for mitigation within the National Petroleum Reserve-Alaska (NPRA). BLM, at that time, had discussed a real rigorous understanding of how this impacted subsistence use. It seemed to so many who were observing that this was just kind of divined from different individuals, agencies, and that it had come to a point where it was, how much can we get? That is not a standard that anyone would suggest is reasonable.

But the bigger question is whether or not there is authority to require mitigation for projects on public lands in the first place. When you move forward on natural resource development, responsible natural resource development by definition includes reclamation of disturbed lands and our Federal laws require that reclamation then occur. Laws that govern multiple use on public lands do not have this mitigation requirement.

I led a letter that went out just about a week ago with about 18 other colleagues here in the Senate outlining a series of questions to DOI focusing on we are with developing this program guidance—not only for DOI but for all the relevant agencies that are involved.

So a couple questions on mitigation. Can you provide a status update as to program guidance about the bigger point, which is what is the authority that the department has to require mitigation for projects on public lands in the first place? Additionally, the bigger

problem and the consideration that we face in Alaska is that you have multiple agencies that have seemingly different standards or different approach to mitigation. As a consequence of the lack of certainty, operators are not even able to begin a project, because whose standards are we going to be looking to?

So, a longer question that hopefully has a clear answer. We have not gotten the guidance that we have asked for.

We are going to be having a hearing in the Energy and Natural Resources Committee on this within this month to hopefully gain more clarity. Can give me a little bit of guidance here from your perspective?

Secretary JEWELL. Let me do a high level answer and then I am going to turn it over to Mike Connor, who has worked on the details for me on this.

First, we believe the individual, localized mitigation does not actually address sometimes the bigger issue that development has on the landscape. This is something that I looked at from day one.

When you have the fragmentation of habitat, when you have road networks and so on, there tend to be impacts to the landscape, the animal migration patterns, and so on, that are not necessarily contained within the footprint of that area. We are looking at landscape-level mitigation, understanding what those impacts are.

Good examples of that, I would say, in the National Petroleum Reserve in Alaska, understanding the caribou calving grounds, understanding the oil and gas development potential, understanding that if there is offshore development, how do you move that. All of those things were factored in.

As a project gets done, there is now a greater understanding of what the impact will be. That is the whole concept of mitigation.

Senator MURKOWSKI. Can I interrupt on that? What you are describing is that it is going to be a case-by-case determination. How can you give some level of certainty then to anybody who is looking to develop a project, whether it is oil and gas or whether it is a new runway or whether it is a driveway? How can there be any level of certainty and understanding when everything is done on a case-by-case basis?

Because what you described is going to depend on what is happening with the landscape around it. Every landscape is going to be different.

Secretary JEWELL. The intent is to bring certainty. Another example, the Desert Renewable Energy Conservation Plan, what are the areas that are set aside for development? What are the areas critical to conserve?

So as this gets developed, the mitigation would be used on the area that is highest priority for conservation, not necessarily on that footprint. The overall intent, to bring greater certainty, not less.

I am going to turn it over to Mike for the specifics on what he is working on.

Mr. CONNOR. I think I would just continue along the lines with the view that the President's memo I think gets to the point you are trying to have us do, which is having more consistency across the agencies in developing our mitigation criteria and not doing it project-by-project, by doing these planning efforts, which I think

have demonstrated they do facilitate permitting processes because they add more certainty as we work with companies.

A perfect example is the Western Solar Plan and the Solar Energy Zones we did in Dry Lake in Nevada. We identified the corridors of development, and the appropriate mitigation standards, that should apply there. We worked with companies taking environmental analysis that used to take 18 to 24 months down to 6 months to complete those environmental analyses.

I think the NPRA is a situation I am particularly familiar with having been involved in the discussions with ConocoPhillips. The mitigation was not pie-in-the-sky what can we get. It was very specifically related to the intrusion on the Fish Creek barrier. That was the issue we were discussing with ConocoPhillips. We talked about specific ways to compensate for that. We had a disagreement about methodology.

Quite frankly, we all agreed there was a range of dollar figures we were talking about to compensate for that particular intrusion, and it could best be applied toward developing a regional mitigation plan with the affected communities, including the Alaskan Native communities. That is the process that is ongoing right now, which should add greater clarity to further developments in the NPRA, quite frankly.

Senator MURKOWSKI. I think what you established there is a precedent that basically says, if you want to operate within this area, you are going to pay, not mitigation—it is not being viewed as mitigation by those who are looking—a penalty. We would differ mightily in terms of the specific project with Conoco and whether or not that \$8 million that was ultimately arrived at or settled upon was where it was started. We recognize that was not where the conversation started. It was being used more as a bargaining tool for Conoco to be able to move forward.

So, again, we have a letter out there that we are looking for concrete answers on, and we will have an opportunity to have this before us in the Energy Committee to get a better understanding.

This is a concern that, again, we are not talking just about development of oil and gas opportunities in my State or in others. It is the opportunity to advance any kind of a project, whether it might be an area for school or runway or what have you.

I want to recognize that Senator Udall will have more questions, too, but let me follow on to a couple comments that were made by Senator Udall in his opening, and by Senator Feinstein.

ABANDONED WELLS

Senator Feinstein was talking about abandoned mines, developing potential for an inventory. As you all know, legacy wells, which is horribly, horribly misnamed, are abandoned oil and gas wells in Alaska that were drilled by the Government and then just left in varying states of disrepair. We have been making some progress. We have identified the universe there in terms of the cleanup.

To Senator Feinstein's point, when she talks about an inventory, I think we have established that at least in Alaska. You identify what it is that you have, now you have to prioritize how we are

going to be spending the money. We were successful in getting \$50 million, with helium funding last year.

I appreciate the fact that we have a path, an action spend plan, for that \$50 million. But my concern is that there is still going to be a significant number of wells that will need to be attended to when that fund is exhausted.

You have included \$3.8 million in this budget for next year. I understand that this is a budget for this year. But we are still hoping to get an understanding as to how we intend to deal with all of the Federal Government's obligations to clean up these wells up on the North Slope. Because if you are suggesting that it is \$3.8 million this year, and perhaps a like amount next year, I am told we are looking at 30, 40 years to clean up these wells, if that is the case.

Do you have an estimate of the likely cost to finish this environmental cleanup project, in both money and time?

Secretary JEWELL. I will give you the information I do have, and we will get back to you on the record for what I do not have.

There are 136 wells, these legacy wells. Fifty were identified in 2013 as requiring remediation.

Senator MURKOWSKI. I want to make sure that we are both clear on that, because I have heard that there is still some disagreement between the State of Alaska and Interior in terms of whether or not some of these wells require that level of remediation. I understand what you are saying, but I want to make sure that we are in alignment between State and the Federal Government on what the level of responsibility is.

Secretary JEWELL. Okay. I am not aware of that dispute, but I will say, because of the work that you did with the Helium Fund, we will have 29 left requiring work at the end of 2016. We will have three to five wells we can do with what is in the budget for 2017, the Wolf Creek cluster. I think because they are together, we will be able to address that.

That still will leave somewhere on the order of the mid-20s that need to be cleaned up. What I do not have is the estimated cost to do that or the amount of time it would take.

Of course, we would welcome the opportunity to work with you on a more permanent funding solution for this, just as we would on abandoned mines, and just as we would on school construction. It is very difficult putting small amounts of money toward a program each year that is much larger than what we can address in the regular budget cycle.

Senator MURKOWSKI. Understood. Absolutely. But I think this is one of those glaring examples where our Federal Government is being absolutely hypocritical when it comes to environmental standards. In this case, it is the Government that has drilled wells, and the Government that has walked away. The Government acknowledges that it left a mess, and yet the budget does not prioritize that.

Part of the problem is, unlike perhaps abandoned mines in California where you have a lot of people who are wandering around and hiking, the North Slope is a long way away, and there are not that many people on that North Slope.

You and I both agree that we have a responsibility to clean up that land. We have a responsibility to those subsistence hunters

and fishers up there who are worried about the contamination. Our Federal Government left a mess, and they have an obligation to clean it up.

I am going to continue my push on this, and we need to be working together.

CONTAMINATED LANDS

I also want to raise the contaminated lands issues. These are lands that have been conveyed to Alaskan Natives under the Alaska Native Claims Settlement Act that are separate from the legacy wells the Federal Government drilled.

Here we have a situation where lands have been conveyed that were already contaminated. These are Native lands, given to Natives as part of a settlement.

We have done an inventory of these lands. We have asked that inventory be updated. At the budget hearing last year, you said the survey was nearing completion, and that it would be soon released.

We are still sitting here a year later. It still is not public. I am told by BLM officials that it will be released soon. But we were told it was going to be released last year.

Assuming that this inventory is completed and will soon be made publicly available, I would like to have an assurance that, along with legacy wells, there is going to be an action plan from the Department of the Interior to accelerate the cleanup of contamination on Native lands that the BIA, the BLM, the Fish and Wildlife Service, the National Park Service, or the Bureau of Mines actually caused.

I also need to know that there is going to be some level of coordination in terms of how we are going to clean this up, because there are other Federal agencies, that have responsibilities, whether it is DOD or FAA.

Understanding how we are going to meet our Federal responsibility for this cleanup is something that we are going to continue to knock on your door, bang on the drum, raise our voices, because it is a responsibility that we have.

Can you give me any updates on when we might see the inventory, the updated inventory?

Secretary JEWELL. The information I have says next month. That is the best I can do. I do not know why it has taken so long, but that is the best information I have at this point.

Senator MURKOWSKI. And that information will be made public?

Secretary JEWELL. I do not know.

Do you know?

Ms. SARRI. I will get back to you on that one after I talk to BLM a little bit more about it.

[The information follows:]

ALASKA CONTAMINATED LANDS

The requested report on Contaminated Lands in Alaska has been drafted and is currently in the review stage. It will be transmitted to the Committee soon. The BLM plans to publicly release the Contaminated Lands Inventory database. With the Committee's permission, BLM would also like to make the report public by posting it on the BLM Web site.

Senator MURKOWSKI. The first inventory was completed at the request of my father in the 1990s. It had a timeline to be renewed

and updated frequently and prioritized. So “frequently” has now turned into almost a decade.

It is not just this administration’s fault. If for some reason it is not going to be released next month, I would certainly appreciate a very detailed explanation as to why it is not, because you can count on me to continue to make a big stink about this.

Senator Udall.

Senator UDALL. Thank you, Madam Chair.

REPATRIATION OF SACRED OBJECTS

Secretary Jewell, an issue of serious importance for tribes in New Mexico is the repatriation of sacred objects back to the tribes.

First, I want to applaud your recent efforts to work with French authorities to seek cooperation in these efforts. As you know, these items are not pieces of art to be sold. They are sacred objects that are deeply important for tribal identity. What’s more, it is illegal to traffic these items within the United States.

I think we need to be doing more to crack down on the sales of these priceless cultural objects. One idea I have heard from the Pueblo of Acoma is to establish an antiquities unit within the BIA to investigate these kinds of cases.

I want to work with you to ensure that BIA and other bureaus within the department have the ability to put a stop to these illegal trafficking efforts.

Can you elaborate on the work of the department in terms of bringing awareness to this issue and preventing tribal objects from being trafficked? And are there specialized law enforcement resources within the department able to handle these repatriation cases?

Secretary JEWELL. Senator, this is a significant issue. When I was in Paris as part of the climate talks, I met with the Minister of Justice for France, and I also met with the individual that administers the auction houses in France.

They typically produce a catalog with a number of these items that are exactly as you described. They are not works of art. They are critical artifacts that were removed from the tribes for whatever means many, many decades ago and have been circulating in the art market. They do not provide sufficient time for the tribes to even know they are there, let alone take the kind of action the French authorities say they need.

I was met with a very sympathetic voice in the Minister of Justice. Unfortunately, she just quit, so we will have to start over again with the next minister.

I do think there was a path forward that we learned about, about the repatriation of articles taken in Nazi Germany from families at that time. That may be a path we can use.

On the international market, I would say the State Department is a critical ally in this effort. They have the people that work the legal systems there. I would say that to dedicate someone from BIA’s law enforcement to this is something that would have to come out of another area of BIA’s law enforcement, so it is a trade-off, given the law enforcement challenges we have in Indian country.

But I do think the BLM has some capabilities in this area. I know the State Department, Interpol, the international organizations do. It is on our agenda to raise awareness internationally to see if we can actually address this.

I will also say we are not without fault. Our auction houses in New York City, for example, do trade in artifacts. And they may be those that are inappropriate to trade, and then we do not find out about it until too late.

This is very, very important. The New Mexico tribes are quite active in this, but so are the Alaska tribes as well. It is important. And thanks for raising visibility.

Senator UDALL. Thank you for your efforts on that.

BUREAU OF INDIAN EDUCATION REORGANIZATION

As you know, we have had extensive discussions, and I know the chairman has also been involved, on this reorganization of the Bureau of Indian Education. And I understand the department is now moving forward with the first phase of proposed reorganization of the BIE, including the establishment of new educational resource centers that your 2017 budget anticipates additional changes to the bureau.

This subcommittee supports your efforts to improve education for Native students, and we recognize that you are tackling some of the very tough issues as you overall the bureau. But I want to make sure that the reorganization is done right and actually leads to concrete improvements in the classroom.

I also want to make sure stakeholders at all levels, from tribal governments to educators and parents, understand clearly what to expect from these changes. As part of the first phase of the reorganization you have proposed a number of staffing changes, including changes to the regional office in Albuquerque to create these new centers to assist BIE and tribally controlled schools.

What is your timeline for staffing up these centers? And what services can schools expect to receive starting in the fall? And what is your plan to ensure that all stakeholders, including BIE employees whose jobs may be affected, know what to expect during the reorganization?

There are other questions there that I will submit for the record, but I want to get an answer from you on those.

Secretary JEWELL. Okay, I am happy to give you a quick update. I will also say that taking on reorganization of something as storied, and not necessarily in a good way, as the BIE is, from a business person's perspective, unbelievably difficult over a multiyear period of time and extraordinarily difficult in the timeframe I have left.

The goal is to set a path forward so we continue to make progress on Indian education reform. It is not all going to be done in 1 year.

We have had multiple meetings with all employees. Those were held in February, and we outlined the whole process. On February 22, so just a week or so ago, we announced 65 vacancy announcements across the BIE. Some of them are vacant. Some are new positions. People will apply. Those positions will close on March 11,

and we will begin filling the jobs in April. So, it is really a fast timeline.

I would say what you will see in terms of near-term improvements, we have been working now for more than a year on professional development of teachers aligned with Common Core. We have been providing training for effective school boards, financial accountability training for school leadership, and then training for certain tribes that have wanted alternative accountability standards like the Miccosukee and Navajo.

There is a lot of work going on. I personally met with leadership of the BIE to see how it is going. We have a lot of work to do, but I would say people understand the importance of this. People are now a bit more reassured all their jobs are not in jeopardy. We are working toward a common end, which is better education for these students and self determination in education by tribal communities that want to take control of the schools.

So we continue to have an open door to any suggestions you have in this regard, but we are well on our way.

Senator UDALL. Thank you very much, and thank you for your hard work on that.

LAND AND WATER CONSERVATION FUND

Since Senator Murkowski mentioned her father, just as a closing comment here, when we were talking about the Land and Water Conservation Fund, and Senator Tester asked a question, as you know, my father worked in the 1960s when he was Secretary of Interior to start the Land and Water Conservation Fund. He worked with Congress. He went down and I believe met with a Congressman by the name of Wilbur Mills from Arkansas, and they came up with idea of taking offshore oil and gas, knowing that these resources are limited, taking some of it and dedicating it to permanent protection of land.

The original idea I think came from a national commission, a blue ribbon panel, an incredible panel headed I think by Lawrence Rockefeller and others that said, what do we need to do in terms of parks? The suggestion was from this commission—these were people outside of politics—you should spend \$1 billion a year and everybody should know you are going to spend that and split it up between the State program, as you talked about, and the Federal program. And the reason you do that is everybody can plan. All these city councils and States and Federal Government and its agencies can all plan and look to see that money is there.

As Senator Tester pointed out, we have now reached the point where we have authorized it at that level. The money is over there in the fund. But somehow we do not dedicate the resources there.

So we are all trying to figure out how we got to this place. I know President Obama and you have encouraged us now to move forward.

I thank very much, Senator Murkowski, for working with me on the increase that happened in Land and Water Conservation Fund. That was a good step. But we are not anywhere near where we need to be in terms of the original idea behind the Land and Water Conservation Fund.

But thank you very much. I know she was trying to get out of here. We are running over here a little bit.

Senator MURKOWSKI. Thank you, Senator Udall.

Yet one more reason why this energy bill is a good energy bill that we are going to try to get moved through the Senate, because we do have the LWCF piece in there that allows for permanent reauthorization. It does have some reforms in terms of reminding us of the significance of State-side LWCF at the same time we have Federal.

Secretary, I know that you have to go. I have just a couple more questions and hopefully your answers will be yes and no.

ALASKA LAND CONVEYANCE

I mentioned the land conveyance and reductions that we have seen in the budget, a 20 percent reduction from last year. I have raised the issue of the methodology for the survey. There is a peer-review that is going on. BLM has agreed to that.

Can you commit to me that BLM will not act unilaterally to implement their preferred method of survey, if the State of Alaska formally objects, once that peer-reviewed process is complete? I just want to know that the State has been heard on this.

Secretary JEWELL. We absolutely are working closely with the State. I hope it does not come down to a veto of what we want to do. We are working now with the National Society of Professional Surveyors at the State's request.

Senator MURKOWSKI. Yes.

Secretary JEWELL. We are providing them with all the needed information. I think it is our collective hope they will come to a meeting of the minds, and it does not come down to the State saying this is not acceptable. I hope they can find something that both agree is acceptable.

Senator MURKOWSKI. We are going through that peer review process, so I think that is important.

TRIBAL COURTS

I will submit for the record several questions, one on tribal courts. We were successful in getting funding for Public Law 280 States for the first time last year in the amount of \$10 million. The President's request cuts this by \$8 million. I am very concerned about that.

EARTHQUAKE HAZARDS

We just sent a letter to you, the Alaska delegation, on the USGS earthquake program. I mentioned that to you. I would like assurances that any future summits or meetings you are conducting regarding earthquake preparedness at least include Alaska. Additionally, the earthquake monitoring cost-benefit study is being formulated, and I would like to see the status of that report. Can you let me know when we might see some of the findings?

BOTTLED WATER BAN

I also want to raise the bottle ban on bottled water in parks, not the ban but giving parks the option to eliminate the sale of bottled

water on a park-by-park-basis. We have asked for a report within the omnibus about the justification for making this determination. The report was due February 16. We have not gotten it. I would hope that you can let us know when you are expecting that report.

I still have some concerns. We can sell bottled sugar water in the parks, but we cannot sell good glacier water. We are actually drinking Alaskan Glacier water here at the committee.

I was contacted by the COO of Alaska Glacier Products. He is worried that he is not going to be able to sell his Alaska product in the Alaska park units. This concerns me.

I do not know whether or not, for instance, Denali National Park is opting not to sell bottled water.

I understand we are trying to eliminate the waste, but you are still allowing the waste from pop in our parks as well. Not every parent is able to bring or remembers to bring water bottles.

ALASKA MAPPING

The last thing that I am going to raise is where we are on Alaskan mapping, the Alaska Mapping Initiative, improving our topographic maps for the State.

I was present at a celebration in Alaska last summer where we celebrated 55 percent completion of mapping the State. Where else in America would you celebrate being just a little over halfway?

We have a way to go on this. I remain concerned that, as we look at our priorities, mapping, both terrestrial mapping and mapping our waters, is something where we are woefully behind.

I have much more that I will submit to you all, and we would hope for timely responses. I appreciate you being here before the subcommittee, and I apologize that the subcommittee has gone over time.

Thank you for your indulgence, and we look forward to your responses. Thank you very much.

Secretary JEWELL. Can I just say that I actually do have a response on the mapping.

Senator MURKOWSKI. Yes, please. Go ahead.

Secretary JEWELL. We were at 63 percent at the end of last year. By the end of 2017, we will be 70 percent complete. We should be fully complete by 2020.

I do have personal vested interest. My son actually is a critical care flight nurse and does medevac flights.

Senator MURKOWSKI. He knows.

Secretary JEWELL. He knows. He does that in Alaska as well. So, we share the concern and also share the urgency of why this is so important for the State of Alaska.

Thank you both very much. This is a little different in terms of tenor and tone than the session that I was at yesterday. I do appreciate the constructive nature and also the flexibility with which you ran the agenda to allow me time to answer after time had expired. So thank you both very much, and we look forward to working with you.

Senator MURKOWSKI. Thank you.

ADDITIONAL COMMITTEE QUESTIONS

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. SALLY JEWELL

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

Question (1). Last year the Alaskan Village of Council Presidents (AVCP) was selected to participate in the Tiwahe demonstration project and has received approximately \$986,000 in base and Tiwahe funding. For those of you not familiar with the AVCP, it is a consortium of 56 Alaska Native villages in western Alaska. The villages are remote and somewhat isolated over a 59,000 square mile area with a population of approximately 25,000. All travel to and from the villages is by small plane or boat. The AVCP administers programs, fund projects, and provides social services to the villages.

The Tiwahe initiative is a 5-year pilot program that aims to help tribes develop a comprehensive approach for the delivery of services to communities through partnerships with the tribe, local communities and the State and Federal Government. The overall goals and objectives are, to improve screening and access to family and social services, to create alternatives to incarceration via solution focused sentencing, improving links to appropriate prevention, intervention and treatment opportunities.

- a. I understand this is a 5-year pilot program, but I am interested in hearing more about how the program is structured for each tribe and how the funding for each pilot site is determined. Would you briefly explain how the sites are selected, how the pilot is designed, and how the funding is determined and delivered?

Answer. Tiwahe sites were selected based on geographic diversity, governance structure diversity, unmet need, and capacity. Alaska's geographic diversity from the lower 48 tribes and level of Federal resources to support tribal families, combined with AVCP's administrative capacity and interest in developing wrap-around services, led to BIA's selection of AVCP as a pilot site.

Tribes at the six pilot sites (four in fiscal year 2015 and two in fiscal year 2016) are required to develop plans to address their needs. Each site plan must address goals in the areas of social services, child welfare, employment and training, recidivism and/or tribal courts. BIA provided funding through a 50 percent increase to their Social Services Tribal Priority Allocation (TPA) and Indian Child Welfare Act (ICWA) fiscal year 2014 base level funding, and a pro rata increase in Job Placement and Training Funds. BIA delivered funding through either an Indian Self Determination and Education Assistance Act (ISDEAA) contract or compact. In addition to the funding received by the pilot sites, all tribes and BIA regions operating social services and ICWA programs received increases from their fiscal year 2014 base levels as part of the Initiative.

- b. The President's proposal for the initiative is \$21 million over fiscal year 2016 enacted levels. What is the plan for this increase? Would you seek to expand the pilot to additional sites in Alaska and elsewhere?

Answer. Of the \$21.0 million Tiwahe Initiative increase in the fiscal year 2017 request, \$18.4 million is for social/human services programs and \$2.6 million is for the Public Safety and Justice's Tribal Courts program. Here is a summary of the funding breakdown:

- + \$12.3 million—Social Services (TPA)
 - \$5.0 million: Provide expanded social services such as child welfare and family and domestic services at five additional Tiwahe sites;
 - \$5.2 million: Focus on capacity building at specific tribal sites, including the hiring of 30 additional social workers in Indian Country;
 - \$1.0 million: Support the continuation of the Research and Evaluation contract which will assist tribes with goals and performance measures;
 - \$1.1 million: Support the continuation of the Center for Excellence which gives tribes opportunities to continue learning, cross training, and to conduct information sharing in areas related to leadership, best practices, research, support and training.
- + \$3.4 million—Indian Child Welfare Act (ICWA) TPA: Increase tribal preventive services efforts in providing family assistance and home improvement serv-

ices, which should build stronger families and decrease instances of child removal from the home.

- +\$1.7 million—Housing Improvement Program (HIP): Improve housing conditions, and access to suitable housing, at the Tiwahe sites with a focus on veterans and single family households.
- +\$1.0 million—Job Placement & Training Program (JPT): Support employment and training activities at Tiwahe sites.
- +2.6 million—Tribal Courts: Sustain the existing Tiwahe sites and provide targeted base funding to five additional locations under the Tiwahe Initiative. The resources will assist tribes in creating stronger tribal court infrastructure to address issues related to children and family services, as well as develop special projects to reduce the rate of repeat offenders and criminal recidivism.

If funded at the President's request, BIA would add five additional Tiwahe sites in fiscal year 2017. These five would join the original four selected in fiscal year 2015, and the two selected in fiscal year 2016 (bringing the total number of Tiwahe sites to eleven by the end of fiscal year 2017).

Question (2). ANILCA is perhaps the largest conservation contribution in the world's history and certainly the Nation's. Alaska has more Conservation System Units ("CSUs") than the entire Nation combined, yet we continue to see more and more land taken off the table for development. Land planning in Alaska is managed in a tenuous and never-ending process that specifically ignores ANILCA. The process results in outcomes that do not favor development. In addition, few people have the time, energy, and expertise to participate in these plans. For example: Bering Sea/Western Interior RMP contained 56 maps, 1,200 pages, and 63GB of data. Furthermore, this plan and similar plans exclude multiple-use through ACECs, RNAs, and other proposed closures. What is being done to ensure the balance for conservation and economic opportunity intended by ANILCA is considered for future land management plans?

Answer. The land use planning process in Alaska encourages collaboration and partnerships that assist the Bureau of Land Management (BLM) in determining how to balance the needs of adjacent communities with the management of public land resources. Recognizing the challenges associated with the timeliness of long term planning activities, BLM has recently developed the Planning 2.0 initiative that will improve the bureau's ability to respond to environmental, economic and social changes in a timely manner; strengthen opportunities for State and local governments, Indian Tribes, and the public to be involved in initial decisions leading to the development of land use plans; and improve the BLM's ability to address landscape-scale resource issues. In Alaska, the provisions of the Alaska National Interest Lands Conservation Act (ANILCA) and the Alaska Native Claims Settlement Act (ANCSA) are regularly incorporated into the planning process and when considering mitigation, provisions of FLPMA and ANILCA help identify significant resources and Conservation System Units that could be impacted by development. Early and frequent public engagement and a robust planning process that balance both conservation and resource use will continue to be the key to BLM's land use planning.

Question (3). As you know, once covering 160 million acres, the Public Land Orders ("PLOs") were put in place after 1971 to guarantee that Alaska Natives could select their ANCSA selections. The Department's own report in 2004 said there was no need for any more than 6.7 million acres to still be encumbered—and that number has since been further reduced over the past dozen years with the completion of revised Bureau of Land Management plans. Moreover, Natives have now filed all their selections.

- a. Please provide specifically what actions your agency is taking to actively lift the remaining Public Land Orders (PLOs) reserving lands throughout the State of Alaska.

Answer. Public Land Orders (PLOs) determine which lands are or are not available for selection by either an Alaska Native Claims Settlement Act (ANCSA) corporation or the State of Alaska. This authorizes the Secretary to classify and reclassify the lands withdrawn and to open the lands to appropriation in accordance with the Secretary's classification. The original PLOs state that any lands not conveyed to an ANCSA corporation would remain reserved for study and review for the purpose of classification or reclassification. The Bureau's land-use planning process satisfies the requirement for such study, review, and classification and is the appropriate mechanism for recommending a withdrawal be lifted. Over the decades, many of these PLOs were amended several times to allow for millions of acres to be made available for State selection and/or entry under the mining laws.

The State currently has an estimated remaining entitlement of 5.2 million acres, but an estimated 14.9 million acres selected. By contrast, the State has 6.5 million acres of “top-filings” (future selections that would “attach” if and when the pertinent withdrawal (PLO) is lifted). It should be noted that the State has a statutory 25 percent limitation on its over selections. Based on its existing remaining entitlement, the State should have only 6.6 million acres of selections. The State is currently 8.3 million acres over its statutory limit on over-selections. Lifting any PLOs to make more lands available for the State to select would further increase its over-selection.

Currently, lands selected by the State are not available for a rural subsistence priority. Accordingly, lifting PLOs to allow a State top-filing to attach and become a selection will reduce the acreage of lands available for rural subsistence priority. This is one of the reasons the BLM feels that the Bureau’s land use planning process, which is open to public input and comment (including by the State) is the appropriate mechanism for recommending a withdrawal be lifted.

- b. I would like your commitment to lift all the remaining PLOs as soon as possible, and please provide a timeline by which you commit to abide.

Answer. The appropriate mechanism for recommending withdrawals is through the Bureau’s land-use planning process. This process is open to public input (including the State of Alaska) and comment. Since 2007 in Alaska, four resource management plans have been completed where recommendations were made to lift withdrawals and currently there are three resource management plans ongoing where recommendations will be made upon completion.

Question (4). On February 4, I sent you a letter with Chairman Cochran, Chairman Rogers, and Subcommittee Chairman Calvert regarding the Office of Surface Mining’s Stream Buffer Zone Rule. The letter related to the directive in the fiscal year 2016 omnibus that required the Office of Surface Mining to provide States with information they requested related to the Stream Buffer Zone Rule, as well as to meet with States at their request.

I am extremely concerned about the manner in which this rule has been written—primarily because 9 out of 10 of the States who entered the process as cooperating agencies decided to withdraw from the process because of a lack of meaningful consultation with OSM. This directive was meant to reverse course and ensure that OSM moves forward in a more cooperative manner.

Shortly after my letter was sent, the State of Alaska sent the Department a letter related to the requirement that OSM provide States with relevant reports, data and analyses. As an initial step, the State of Alaska requested that OSM provide a summary of the documents. The letter indicated that Alaska would then request a subset of those documents and eventually, request a meeting with OSM.

- a. Have you provided the State of Alaska with the summary of documents they requested? If not, when do you anticipate that such information will be provided?

Answer. OSMRE made these documents available to all of the States on March 24, 2016, by uploading reference materials cited in the proposed rule on the Web site *regulations.gov* with the exception of reference materials protected by copyright law. OSMRE has also offered assistance through its librarian to those States that request such help to obtain copyright protected materials. The materials are available to the public. The Assistant Secretary and OSMRE officials are holding meetings with the State of Alaska on May 18–22, 2016.

- b. In a recent budget hearing in the Senate Energy Committee, Deputy Director Connor said the documents specified in the report language would be ready for the States “in a few weeks.” What is your plan for meeting with States after they have had time to review the information you are required to provide them?

Answer. OSMRE offered to dedicate its time at the Interstate Mining Compact Commission on April 18, 2016, to meet with the States. During these meetings, the Stream Protection Rule as well as other topics were discussed. In addition, OSMRE scheduled a series of technical meetings to further engage the States. Staff from 6 State regulatory authorities participated in the meeting on April 14, 2016 and 5 State regulatory authorities participated in the meeting on April 21, 2016.

- c. Additionally, can you share the timing and process you envision for moving forward with the stream buffer zone rule? Given that the States will presumably be raising a number of new issues based on the information they receive in the technical documents, will you reopen the comment period so that the public has the opportunity to comment on that information as well?

Answer. OSMRE has prepared a summary of the State meetings for the administrative record. No additional public comment period for the rulemaking is currently planned.

Question (5). Within the Fish and Wildlife Service's Ecological Services budget, and specifically within the Endangered Species Listing program, the Department has proposed shifting a sizeable portion of the budget from "critical habitat designations" to "petitions." I am concerned about this shift because I am still hearing concerns from members who opposed the Department's decision to enter into a multi-species settlement agreement in 2011.

I have heard from members that this effort, which required the Service to make listing determinations on more than 250 species was done without consultation of local governments or communities that are impacted by that settlement agreement. With the actions required in that settlement agreement coming to an end in 2016, I am concerned that the Service will see fit to enter into another similar agreement.

How can I be certain that, if we decide to shift money from critical habitat designations to petitions, the Service will not be inclined to enter into a similar, closed-door settlement agreement?

Answer. The Endangered Species Act establishes mandatory duties and timeframes for various listing duties including petition findings, listing determinations, and critical habitat designations. Failure to meet the statutory timeframes can lead to lawsuits. When it is in the best interest of the Government to do so, litigation can be resolved through settlement agreements; this typically occurs when the Service does not have a viable defense and a settlement is expected to achieve more favorable terms through negotiation. To avoid litigation, the Service strives to meet the ESA's deadlines and has requested the funding needed to do so.

The requested amounts in the Listing subactivity reflect the anticipated fiscal year 2017 workload. In fiscal year 2017, the Service will need less funding than in fiscal year 2016 to address critical habitat designation for already listed species because there are fewer such critical habitat designations outstanding. In contrast, the anticipated workload for petition findings will be greater in fiscal year 2017 than in fiscal year 2016; thus, the budget includes funding under the subcap for the functional area to be increased. By having the subcaps reflect the distribution of the workload, the Service hopes to reduce litigation by working on all types of outstanding actions.

Question (6). I have been concerned with the Department's actions related to the polar bear for a number of years. I disagree with the 2008 listing determination and vehemently disagree with the designation of more than 187,000 square miles of land—an area larger than the State of California—as "critical habitat" for polar bears. When combined with the other hostile actions undertaken by the administration when it comes to developing our public lands, the listing and designation has the potential to devastate our State's economy.

My concern has long been that the Department based its listing decision more on the expectation that climate change would decrease polar bear habitat and stocks in the future, than on fact that stocks are currently in decline. I have seen no data to show that polar bear stocks currently are in significant decline across northern Alaska (the issue of potential Russian poaching aside) and thus, the species does not warrant protections under the Endangered Species Act.

Has the Department undertaken any recent efforts to consider new science related to polar bears in an effort to determine whether the species should be listed under the Endangered Species Act? If so, please provide me with the studies that you have considered. If not, please share with me the reason for not moving forward and whether there is a plan for moving forward.

Answer. The Fish and Wildlife Service (Service) initiated a 5-year status review under the Endangered Species Act of 1973, as amended (ESA), for the polar bear (*Ursus maritimus*) on October 13, 2015. The purpose of this 5-year review is to ensure that the polar bear has the appropriate level of protection under the Act. The polar bear's "threatened" status reflects the finding that it is not presently in danger of extinction, but is likely to become endangered in the foreseeable future. A 5-year review affords the opportunity to periodically take a comprehensive look at the full body of information available for a species and assess its progress toward recovery. These reviews assist the Service and its partners in identifying conservation needs, better targeting and prioritizing conservation efforts for the species, and determining whether a species may warrant downlisting, delisting, or uplisting.

As a part of the 5-year review, the Service published its intent to collect the following data regarding the polar bear species: species biology, including but not limited to population trends, distribution, abundance, demographics, and genetics; habitat conditions, including but not limited to amount, distribution, and suitability; conservation measures that have benefited the species; threat status and trends;

and other new information, data, or corrections, including but not limited to changes in taxonomy or nomenclature and identification of erroneous information contained in the List of Endangered and Threatened Wildlife and Plants.

In addition to the 5-year review process, through the Service's participation in co-management arrangements via the U.S.-Russia Bilateral and Inuvialuit-Inupiat Agreements, the Service considers new science on an annual basis as it relates to sustainable harvest levels for the Chukchi and Southern Beaufort Sea subpopulations of the polar bear, which are harvested for subsistence. The Service does not have a recent population estimate for the Chukchi Sea subpopulation, but does have evidence that polar bear body size and condition remains stable despite the declines in habitat (sea ice). In the Southern Beaufort Sea subpopulation, multiple lines of evidence suggest that polar bears may be in decline due to decreased sea ice availability, including reductions in body size, body condition, and recruitment in recent decades (Regehr et al. 2006, Rode et al. 2010, 2014a). A recent publication (Bromaghin et al. 2015) indicates that polar bear numbers in the Southern Beaufort Sea subpopulation significantly declined from 2004 to 2007 and survival of subadult bears declined throughout the entire period of 2001–2010.

Regehr et al. 2006:

Regehr E.V., S.C. Amstrup, and I. Stirling. 2006. Polar bear population status in the southern Beaufort Sea. U.S. Geological Survey Open-File Report 2006–1337, U.S. Geological Survey, Alaska Science Center, Anchorage, AK, USA.

Rode et al. 2014:

Rode, K.D., E.V. Regehr, D.C. Douglas, G. Durner, A.E. Derocher, G.W. Thiemann, and S.M. Budge. 2014. Variation in the response of an Arctic top predator experiencing habitat loss: feeding and reproductive ecology of two polar bear populations. *Global Change Biology* 20:76–88.

Rode et al. 2010:

Rode K.D., S.C. Amstrup, and E.V. Regehr. 2010. Reduced body size and cub recruitment in polar bears associated with sea ice decline. *Ecological Applications* 20:768–782.

Bromaghin et al. 2015:

Bromaghin, J. F., T. L. McDonald, I. Stirling, A. E. Derocher, E. S. Richardson, E. V. Regehr, D. C. Douglas, G. M. Durner, T. Atwood, and S. C. Amstrup. 2015. Polar bear population dynamics in the southern Beaufort Sea during a period of sea ice decline. *Ecological Applications* 25:634–651.

Question (7). The Fish and Wildlife Service has requested the authority to seek compensation from responsible parties who damage or destroy National Wildlife Refuge System or other Service resources. This legislative language has been circulating for a number of years. In 2014, a hearing was held in the Environment and Public Works Committee a bill that was introduced by Senator Cardin. My understanding is that no legislation has been introduced in the current Congress and the Environment and Public Works Committee has not taken action on the matter.

- a. Why has the Department only requested this authority for the Fish and Wildlife Service? I understand the National Park Service has similar authority already, but the Bureau of Land Management does not. Is there a reason that the request was made only for the Fish and Wildlife Service?

Answer. The National Park Service (NPS) and Bureau of Land Management both have authorities to allow them to retain collections from damages for repair and restoration.

The NPS authority provided by 54 U.S.C 100721–25 allows NPS to use response costs and damages recovered under the authority or amounts recovered under any statute as a result of damage (destruction, loss of, or injury) to any resource within a unit of the National Park System to be retained and used for response costs, damage assessments, restoration, and replacements.

The Bureau of Land Management's annual appropriations language for Service Charges, Deposits and Forfeitures provides general Federal authority to collect fees for rehabilitation of damaged public lands. The BLM has specific requirements in the BLM Realty Trespass Abatement Handbook on the deposit and use of rehabilitation/stabilization funds. It states that funds received for rehabilitation/stabilization of damaged lands as result of trespass settlement or bond forfeiture are deposited into the Service Charges, Deposits and Forfeitures account and are available for in-State rehabilitation and stabilization work on lands damaged by trespass.

- b. I have heard concerns that providing this authority will lead to additional prosecutions of individual because the Service will be incentivized by the prospect of additional revenue. What can you do to assure me that this will not happen?

Answer. The Service has a responsibility to manage public resources for both current and future generations. In order to maintain these resources, the Service expects parties responsible for damaging them, not taxpayers, to pay restoration costs. The intent of this authority is to ensure that the Service, and the American people, will not have to pay for restoration activities and that those causing these impacts pay for their restoration. It is not intended to generate revenue for the Service.

While this authority would be new for the Service, it is not a new authority for government agencies. The National Park Service (NPS), National Oceanic and Atmospheric Administration (NOAA), and the Bureau of Land Management (BLM) have similar authorities and we look to their models to implement this law, if enacted.

Any funds collected to compensate for resource injuries will be used to rectify that specific injury alone. The legislation, if enacted, would deposit the recovered funds into the Department of the Interior Natural Resource Damage Assessment and Restoration Fund, as is done with natural resource damages recovered under the Comprehensive Environmental Response, Compensation, and Liability Act, the Oil Pollution Act, and the Park System Resource Protection Act (16 USC 191j). These funds would be maintained separately and used solely for cases handled under this authority.

Question (8). The fiscal year 2016 Omnibus Appropriations bill contained a substantial increase for the Land and Water Conservation Fund (LWCF). The total discretionary appropriation was \$450 million, an increase of \$50 million over the President's fiscal year 2016 discretionary total and \$144 million over the fiscal year 2015 enacted level of \$306 million. Congress was able to fund the President's proposed discretionary funding lists and increase the NPS State side program to \$110 million. Given the funding pressures for the Interior bill this year it will be hard to meet the fiscal year 2016 appropriated level; therefore, we need to carefully look at the projects the President has proposed in his budget submission to make sure they have been fully vetted and are ready to go.

The explanatory statement on the fiscal year 2016 Omnibus stated that many of the projects the administration has proposed over the years lack sufficient information, and that requested projects should have identified properties, willing sellers, updated appraisals or market information, and the support of Federal, State, and local officials.

Have all of the projects submitted in the fiscal year 2017 budget met all of these conditions?

Answer. To the greatest extent possible, LWCF land acquisition projects proposed by the fiscal year 2017 budget meet the conditions laid out by the fiscal year 2016 Omnibus explanatory statement; however, the Department chooses to use discretion when it comes to disclosing certain details on the projects in the Greenbooks for a variety of reasons. Upon request from the Appropriations Committee, the bureaus may provide further details to cover the conditions, and both the bureaus and Department make a point to alert in a timely manner the Interior Appropriations Subcommittees if project details and/or status change.

The bureaus included the following information in the Greenbook project data sheets, as well as briefing materials for Congress, for each proposed acquisition:

- Full page profiles and maps of each acquisition, including estimated cost, acres, and location. Should those details change or be updated, the bureaus and Department relay that information to the Appropriations Committee.
- Contributors known to the bureaus' State and regional offices that are partners or supporters of the proposal acquisition. These identified contributors may include, but are not limited to, the following: State, county or local governments or agencies; national, State or local private non-profit organizations; Federal Government partner agencies; charitable foundations; land and battlefield trusts; and local and regional committees or networks (including those representing ranchers, farmers, hunters, anglers, and other outdoorsmen).

The bureaus did not cite by name in the Greenbook project data sheets individual Federal, State, and local officials who support projects, choosing instead—where applicable—to cite the support of Federal, State, county, or local governments or agencies.

Willing sellers are not identified in the budget for several reasons. Bureaus, working through their field and regional offices, identify land parcels in or adjacent to public lands for purchase, as well as potential willing sellers. Given that acquisition projects may take 2 to 3 years to complete, in the early stage of a budget request,

bureaus may not have concrete willing sellers yet (only potential). Privacy issues may arise when landowners and potentially willing sellers do not want their neighbors to know that they are talking to the government about selling. Additionally, there is the value expectation. If a landowner sees his or her name listed along with a request number, the landowner comes to expect the entire amount, regardless of the actual appraised value.

Details on each land acquisition project also reflect consideration of several additional criteria important to the bureaus and Department, including the ecological, economic, and cultural values the project conserves; contribution of leveraged funds; partner participation and support; and the urgency of project completion to protect natural areas and wildlife species habitats from development or other incompatible uses.

In a continuing effort to provide user friendly data, the Department provides an interactive map of the properties it submitted for consideration to Congress for the 2017 budget at: https://www.doi.gov/sites/doi.gov/files/uploads/LWCF_BIB_map_FY2017.pdf.

Question (9). The explanatory statement also expressed that the agencies should include the feasibility of phasing projects as well as a description of which parcels are being considered for conservation easements or fee simple acquisition.

Discuss compliance with this guidance. What number or percent of the requested projects were identified as able to be accomplished in phases? What number or percent of the projects were identified as acquisitions for conservation easements versus fee simple acquisitions?

Answer. For the BLM, several of the fiscal year 2017 projects could be phased—within discretionary funding 10 of the 14 projects (or 71 percent) could be phased. Within BLM discretionary funding, 68 percent would be invested in fee acquisitions and 32 percent would be invested in easement acquisitions.

The FWS discretionary request for fiscal year 2017 would purchase approximately 16,375 fee acres (39 percent) and 25,670 conservation easement acres (61 percent). Most of the FWS projects have already been phased; however, four of the projects, or 25 percent, can be further phased since they are comprised of multiple tracts.

Of the 33 projects included in the NPS fiscal year 2017 budget for Federal land acquisition, four projects are parts of phased acquisitions:

1. *Grand Teton NP (Discretionary):* The State of Wyoming entered into an agreement with the United States for a phased conveyance of approximately 1,400 acres of State-owned land within Grand Teton National Park. The fiscal year 2017 budget includes \$22.5 million which will be obligated to cover the Federal cost of a portion of that phased conveyance.
2. *Hawaii Volcanoes NP (Discretionary):* Funding requested (\$6 million) will be used to acquire half of the 16,467-acre Pohue Bay/Kau Coast property at the park.
3. *Hawaii Volcanoes NP (Mandatory):* Funding requested (\$6 million), if appropriated, will be used to acquire the second half of the Pohue Bay/Kau Coast property at the park.
4. *Palo Alto NHP (Mandatory):* The requested funds would commence a phased acquisition of a tract containing 1,353.84 acres of land (Total Estimated Value: \$9,125,000) located within the national historic site.

Of the 33 projects included in the NPS fiscal year 2017 budget request for Federal land acquisition, three projects are identified as easement or less-than-fee acquisitions (Death Valley NP, Katmai NP and Redwood NP), one project involves both fee and easement acquisitions (Martin Van Buren NHS), and two projects may involve either fee or easement acquisitions (Little River Canyon NP and Nez Perce NHP). The possibility of acquiring a conservation easement varies, depending on the contemplated Federal use of the property and the willingness of the landowner to sell such easement.

Question (10). The explanatory statement also included language to increase the transparency of the project selection and prioritization processes in the annual budget requests, particularly in regard to collaborative landscape projects. Over the years, there has been concern among many in the community and here in Congress about how the administration picks projects for the discretionary and mandatory lists. It appears that many of the projects have been geared toward the Western US and that geographic distribution of funds has not been a factor in your project selection. Typically Congress has funded the proposed lists in the order requested; however, with questions about the quality of projects and the process used to select projects Congress may need to revisit this approach.

Given these questions about quality and process: What process does the Department use to compile the project lists, including for identifying collaborative areas?

What considerations does the Department take into account when selecting and prioritizing projects? What is the geographic distribution of requested funds?

Answer. The President's fiscal year 2017 budget includes 135 land acquisition projects across the Department of the Interior and the Department of Agriculture's four land management agencies in 41 States. The wide range of projects proposed for funding includes important wildlife habitat and migration corridors in Florida's Everglades, grassland and wetland habitats popular with hunters and anglers in eastern North Dakota and South Dakota, historic structures associated with the Wright brothers and the early development of the airplane at the Dayton Aviation Heritage National Historical Park in Ohio, permanent public access to the South Puget Sound Coastal Forest in Washington State, scenic vistas along the Appalachian Trail, and popular public recreation sites in national monuments in Arizona, Idaho and New Mexico. The attached map shows the location of each proposed land acquisition project, and demonstrates the geographic diversity of projects in fiscal year 2017.

The National Park Service (NPS), Bureau of Land Management (BLM), and Fish and Wildlife Service (FWS) each has its own criteria that are used to evaluate and prioritize proposed land acquisitions.

NPS utilizes a nationwide priority ranking system, the Land Acquisition Ranking System (LARS). The initial information for each project is provided by the park unit and reviewed by regional or field offices of the Land Acquisition Program. Land Acquisition staff in each office assists the Regional staff in ranking the requests received using guidelines provided by the Washington (WASO) Program Office. The LARS incorporates several criteria, including, but not limited to: the threat to and preservation of the resource; a commitment has been made to acquire; involvement of partners, non-profit group support or availability of matching funds; recreational opportunities; existence of legislative authority to acquire; and ability to obligate appropriated dollars.

For BLM, submissions include a completed project narrative, fact sheet, questionnaire, representational map(s) and digital color images—and are limited to no more than 20 projects per State Office (SO). To be eligible projects must be:

1. Within or contiguous to, a unit of the National Landscape Conservation System (NLCS) (with the exception of Wilderness Study Areas), an Area of Critical Environmental Concern or a Special Recreation Management Area;
2. Comply with Section 205 (b) of the Federal Land Policy and Management Act (identified for acquisition within an approved land use plan); and
3. Be available for purchase from a willing seller owner.

Submissions are then reviewed by the National Review Team (NRT). The NRT is a multi-disciplinary team consisting of representatives from different levels of the organization. The NRT recommends a prioritized list of project proposals to the Bureau of Land Management (BLM) leadership. The BLM Land and Water Conservation Fund (LWCF) Land Acquisition list reflects bureau and departmental priorities, potential sources and levels of funding, and the latest information on willing sellers.

FWS's 2014 Strategic Growth Policy directs FWS to focus on acquiring lands and waters in fee, conservation easement, and/or donation that support three conservation priorities:

1. Recovery of threatened and endangered species;
2. Implementing the North American Waterfowl Management Plan; and
3. Conserving migratory birds of conservation concern.

Based on these three priorities to evaluate proposed NWRS land acquisitions, FWS uses the Targeted Resource Acquisition Comparison Tool (TRACT). The TRACT provides a biological, science-based, and transparent process for ranking proposed NWRS land acquisitions.

TRACT biological evaluation plays a role in LWCF budget formulation, but is not the only factor considered when making decisions about where to request LWCF funds for NWRS land acquisition. The LWCF project list submitted by FWS reflects additional considerations, such as bureau operational priorities, partner support, potential non-Federal funding sources, unique land acquisition opportunities, and the latest information on willing sellers. Land acquisition projects proposed for the fiscal year 2017 budget reflect additional important factors, including conservation partner participation, and urgency of project completion to protect natural areas from development or other incompatible uses.

The Service considers the minimum interest necessary to reach management objectives. For example, conservation efforts for the greater sage grouse and central Florida ecosystem are compatible with traditional land use. Therefore the Service may choose to seek conservation easements or, to enhance public access and rec-

reational opportunities, a combination of fee and conservation easements acquisition.

The administration's strategic approach to using LWCF land acquisition funds in fiscal year 2017 includes funding for Collaborative Landscape Planning (CLP) projects. This interagency program brings the Departments of the Interior and Agriculture together with local stakeholders to identify large natural areas where LWCF funds can achieve the most important shared conservation and community goals in the highest priority landscapes. Conserving large-scale natural areas provides multiple resource and economic benefits to the public, including clean drinking water, recreational opportunities, protected habitat for at-risk and game species, and jobs generated on and off these lands. The Secretaries of the Interior and Agriculture follow a rigorous competitive and merit-based evaluation process to select collaborative landscapes for investment. After evaluating and prioritizing multiple ecosystems, they selected seven landscapes for discretionary and mandatory funding in fiscal year 2017:

- Island Forests at Risk (Hawaii)
- High Divide (Idaho, Montana)
- Rivers of the Chesapeake Collaborative (Maryland, Virginia, West Virginia)
- National Trails System (California, Georgia, Hawaii, Idaho, Montana, New Mexico, Oregon, Pennsylvania, Tennessee)
- Florida-Georgia Longleaf Pine Initiative (Florida)
- Southern Blue Ridge (Georgia, North Carolina, Tennessee, Virginia)
- Pathways to the Pacific (Oregon, Washington).

Qualifying projects are submitted by bureaus which are evaluated and selected for inclusion within available budget resources.

Question (11). According to the EPA, methane emissions from hydraulic fracturing at natural gas wells is down 83 percent since 2011 and total methane emissions from natural gas production are down 38 percent since 2005.

a. Is natural gas a key component of GHG reductions?

Answer. Reducing natural gas emissions reduces waste of America's public resources and provides important greenhouse gas (GHG) emission reductions. Methane, the primary component of natural gas, is an especially powerful GHG. Its climate impact is roughly 25 times that of CO₂, if measured over a 100-year period, or 86 times that of CO₂, if measured over a 20-year period.¹ Thus, measures to conserve such gas, avoid its waste, and reduce unnecessary releases significantly benefit local communities, public health, and the environment.

b. Does the use of natural gas help drive down GHG emissions?

Answer. The effect of use of natural gas on GHG emissions depends on both the energy source that would be used in lieu of the natural gas, and on the quantity of methane lost during the natural gas production process. Assuming limited methane losses, replacing coal or oil with natural gas can help drive down GHG emissions. Where natural gas replaces non-carbon energy sources, such as renewable or nuclear energy, however, the use of natural gas increases GHG emissions. Also, because methane is a far more potent GHG than CO₂, methane lost during the natural gas production process can offset the benefits of using natural gas in place of other fossil fuels.

c. Does the administration want to see U.S. natural gas production continue to help bring down GHG emissions?

Answer. The continued production and use of natural gas are consistent with the administration's goal of achieving a cleaner, more secure energy future, provided that gas losses are minimized. Consistent with this recognition and our overall climate goals, finalization of the recently proposed Methane and Waste Prevention rule will help curb waste of our Nation's natural gas supplies, reduce harmful methane emissions that worsen climate change, and provide a fair return on public resources for Federal taxpayers, tribes and States.

Question (12). Over the course of the U.S. energy boom, according to the Energy Information Administration, marketed natural gas production has increased by 35 percent, over the 9-year period from 2005 to 2013, from about 19 trillion cubic feet of gas per year to about 25 and a half trillion cubic feet of gas per year. Over this same period, EPA data show that methane emissions from hydraulically fractured natural gas wells decreased by about 80 percent, emissions from natural gas produc-

¹See Intergovernmental Panel on Climate Change, *Climate Change 2013: The Physical Science Basis*, Chapter 8, *Anthropogenic and Natural Radiative Forcing*, at 714 (Table 8.7), available at https://www.ipcc.ch/pdf/assessment-report/ar5/wg1/WG1AR5_Chapter08_FINAL.pdf.

tion decreased by about 38 percent and total methane emissions decreased by about 11 percent.

- a. In view of this information, and in view of EPA's continued efforts to reduce methane emissions from industry sources, why has the BLM, under your authority, chosen to promulgate its own methane regulations?

Answer. The proposed Methane and Waste Prevention Rule aims to reduce the waste of natural gas from BLM-administered mineral leases. This gas is lost during oil and gas production activities through flaring or venting of the gas, and equipment leaks. The BLM has an independent statutory responsibility to address this waste. Specifically, the Mineral Leasing Act of 1920 (MLA) requires the BLM to ensure that lessees "use all reasonable precautions to prevent waste of oil or gas . . ." (30 U.S.C. 225). While oil and gas production technology has advanced dramatically in recent years, the BLM's requirements to minimize waste of gas have not been updated in over 30 years. The BLM believes there are economical, cost-effective, and reasonable measures that operators should take to minimize waste, which will enhance our Nation's natural gas supplies, boost royalty receipts for American taxpayers, tribes, and States, and reduce environmental damage from venting and flaring.

EPA has finalized regulations under the Clean Air Act to reduce methane emissions from certain new, reconstructed, and modified oil and gas production activities. While these requirements will have the effect of reducing some losses of gas as well, the EPA requirements are not aimed directly at waste and would not fulfill the BLM's statutory responsibilities. For example, unlike the proposed BLM regulations, the proposed EPA regulations do not address gas losses through flaring, and do not address gas losses from existing sources, unless the existing source is modified or reconstructed (as defined by EPA).

- b. Related to this question, can you describe the consultation that the BLM has undertaken with EPA, and with the State regulatory agencies with Clean Air Act authority in the states with operations on BLM lands?

Answer. The BLM has engaged in substantial stakeholder outreach in the course of developing the proposal. In 2014 and 2016, the BLM conducted a series of forums to consult with tribal governments and solicit stakeholder views to inform the development of the proposed rule (2014) and to discuss the proposed rule after publication (2016). The outreach included tribal and public meetings (some of which were livestreamed) in Colorado (2014/2016), New Mexico (2014/2016), North Dakota (2014/2016), Washington, DC (2014), and Oklahoma City (2016).² For each forum, BLM held a tribal outreach session in the morning and a public outreach session in the afternoon. The BLM also accepted informal comments generated as a result of the public/tribal outreach sessions (2014).

The BLM also consulted State regulators (both oil and gas regulators and air quality regulators) both while developing the proposal and since its issuance. Specifically, the BLM held discussions with regulators from: North Dakota (2014/2016), Wyoming (2014/2016), Alaska (2014/2016), Colorado (2014/2016), Utah (2014/2016), and New Mexico (2014) to discuss the States' rules and practices, their effectiveness, and the States' recommendations with respect to the BLM rulemaking, and their views on the proposal. The BLM is continuing to hold further discussions with States, is looking forward to receiving detailed written comments from State regulators, and will take those comments into careful consideration in developing the final rule.

During the development of the proposed rule, the BLM and the EPA held regular discussions to share data and technical information, identify areas of potential overlap between the two regulatory efforts, consider ways to align the proposed rule requirements as much as practicable, and identify provisions where the BLM could exempt otherwise covered sources or activities because they are or are proposed to be subject to equally effective EPA requirements. Those meetings are continuing during development of the final EPA and BLM rules.

Question (13). Over the last few years the United States has undergone an energy renaissance which has created thousands of new well-paying jobs, made the United States more energy secure and less reliant on evil powers across the globe as well as make U.S. energy more affordable—just look at the cost of gasoline today—all while methane and GHG emissions have dramatically declined. During this same time BLM's permitting process continues to lag which is not only a lost opportunity for the benefits I just described, but also to the detriment of potential revenues to the Federal Treasury and the States. Additionally, the BLM has put out a number of regulations and proposals including the Hydraulic Fracturing, updates to Onshore

²Further information can be found at the BLM oil and gas program's outreach-events page: http://www.blm.gov/wo/st/en/prog/energy/public_events_on_oil.html.

Orders 3, 4, and 5, and the proposed venting and flaring rule. Each of these, separately and combined, could have real effects on U.S. energy production, jobs, revenues, etc. If the goal of the Climate Action plan is to decrease GHG emissions, does it make sense to propose a suite of regulations that will shut down U.S. natural gas production?

Answer. The common-sense and cost-effective rules BLM has proposed or finalized in the last 2-plus years are an important component of its efforts to modernize its oil and gas program. These regulations—including the proposed updates to Onshore Orders 3, 4, and 5, the Hydraulic Fracturing Rule, and the proposed Methane and Waste Prevention Rule—are all necessary updates to 30-year old regulatory requirements that no longer reflect modern technology or practices. The BLM expects that these regulatory efforts will increase production and royalty accountability, enhance the safety of operations, and conserve resources, without harming U.S. energy production.

These rules often propose or adopt standards and practices developed by industry that are already being successfully employed by operators. Updating and clarifying the regulations will make them more effective, more transparent, and easier to understand and administer, which will benefit both industry and the public. The proposed and adopted changes will provide modern, effective regulation of oil and gas operations on BLM-administered leases, ensuring such development occurs in an environmentally responsible way that provides a fair return to taxpayers.

Question (14). For several years, the EPA has been working on the development of new requirements for compliance with elements of the Clean Air Act for oil and gas production operations. The process of developing new regulations for emissions from new sources has involved—indeed required—highly technical discussions, and has been characterized by regular opportunities for substantive discussion between EPA and the regulated industry. Why is the BLM undertaking its own separate rulemaking process?

- a. Did the BLM work with the EPA to make sure the two packages were not in conflict with one another? If so, why are there many examples of the two rules differing or the BLM requiring something the EPA determined was not necessary or cost prohibitive?

For example: BLM's inclusion of liquids unloading requirements when EPA has determined there is not a single cost-effective method that can address this source. Additionally, there are differences between survey frequency based on number of leaks (BLM) versus percent of components (EPA).

Answer. The BLM and the EPA have worked closely together throughout the rule-making processes to ensure that the two regulatory packages are not in conflict with each other, as discussed in more detail in the response to Question 12a. In some cases the two rules are different because they are being adopted under different statutory authorities and they have different primary purposes.

For example, our understanding is that section 111 of the Clean Air Act requires the EPA to base its standards on an identified “best system of emission reduction.” The EPA proposed that it could not identify a single best system of emission reduction that should apply in all situations to reduce emissions from liquids unloading. In contrast, the Mineral Leasing Act simply requires the BLM to ensure that lessees “use all reasonable precautions to prevent waste of oil or gas . . .” 30 U.S.C. 225. With respect to liquids unloading, the BLM has determined that there are multiple technologies and practices that would reduce gas losses from liquids unloading, depending upon the particular circumstances of the well. The BLM has not proposed to require operators to use specific technologies. Rather, the BLM has simply proposed a performance-based standard—to prohibit liquids unloading through manual well purging from new wells—allowing operators to choose the technologies or practices to apply to achieve this result.

Question (15). What assurance do we have that the two agencies' efforts can be coordinated such that BLM's rulemaking will be informed by the EPA effort so that regulatory conflict is avoided?

Answer. The BLM and the EPA fully understand the importance of coordinating their approaches, have coordinated closely throughout the rulemaking processes to date, and are committed to continuing to coordinate until both rulemakings are finalized. As a practical matter, the EPA's rulemaking was finalized before the BLM's rulemaking, which allows the BLM to take EPA's final rule fully into account before finalizing the BLM's rule.

Question (16). How do these rules interact with the State's own efforts on methane? What consideration did you give the State programs? Is there a scenario where projects will need to comply with a State methane program and regime, a different

BLM methane program and regime and a different EPA methane program and regime? Is that necessary and reasonable?

Answer. As discussed in the response to Question 12b, the BLM has reached out to many States to gain an understanding of State regulations and the States' experiences with their regulations. In fact, many of the provisions in the proposed rule track elements of effective State programs.

The BLM has also constructed its proposed rule to address concerns about the potential for multiple applicable regulations. To minimize any overlap with EPA regulations, the BLM proposed that sources meeting the EPA requirements would either be exempt from the BLM rules altogether, or be permitted to demonstrate compliance with the EPA requirements in lieu of meeting the BLM requirements, depending on the specific requirement. In addition, the BLM and the EPA proposed to align their requirements to a very significant degree and aim to further align the final rules, to the full extent consistent with legal authorities and with consideration of comments received.

With respect to State rules, the BLM proposed specific provisions to allow variances from one or more BLM requirements where one or more State requirements are equally or more effective.

Question (17). How does the cost-benefit analysis hold up when there are a lot of legacy producing wells that would cost more to comply with these proposals than the energy that is produced which would then result in production being shut-in? Would this mean that DOI loses in royalty revenue?

Answer. The proposed rule includes several exceptions and alternative limits that would apply if implementing provisions of the rule would impose such costs as to cause the operator to cease production and abandon significant recoverable oil reserves under a lease. The Regulatory Impact Analysis for the proposed rule projects that the rule would produce modest increases in both gas production and royalties.

Question (18). In January, a magnitude 7.1 earthquake hit Alaska. Though a handful of families lost their homes, damage was limited because the earthquake occurred away from populated areas. Alaska's history demonstrates clearly, however, that we are not always so fortunate.

- a. In 2000, congress authorized the Advanced National Seismic System to "establish and maintain an advanced infrastructure for seismic monitoring throughout the United States that operates with high performance standards . . ." A decade and a half later, many of the baseline performance standards set by this program have not been achieved in Alaska. As other States with high earthquake hazard move on to advanced technologies, such as earthquake early warning, what is the Department doing to make sure Alaska has access to the instrumentation, technology, and funding needed to expand and modernize the seismic infrastructure?

Answer. In the past 15 years, the USGS has invested in earthquake monitoring and reporting, seismic hazard assessment, and other earthquake loss reduction activities in Alaska, and collaborates with several groups in the State. The USGS supports the Alaska Earthquake Center and the University of Alaska—Fairbanks (UAF), our regional seismic network partner in the State, at about \$600,000 per year. The USGS also supports the Anchorage Strong Motion Network, a collaborative effort among the USGS National Strong Motion Project, the Alaska Volcano Observatory (a joint center of the USGS, UAF, and Alaska Division of Geological & Geophysical Surveys). The network consists of more than 30 free-field stations, a borehole site, and several instrumented buildings and bridges. USGS monitoring investments in Alaska also include USGS National Network stations, and the services provided by the USGS National Earthquake Information Center.

In recent years, the USGS invested in improvements to the Anchorage and Alaska regional seismic networks. For example, in 2010, USGS made an award to the UAF of \$483,000 plus seismic equipment for upgrading these networks. The USGS has also invested in improving the Anchorage monitoring infrastructure. As a result of these improvements, high-quality data on how shaking varied across the Anchorage urban area were successfully collected from the January 2016, magnitude-7.1 earthquake. The USGS has also supported the Delaney Park geotechnical array in Anchorage, operated by the University of California, which provides field observations of earthquake activity and uses these observations as control data for testing models and simulation techniques.

- b. Language was included in the fiscal year 2016 omnibus for USGS to conduct a cost benefit study related to earthquake monitoring for Alaska. Please tell me what the status of that report is and when we may be able to expect to see some of the findings?

Answer. A working group has been formed to conduct a cost-benefit study for monitoring improvements in Alaska: the study will be released in the fall of 2016 or before. The working group will evaluate the costs and benefits of seismic station adoptions, earthquake early warning, as well as improvements to existing monitoring operations. USGS will use the results of this study in its planning for future investment in seismic monitoring in Alaska.

- c. President Obama's 2013 arctic strategy document emphasizes cooperative efforts with the State of Alaska to respond to natural and man-made disasters. In the last 2 years there have been significant swarms of earthquakes in the Bering Sea, Northwest Alaska and the Arctic National Wildlife Refuge. How does the Department intend to engage with the State of Alaska to develop earthquake mitigation strategies for the Arctic region?

Answer. The USGS is a member of the four-agency National Earthquake Hazards Reduction Program (NEHRP) partnership, but developing earthquake mitigation strategies are primarily the responsibility of the National Institute of Standards and Technology and Federal Emergency Management Agency. As a member of the NEHRP, the USGS conducts and supports targeted geoscience research investigations on earthquake causes and effects; produces seismic hazard maps and assessments; monitors and reports on earthquakes and shaking intensities; works to improve public understanding of earthquake hazards; and coordinates post-earthquake reconnaissance carried out and supported by NEHRP agencies and other organizations.

Question (19). The President's proposal includes an increase of \$8.8 million for USGS activities related to the Arctic.

- a. Could you provide more detail on the Department's Arctic priorities, particularly as they relate to the administration's "Implementation Plan for its National Strategy for the Arctic Region"?

Answer. On May 10, 2013, the President issued the National Strategy for the Arctic Region (Strategy). The accompanying Implementation Plan set forth the methodology, process, and approach for executing the Strategy. The Implementation Plan follows the structure and objectives of the Strategy's three lines of effort:

- Advance United States Security Interests
- Pursue Responsible Arctic Region Stewardship
- Strengthen International Cooperation

The Implementation Plan reflects the reality of a changing Arctic environment and upholds national interests in safety, security, and environmental protection, and works with international partners to pursue global objectives of addressing climatic changes. The Implementation Plan complements and builds upon existing initiatives by Federal, State, local, and tribal authorities, the private sector, and international partners, and focuses efforts where opportunities exist and action is most needed.

Under the Implementation Plan, the Department's priorities include:

- Ensuring the safe and responsible exploration and development of onshore and offshore Arctic non-renewable energy resources in an environmentally sound manner;
- Implementing Integrated Arctic Management and employing management approaches, such as ecosystem-based management, to enhance good governance to provide for sustainable economies in the region, ensure long-lasting benefits of balanced ecosystems, and preserve cultural activities of the people that depend on the Arctic environment; and,
- Coordinating and integrating terrestrial ecosystem research to increase the understanding of geophysical and ecosystem responses to a changing climate and to inform management decisions and subsistence uses.

The Department continues to study offshore environments, evaluate energy development and spill response capabilities, and to promote safety across all energy development activities. In cooperation with the State of Alaska and Alaska Native organizations, the Department is also encouraging use of Integrated Arctic Management, a science-based, whole-of-government approach for stewardship and planning, that integrates and balances environmental, economic, and cultural needs and objectives.

The Department is also a member of the Interagency Arctic Research Policy Committee (IARPC) to advance research in areas of common interest to member agencies. The IARPC 2013–2017 research plan was drafted with contributions from all IARPC agencies with public involvement. The plan, which is currently being updated, intentionally builds on the strong intellectual accomplishments and ideas of

the research community at the Federal, State, local, and tribal levels as well as inclusion of ideas from the academic community, non-governmental organizations, and industry. As an IARPC member, the Department is engaged in answering key research questions such as determining the impact of diminishing permafrost on Arctic ecosystems and inhabitants.

The 2017 budget request for the Department's activities in the Arctic is \$160.6 million, an increase of \$15.8 million above the 2016 enacted level. The request for USGS includes increases totaling \$9.8 million, which includes \$8.8 million in Arctic funding and a net addition of \$1 million primarily for Alaska map modernization that will be applied to the Arctic. Across the USGS, these increases will be used to analyze the impacts of a changing climate, including changing distributions of fish and wildlife populations, the melting of glaciers and the resulting impact to fresh water resources; to analyze the risks posed by sea-level rise to coastal communities; and to develop predictive models.

- b. Also, can you provide specific details about the type of research and activities that would be conducted if this funding were approved? For example, will these activities improve our understanding of the continental shelf offshore Alaska's north coast?

Answer. With these increases, the USGS will support research and development efforts focused on the Arctic through a multidisciplinary approach designed to both individually understand and holistically evaluate ecosystem processes and interactions in the Arctic to provide the objective science needed for effective management of Arctic resources. Additionally, an increase of \$1.5 million within the National Geospatial program for Alaska map modernization will be used in the Arctic region and a proposed decrease in the Mineral Resources program reduces Arctic spending by \$500,000. Including the Alaska map modernization funding to be used in the Arctic, the President's budget request includes an increase of \$9.8 million for USGS Arctic activities.

The increase of \$1.0 million in the Environments Program in the Ecosystems Mission Area will be used to analyze changes in fish and wildlife population distribution and habitats. Additionally, the program will use computer simulations to improve strategies for estimating polar bear populations from data gathered in Western Hudson Bay, the Chukchi Sea, and the Southern Beaufort Sea.

The increase of \$500,000 for the DOI Alaska Climate Science Center and other related programs will develop a process to estimate total glacier loss in Alaska and any changes in freshwater input. These and other forecasts will improve understanding of effects on river systems and ecosystem dynamics that affect economically and culturally important species such as salmon and caribou. The funding would build upon other research investments in interior Alaska to better understand the potential for larger scale and more frequent effects of ecological drought in the region.

Additionally, the increase of \$1.9 million in the Climate and Land Use Change Mission Area's Land Remote Sensing Program is to develop predictive models for permafrost melt. Using remote sensing data from satellites and airborne systems, in combination with field-based studies, this work will prepare Arctic communities for the effects of the thawing land beneath them and improve global climate modeling.

The increase of \$3.5 million in the Coastal and Marine Geology program within the Natural Hazards Mission Area accelerates work for underserved communities dealing with impacts of sea level rise, severe storms and melting permafrost on their coastal communities and economies. The cost of field studies in these large and remote areas, the lack of baseline data, and the poorly understood dynamics of ice-bound and permafrost coasts limits the availability of coastal change tools to benefit Alaskan communities. The increase will accelerate bringing Arctic communities the tools available to open-ocean coastal regions of the coterminous United States. The investment will improve coastal change models for forecasting and assessing vulnerability over the next 10–25 years.

The increase of \$2.0 million for the Water Resources Water Availability and Use Science Program will address interactions among water-mediated processes in a warming Arctic and assess system feedbacks (e.g., effects of warming on hydrology and biogeochemical cycling, which subsequently affects climate and hydrology). The program will investigate methods that allow extrapolation from monitored to unmonitored locations and expand monitoring of sentinels of change, including permafrost temperature, streamflow, and materials exported from watersheds.

Within base funding, continued analyses of geologic data resulting from the joint USGS–NOAA–Department of State effort to define the limits of the Extended Continental Shelf will result in enhanced understanding of the continental shelf, slope,

and Arctic Ocean basin. Analyses of these data, and data from surveys supported by USGS–DOE investigations of methane gas hydrates, will enhance our understanding of the stability of the continental shelf and slope and the potential for and consequences of hydrate release in response to changing oceanographic conditions.

- c. Will the research improve our understanding of the resource potential for new oil and gas discoveries, as well help us understand how to minimize the risks of utilizing those resources?

Answer. The USGS Energy Resources Program conducts oil and gas resource assessments across the Nation. The program has several active projects in the Arctic, including research on unconventional oil and gas (UOG), which will continue with base program funds. These continued studies of shales and other tight formations on the Alaskan North Slope will help underpin more accurate resource assessments and reduce the uncertainty associated with resource development.

The 2017 President's budget proposes several increases for unconventional oil and gas research across the Nation, including \$1.0 million for the USGS Energy Resources Program, a portion of which will support field research in Alaska to assess undiscovered UOG resources on the North Slope of Alaska. This additional funding will provide for field research in Alaska on an annual basis instead of the current research cycle of every other year, allowing more comprehensive data collection and accelerating assessments.

The proposed increase for the program's unconventional oil and gas research will better characterize environmental and operational risks posed by oil and gas development (e.g., the mitigation of produced waters derived by oil and gas production), and the increase supports research and field work activities to lessen the statistical uncertainty associated with resource potential estimates, allowing efficient, environmentally responsible development. The increase for unconventional oil and gas continues leveraging capabilities with the Alaska Department of Natural Resources in support of these field studies.

The USGS Coastal and Marine Geology Program will conduct studies to provide actionable science to respond to changes along the Arctic shoreline, and help inform decisions with respect to infrastructure and development associated with development of energy resources.

Question (20). The Federal Government and the State are joint partners in the Alaska Mapping Initiative, with the goal of improving the topographic maps for the State. Some of the maps are over 50 years old and vital to aviation safety, land use planning, and research. The President's fiscal year 2017 budget proposes to increase funding for this program by \$1.5 million.

- a. If the President's proposed increase of \$1.5 million is included in the fiscal year 2017 appropriations bill, that would bring this initiative to a total program funding level of \$6.7 million. At that rate, how long would it take to complete the maps?

Answer. Alaska has many broad mapping needs, including topographic maps. The \$1.5 million proposed increase relates to topographic mapping supported/implemented by the USGS National Geospatial Program (NGP). With the proposed increase and continued funding from our Federal partners, we estimate that it would take 5 years (2021) to complete statewide coverage of ifsar elevation data and 6 years (2022) to complete the statewide topographic maps for Alaska.

- b. What percentage of the State now has updated maps and what areas pose the most challenges for mapping?

Answer. As of March 2016, 15.6 percent of Alaska has published topographic maps. The NGP's most challenging areas for collecting and assembling high-quality elevation map data for Alaska include low-lying coastal deltas with complex lake and river systems, the Aleutian Islands and other remote islands in the Bering Sea. Other challenges include expensive aircraft mobilization costs, limited time over the acquisition targets, and severe weather conditions.

- c. Will these maps be available in digital form and how accurate will they be compared to topographic maps in the Lower 48?

Answer. All Alaska topographic maps are available online in digital format (geoPDF). The data are free and the public can easily use this file type across multiple platforms (desktop, Web, and mobile). Anyone can upload the data into digital mapping/spatial analysis software to build new applications for research, education, or industry.

USGS follows the same procedures used for map production for the lower 48 in compiling new maps for Alaska. The elevation data accuracy for the Alaska topographic maps (produced at a scale of 1:25,000) is the same for topographic maps for the lower 48 States which follow USGS' National Map Accuracy standards for

1:24,000 scale mapping. With current funding, USGS corrects major errors for the majority of Alaska map production and we have updated approximately 10 percent of the State hydrography to meet higher specifications, where State funding contributions have supported these efforts.

Question (21). The United States Geological Survey operates the Alaska Volcano Observatory, a joint entity with the University of Alaska. USGS operates five such observatories in the Western United States. The observatory maintains a series of seismic monitors on volcanoes in Alaska, largely on the Alaska Peninsula and the Aleutian Chain, near the air corridor for flights to America from Asia. Ash from eruptions is particularly dangerous to such flights as shown by the near crash of a jumbo jet years ago.

- a. The President's fiscal year 2017 budget proposes a very small increase for the Volcano Hazards Program, \$117,000 for fixed costs, even though the entire USGS budget request is an increase of 10 percent. I understand there has been some progress made on the repair and monitoring systems on Alaska Volcanoes and I appreciate the good work that is being done there, but I am afraid we are not doing enough. It was also brought to our attention that the good work we are doing now to repair these systems may not be in compliance with the changing Federal Communications Commission (FCC) regulations over radio frequency spectrum allocations.

Answer. USGS radio telemetry networks fall under the jurisdiction of the National Telecommunications and Information Administration (NTIA) for spectrum allocation. Telemetry networks at most Very High Threat volcanoes in Alaska (Spurr, Redoubt, Augustine, and Makushin) are nearly compliant with NTIA spectrum allocation regulations. The Alaska Volcano Observatory (AVO), operated by the USGS in partnership with the University of Alaska and the Alaska Division of Geological and Geophysical Surveys, is focused on achieving full network compliance at these volcanoes as soon as possible. As part of ongoing maintenance and repairs, the USGS typically converts six to eight stations per year from analog to digital.

To address near-term public safety concerns, the USGS used funding received in 2015 to bring defunct and severely impaired networks back on line. This required maintenance of existing analog telemetry links that USGS cannot use past 2020.

- b. Are you familiar with the FCC spectrum allocation issue? Are the systems we are repairing in compliance with the FCC regulations or are we repairing a system that will need to be converted to digital in the next few years?

Answer. USGS radio telemetry networks fall under the jurisdiction of the National Telecommunications and Information Administration (NTIA) for spectrum allocation. Changes to the spectrum guidelines and allocations made USGS analog telemetry networks for volcano monitoring in Alaska non-compliant. NTIA authorization permits USGS to use the deprecated frequencies until 2020, which provides time to bring the system into compliance by transitioning the networks to new digital technology operating on an authorized spectrum.

As part of ongoing repair and maintenance, the USGS makes analog to digital conversions when possible. This typically results in converting six to eight stations per year. To address public safety concerns, the USGS used fiscal year 2015 funding to bring defunct and severely impaired networks back on line. Bringing the networks back on line required maintenance of existing analog telemetry links that the USGS cannot use past 2020.

- c. Could you provide this committee with the current gaps in the monitoring infrastructure at the Alaska Volcano Observatory and the estimated costs to complete the monitoring system?

Answer. The USGS has identified five Very High Threat and 27 High Threat volcanoes in Alaska. None of these 32 volcanoes have complete monitoring networks by the USGS standards for the National Volcano Early Warning System (NVEWS) and none of the existing networks are compliant with National Telecommunications and Information Administration (NTIA) regulation and guidelines for spectrum allocation.

The USGS has until 2020 to achieve compliance with the NTIA regulations. Telemetry networks at most Very High Threat volcanoes are nearly compliant. The estimated cost of upgrading to a NTIA-compliant system is \$18.5 million over 4 years over current funding levels. Completing the conversion in 3 years, instead of four, would increase the cost to \$20.2 million, with the increase necessary to fund additional staff to complete the work at the accelerated pace.

Additionally, to fully reach the USGS standards for NVEWS for the 32 Very High Threat and High Threat volcanoes in Alaska, the USGS estimates 237 additional monitoring instruments (e.g., seismometers, GPS receivers, and remote cameras) are

required. The chart below describes the current monitoring capabilities of the USGS in Alaska. The average cost of deploying an instrument on an Alaskan volcano is approximately \$90,000. The total estimated cost to bring Alaska's volcano monitoring networks up to NVEWS standards is \$21.3 million (\$4.4 million for the five Very High Threat volcanoes and \$16.9 million for the 27 High Threat volcanoes). This includes all aspects of installation, including instrument procurement, logistics, power systems, data telemetry, instrument housing, and permitting, but does not include the cost associated with the telemetry upgrades needed for NTIA compliance. The telemetry upgrades are necessary to support the new instrumentation. In most cases, NVEWS-guided augmentation with additional instruments would proceed in tandem with the analog-to-digital conversion work.

Upgrading the monitoring system to NTIA compliance and completing the monitoring system to NVEWS standards would cost an estimated \$39.8 to \$41.5 million in total.

Current Monitoring Level	Current Monitoring Level Capabilities	Number of Volcanoes	
		Very High Threat	High Threat
None	Eruptions detected after the fact by satellite or direct observation. Eruption forecasting is not possible. No research potential.	0	4
Minimal	Significant eruptions likely detected, but small events missed. Eruption forecasting is not possible. Little if any research potential.	0	5
Limited	Most eruptions detected. Forecasting possible under ideal circumstances. Sensor data of limited usefulness for research.	1	17
Basic	Nearly all eruptions detected and some successfully forecast. Sensor data have research potential.	4	1
Complete	All eruptions detected and most successfully forecast. Sensor data have excellent research value.	0	0
Totals		5	27

Question (22). In 2014, Congress passed the BLM Permit Processing Improvement Act of 2014.

a. How has the passage of the legislation impacted permit timelines?

Answer. The higher application for permit to drill (APD) fee of \$9,500 and associated allocations to the particular BLM offices went into effect on October 1, 2015. The increased fee has the ability to generate additional revenue, and therefore provide increased resources for processing permits, all other things being equal. However, because of market forces beyond the BLM's control, most notably the recent steep drops in the price of natural gas and oil, there has been a significant drop in the number of APDs submitted, which has reduced revenues coming to BLM for APD processing. Based on the past 6 month's observation, the BLM has not seen any overall impacts to the permitting timeline as a result of the Act. That said, over the past 4 years, the BLM has made significant progress in reducing the time to process an APD—permit times have dropped from an average of 307 days in 2011 to an average of 220 days in 2015.

b. The reauthorization also required BLM to report to Congress by February 1 each fiscal year the allocation of funds to each office and the accomplishments of each office. Where is that report?

Answer. The BLM has prepared a draft report for fiscal year 2015. This report is in the Department of the Interior review process and will be submitted as soon as that process has been completed.

Question (23). Over the last several years the Department of the Interior has proposed or finalized a number of offshore and onshore rules and regulations including the BLM hydraulic fracturing rule, updates to BLM Onshore Order 3, 4, and 5, the BLM venting and flaring proposal, the release of BLM Land Use Plan Amendments that limit areas where oil and natural gas development can take place, changes to ONRR's civil penalty regulations, additional regulations to Arctic OCS operations as well as the proposed Well Control Rule, potential changes to onshore royalties, bonus bids, etc. Interior is also expected to propose updates to offshore air regulations and there are also a number of additional items included in the Unified Agenda that have not been proposed. All of this regulatory activity is taking place at a time when investment on Federal land oil and natural gas production continues to fall. Each of these items on their own may have a chilling effect on future invest-

ment and interest in Federal production of oil and gas and taken together, the cumulative impacts could potentially alter not only production on Federal lands but also government revenue as a result.

- a. Are you analyzing and considering the cumulative effect of each regulation on an individual basis as well as combined with the entire suite of regulations? How do you ensure that the Department adheres to its multiple-use mandate and continues to place great value on the oil and gas production on Federal lands and the important revenues that come to the Treasury as a result?

Answer. The regulations being updated have not been revised for decades, and it is long past time to modernize them to reflect recent technological advances in oil and gas production, health and safety protection, and waste prevention. Reflecting reasonable and common-sense revisions to existing requirements, these regulatory updates incorporate modern industry practices and technology, and we therefore do not expect them to pose an undue burden on industry.

Consistent with Federal requirements, the Department has conducted analyses of the economic effects of the rules and presented those findings in the Regulatory Impact Analysis for each rule. These analyses evaluate each rule individually, because there is so much geographic and operational variability in where and when the rules will apply, and whether and how they will impact operators. That said, a number of the new standards reflect existing industry best practices, with which many operators are already in partial or full compliance. Moreover, some of the measures will actually save producers money. Finally, many of the rules incorporate grandfathering or other provisions that are specifically designed to take account of operators' concerns about the rules' impacts, including impacts on lower-producing wells.

Question (24). The decision by DOI to pull the Arctic lease sales in the 2012–2017 Five Year Program as well as the denial of lease term extensions was shortsighted and without justification. Access to oil and natural gas resources in the Alaska OCS is essential to the Nation's economy and energy security and predictable leasing and workable regulations are necessary to take advantage of this vast resource. The Arctic contains the world's largest remaining conventional undiscovered oil and natural gas. Given the resource potential and long timelines required to bring Arctic resources to market, decisions made today will have an impact on industry's ability to provide the U.S. oil production of the future.

- a. How does the Department view the importance of Arctic resources and our need to continue exploration and development in the Arctic, especially as other nations continue to reap the benefits of Arctic development?

Answer. Alaska continues to be an important part of the Nation's energy strategy. BOEM estimates that there are more than 23 billion barrels of undiscovered technically recoverable oil in the Chukchi Sea and Beaufort Sea planning areas, including multiple geologic plays. This is based on information gathered from over 30 exploration wells drilled in the Arctic, seismic data, and analogous reservoir analysis.

Significant acreage in the Chukchi and Beaufort Seas is already under lease, including some of the best prospects. As of April 2016, there were 434 existing leases in the Chukchi Sea and 77 in the Beaufort Sea. In addition to the Liberty project that is currently under review, should DOI receive any exploration and development proposals from industry, we will review them to ensure safe and careful exploration and development in the Arctic.

Recognizing the significant oil and gas potential in the Arctic OCS region, industry interest, and the views of the State of Alaska, the 2017–2022 Proposed Program, published on March 18, 2016, schedules three potential sales offshore Alaska, one in each of the Beaufort Sea, Chukchi Sea, and Cook Inlet. The Department is soliciting comments on this proposal through June 16, 2016. In March, Director Hopper traveled to the North Slope of Alaska to get input on the proposed Five Year Program and the bureau will continue its outreach to encourage stakeholder and partner feedback from Alaskan communities. Comments received will inform the Proposed Final Program, scheduled to be published in late 2016.

In advance of any potential lease sale offshore Alaska, BOEM will continue to use scientific information and stakeholder and partner feedback to proactively determine which specific areas offer the greatest resource potential while minimizing potential conflicts associated with the environment, subsistence activities, and multiple use concerns.

- b. Does the Department's lack of regulatory uncertainty, which only becomes greater with the proposed Arctic rule and the proposed Well Control rule, play a part in the unsuccessful project last year?

Answer. Over the course of two different offshore drilling seasons, the Department has been transparent and consistent about what it will require to ensure drilling operations conducted in the Arctic are conducted in a safe and environmentally responsible manner. On September 28, 2015, Shell announced in a press release that it “found indications of oil and gas. . . . but these were not sufficient to warrant further exploration.” This followed the 2015 drilling season, during which BSEE and BOEM approvals were conditioned on requirements consistent with many of the provisions contained in the proposed Arctic Rule. These requirements were similar to a number of the requirements that BSEE and BOEM imposed on Shell during 2012.

Question (25). I am very concerned with the BOEM–BSEE proposed Arctic rule because it imposes prescriptive requirements, including the requirement for a same-season relief well, assuming that one solution universally applies to any given Arctic location. Instead, the rule should look to using performance-based rule which allow an operator to minimize risks by designing a well program specific to the landscape, ecosystem, ice conditions, water depths and weather of that particular well. The rule should focus on prevention and consider fit-for-purpose response planning alternatives to respond to potential loss of well control.

- a. What is the likely timing of the final Arctic rule? Do you believe that you have an opportunity to step back and take time to assess the Arctic rules package and examine the NPC report before putting out a final rule since you’ve closed the door on leasing in this current Five Year program?

Answer. BSEE and BOEM have closely considered the National Petroleum Council (NPC) Arctic Potential Study, as well as many other studies and resources. Representatives from BSEE were involved in the NPC Study and were aware of many of the technical discussions and analysis that occurred prior to publication. The Department is in the process of finalizing its Arctic drilling rule, which would apply to exploratory drilling operations in the U.S. Arctic. The Department is carefully considering all comments received on the Proposed Rule as it works to complete the rulemaking process. We intend to publish a Final Rule later this year.

- b. How will this timing match with the BSEE well control rule, which as you know will also apply in the Arctic? Would it make more sense to hold the Arctic rule’s final release until after the well control rule is final and allow for comments to inform how both set of rules will affect the Arctic before finalizing and implementing?

Answer. The Department promulgated the Well Control Rule on April 29, 2016 (see 81 FR 25887). BSEE has carefully considered comments on each Rule and the potential overlaps between the two Rules.

- c. Has DOI taken a hard look at the NPC report and made agency adjustments or taken counsel from it?

Answer. Yes, the Department has reviewed the NPC Arctic Potential Study carefully, along with many other studies and analyses. Many of the findings are consistent with BOEM and BSEE’s assessment of operations in the Arctic.

For example, the NPC study recommends that BSEE “[e]ncourage innovation by providing for the incorporation of technological advancements” (NPC Study, Executive Summary, p. 51). BSEE regulations specifically allow for approval of innovative technologies that provide equal or greater protection to personnel and the environment (30 CFR § 250.141). The proposed Arctic regulations clarify that this provision can be utilized to approve equipment for use in Arctic drilling operations.

Additionally, Chapter 10, entitled “The Human Environment,” presents a detailed assessment of the effects of oil and gas activities in the Arctic on human health, economic development, and culture. BSEE agrees with the NPC’s recommendations that industry, government, and stakeholders should work to preserve cultural sustainability, ensure food security, optimize consultation and community engagement, develop traditional knowledge studies, standardize socioeconomic impact assessment processes, and evaluate collaboration frameworks.

In some areas, BSEE does not agree with the study. Chapter 8 of the study, entitled “Arctic Offshore Oil Spill Prevention, Control, and Response,” stressed the importance of prevention “as the primary defense against loss of well control.” The chapter identifies a number of controls and barriers that should be in place to prevent oil spills in the Arctic. BSEE agrees that the identified barriers and controls are crucial to operators’ prevention efforts. BSEE does not, however, agree that the implementation of prudent prevention measures should eliminate the need to have available equipment and/or a rig to respond to a loss of well control.

There are many other aspects of the NPC Study—both the findings and the recommendations—that are consistent with both the proposed Arctic offshore drilling

regulations and with BSEE's overall approach to oversight of offshore drilling operations on the Arctic OCS.

Question (26). The increased domestic oil and gas production we have been witnessing is occurring almost entirely on private and State lands where the Federal Government does not have control. This is because it can still take from 240 to as much as 300 days to get a permit to drill on BLM managed lands, and where it can take as much as 10 years to complete an environmental review. The Department has taken steps to expedite the permit process for projects on Federal lands that involve renewables, or the infrastructure for renewables, but in the case of oil and gas resources the Department has increased permitting burdens.

- a. Can you explain the apparent discrepancy between how the Department treats permitting for renewable energy projects, and projects for the exploration and production of natural gas and crude oil?

Answer. Since 2008, oil production is up 108 percent on lands where drilling requires a BLM permit. This doubling of production is greater than the 88 percent increase in oil production that occurred on all lands nationwide during the same time period. In fiscal year 2015, the BLM approved over 4,228 Applications for Permit to Drill (APDs) on Federal and Indian lands, yet industry only drilled 1,927 wells. The BLM also continued to make significant progress in reducing the time to process an APD—permit times have dropped from an average of 307 days in 2011 to an average of 220 days in 2015. The BLM also continued to make significant progress in fiscal year 2015 at reducing the number of pending APDs. As of the end of the year, the BLM had roughly 7,500 approved APDs that have not yet been drilled, more than ever before. These APDs are ready for immediate use by industry without further action by the BLM.

To further build upon these improvements, the BLM continues to make strategic investments in technology to streamline the permit review process. Most notably, BLM recently completed the bureau-wide deployment of the update to its permit processing system, AFMSS II. That update will help streamline the review process and will allow BLM and applicants to better track the progress of individual applications. The BLM is committed to building on this progress and continuing to improve the APD review and approval process.

It should also be noted with respect to the BLM's treatment of permitting requests for renewable energy relative to oil and gas that much of the expedited process currently used for renewable energy projects is patterned directly on efficiencies developed in the oil and gas permitting context.

Based on its experience in the oil and gas program, the BLM took the following actions with respect to the Renewable Energy Management program:

- Established special permitting offices (Renewable Energy Coordination Offices),
- Improved early coordination with State and other Federal agencies, and
- Identified important energy zones and then completed comprehensive environmental analyses (i.e. Solar PEIS, Wind PEIS and the Geothermal PEIS), in order to provide additional upfront analysis that could then be used to simplify the project-specific NEPA required for permitting individual development projects.

All of these processes were first developed and utilized for oil and gas. The processes used for both energy sources are largely driven by the same or similar land and environmental laws and procedures. The most expedited solar project approval occurred in the Dry Lake Solar Energy Zone in Nevada; utilizing these steps, the BLM took 300 days from lease sale to project approval.

Question (27). On lands administered by the BLM there are thousands of older wells, many producing less than 15 barrels of oil per day. However, in the aggregate, this so-called "stripper production" represents several percent of America's domestic crude oil production. In the past year, BLM has introduced four rulemakings (site security and commingling, measurement of crude oil, measurement of natural gas, venting and flaring) that taken together could significantly increase costs of operation on these older leases, possibly resulting in shutting in production.

- a. Is an agency like BLM that already struggles to issue permits to drill from companies holding BLM leases within 300 days, staffed and equipped to manage the expansion of its regulatory mandate?

Answer. The BLM has an obligation to ensure that operators accurately measure, properly report, and account for all oil and gas production, and reduce waste associated with that production. Yet the BLM's rules governing oil and gas measurements and waste reduction have not been updated in over 25 years. As a result, the Government Accountability Office (GAO), the Office of the Inspector General, and the Department of the Interior Royalty Policy Committee have all concluded that these

existing rules provide no assurance that production is being accurately measured, that all of the royalties due are paid, and that waste is minimized. The proposed rules also address the many new technologies that have been developed and adopted by industry since the current regulations were put in place.

That said, the BLM also recognizes that the royalty risk (i.e., the risk posed by inaccurate measurement from a particular well) at a given well is a function of its overall production level and that low level wells pose less of a risk than higher level wells. It is precisely this recognition that led the BLM to include in the proposed onshore orders thresholds that reduced the requirements applicable to lower volume wells. In some cases these proposed changes reduced the compliance burdens on low volume properties relative to existing requirements. Based on the comments received, the BLM is carefully evaluating those thresholds to see if further refinements are necessary to ensure that the burden imposed on any given facility by the new measurement rules is comparable to the royalty risk presented by that facility.

In addition, the Methane and Waste Prevention Rule includes some provisions to streamline implementation for both industry and the BLM. For example, the flaring provisions would reduce regulatory burden by eliminating the existing requirement to submit a sundry notice for each request to flare gas.

- b. Why is the focus of the Department and BLM on adding permit obligations for oil and gas operations when on the contrary the Department's focus is on expediting permitting for renewable energy?

Answer. As part of the administration's All-of-the Above Energy Policy, the BLM manages the public lands for both conventional and renewable energy. The BLM has a statutory obligation to balance this energy development with other use of the public lands and to ensure that the development occurs in an environmentally sound manner and provides a fair return to the taxpayers for use of those lands and mineral resources.

With respect to the permitting requirements for conventional energy development, the BLM is not adding permit obligations, but rather is proposing commonsense updates to its existing rules designed to ensure that operators accurately measure, properly report, and account for all production from Federal and Indian lands. The existing rules do not reflect modern technology or practices, and therefore, in some instances, require the review, submittal, and processing of unwarranted variance requests. These circumstances will be addressed by the final rule.

Question (28). Not long ago, the Social Security Administration engaged in an aggressive program to obtain a new custom designed computer system to deal with disability claims. After spending over \$300 million, they had a very little to show for it. They had a program racked with delays and mismanagement, but no new working custom system. Likewise, the U.S. Citizenship and Immigration Services spent more than \$1 billion trying to replace its approach to managing immigration documents with digital online forms, and as of this fall it had only a single online form, the form to replace a lost green card online.

You're probably wondering what does this have to do with the Federal land management agencies. But right now, as I understand the situation, those agencies are working to refurbish the Federal Government's campsite booking Web site, Recreation.gov, which hosts virtually all online booking for not only the National Park Service but also the U.S. Fish and Wildlife Service, the Bureau of Reclamation in addition to Forest Service campgrounds, and even many of the Army Corps of Engineers facilities. Many people use this online system every year, and if things go bad it could be a very big black eye for these land management agencies that could have broader impacts to the recreation fee program in general, particularly as we approach the Park Service Centennial.

I am asking for an assurance from you that you are going to do everything possible to make sure that any improvements to the online reservation system doesn't risk ending up with missed deadlines, and rollout delays caused by mismanagement and untested products or custom created software, like I mentioned. I hope you will work to ensure that the system will be dependable, time tested, secure and cost effective for the United States.

- a. Will you examine the situation and make sure that we are not headed down a pathway like those I mentioned?

Answer. The Recreation.gov contract is funded entirely by revenues generated from the recreation fees and reservation fees charged to visitors who make reservations. The current contract that provides the reservation and trip planning service for Recreation.gov is nearing the end of the period of performance and will be extended as needed to ensure that there is no disruption of service.

In this digital age, software solutions should be designed not by software engineers writing code but by the people who will be using the system so that the final

product truly serves the needs of the government and the people. It is also critical to ensure that the solution is nimble enough to adapt to emerging technologies throughout the life of the contract. The Recreation One-Stop (R1S) program has been conducting market research for over 2 years in order to identify emerging technologies and additional vendors who can provide the kind of service that meets modern customer expectations.

The R1S program has adopted the tenets laid out in the US Digital Services Playbook in which we will employ 'Agile' software development principles and processes. Agile development is the new norm in the private sector and, by following its best practices, we aim to provide a superior service and pleasant customer experience. This will entail face-to-face meetings with the contractor's program management and software development teams. We intend to work in short 'sprints' to write, test, and deploy usable code that will provide all of the tools for trip planning, reservations, financial processing, reporting, design, and customer service. As sprints are completed, we will test each portion of the code to ensure that it meets the government's needs and public expectations. Code that does not pass testing will be immediately identified for correction. By using this method, the R1S program will be involved at every step to ensure that we do not end up with an unusable product when it is time to transition. The public and many other stakeholders will be involved in the development and testing throughout this process to ensure that we are able to deliver what the public wants. The contract requirements include the highest levels of information security, privacy protection, secure financial processing, and compliance with all applicable laws and regulations pertaining to government IT services.

- b. As a way to ensure data security indeed does meet the highest standard, will you be using people who are Payment Card Industry Data Security Standard (PCI) compliant?

Answer. Payment Card Industry Data Security Standard (PCI) compliance is an absolute requirement in the new (and current) contract. With the number of credit card transactions processed, the contractor's system is required to meet the highest level of PCI compliance.

The contractor must also deliver security that ensures compliance with the Federal Risk and Authorization Program (FedRAMP), Federal Information Processing Standards (FIPS), Federal Information Security Management Act (FISMA), and the Privacy Act.

Question (29). While many land management agency units are available as part of Recreation.gov, we know there are additional units that could take benefit from additional exposure. What are you doing to make sure more of your units are able to be part of the recreation.gov system and timeframes for bringing them online?

Answer. Recreation.gov currently hosts reservation services for over 3,200 locations which include campgrounds, picnic shelters, cabins, lookouts, yurts, tour ticketing, event lotteries, and a variety of wilderness permits. More locations continue to be added every year. When the system was launched in 2006, the primary focus was to provide reservations for basic front country campgrounds. Since that time, the R1S program recognized the need to expand the service to cover many different types of facilities and activities. This was one of the driving factors in moving to a more agile approach that affords the agencies the flexibility to use the platform for a wide variety of facilities and activities.

The R1S program expects that, upon launch of a new contract, the service will be able to support many more operations; this should facilitate the incorporation of reservation services more broadly. The new contract also requires that the contractor proactively 'market' the service to all agencies where it is appropriate. This includes offering Web services which can improve the efficiency and effectiveness of local operations.

Question (30). What, if any, human resources planning has OSMRE done in preparation for or in advance of the proposed Stream Protection Rule?

Answer. OSMRE typically makes human resource planning decisions based upon the overall workload for the entirety of its regulatory and oversight program. The actual staff number may change depending on the program areas, the presence or absence of problems, input from the public, and the terms of the performance agreements in each State. The estimated annual hours for Federal oversight of the proposed Stream Protection Rule does not warrant any additional human resource planning.

Question (31). Which, if any, employment assignments or employee deployments have been made as a consequence of the Stream Protection Rule?

Answer. OSMRE has not found it necessary to make new assignments or employee deployment changes as a consequence of the Stream Protection Rule.

Question (32). Does OSMRE employ any “hydrogeologists”?

Answer. OSMRE currently has about 15 highly qualified technical staff classified under the “hydrologist” title. All have formal education, experience, and technical credentials in the area of surface and groundwater hydrogeology.

Question (33). What, if any, human resources planning has BLM done to satisfy mitigation measures, both those created by the Presidential Memorandum and the Department’s own mitigation manual and efforts?

Answer. In the fall of 2013, Secretary Jewell released Secretarial Order 3330, Improving Mitigation Policies and Practices of the Department of the Interior. Secretary Jewell directed the Department and each of its bureaus to follow a common set of principles for its mitigation programs while using a landscape-scale approach building on and expanding concepts pioneered in the BLM’s 2013 interim mitigation policy. Consistent with Secretarial Order 3330 and incorporating key lessons learned since release of the interim mitigation policy, the BLM is working to revise and finalize its mitigation policy to ensure it is responsive to emerging best practices and compatible with similar policies being developed by sister agencies and States.

Secretarial Order 3330 and the BLM’s interim mitigation policy address concepts that broadly apply to mitigation—including principles of additionality, durability, and transparency—without prescribing the amount of mitigation that might be required for any given project. In general, the BLM will continue to identify appropriate mitigation measures by evaluating the specific impacts of each project proposal, in light of applicable BLM land use plans and in compliance with the National Environmental Policy Act (NEPA).

Mitigation broadly refers to a set of tools that allows the BLM to permit projects while responding to the concerns of local communities and meeting our mission of multiple use and sustained yield. For many years, the BLM has recognized a need to bring greater consistency to the use of these tools and to increase their availability to solve resource challenges like supporting development while planning for the recovery of the Greater sage grouse. Accordingly, the BLM has sought to better plan and train staff to help support the implementation of mitigation policies that will allow for more streamlined permitting, more consistent application of mitigation across offices, and better outcomes for resources. This includes identifying a national mitigation lead in the Washington Office as part of the agency’s resource planning and decision support staff to ensure greater consistency and identifying State mitigation leads in each State Office to provide expertise as well as a consistent point of contact for State governments seeking to coordinate with the BLM on mitigation efforts. Already, State governments across the West are working with the BLM and our Federal partner agencies to establish and deploy some of these innovative tools. The BLM seeks to further support these collaborative efforts.

Question (34). Which, if any, employment assignments or employee deployments have been made as a consequence of the new mitigation efforts? If the answer is that mitigation efforts have had no human resource planning or employment consequences, please explain why that is the case.

Answer. As noted above, the BLM has identified a national mitigation lead to bring greater consistency to our efforts and has identified State mitigation leads to provide stronger State-level expertise and coordination with State governments. The BLM has long considered mitigation through the agency’s routine resource management planning process and through individual project reviews as appropriate, and that will continue to be the case.

Question (35). What vacancies does the Department currently have, and what are the Department’s plans or intentions to fill those vacancies?

Answer. The BLM has not increased staffing levels to address mitigation efforts. However, staffing has been reorganized to meet the requirements of the Presidential Memorandum and the Department’s mitigation work. This reorganization includes identifying one position on the Washington Office staff for the role of national mitigation lead. This position is currently being advertised on USAJOBS. At the State level, mitigation leads are assigned as a collateral duty and these are not new positions. At the field level, mitigation functions are generally performed by BLM’s existing planning or project management specialists.

Question (36). The BLM’s draft updated planning rule, known as Planning 2.0, seeks to update the agency’s planning process.

- a. One of the frustrations frequently expressed by public lands communities regarding the planning process is that the BLM takes their comments, but does not truly consider the needs of the area, particularly when it comes to projects that potentially provide opportunities for economic development. How will the new rule improve BLM’s coordination with State, county, and local govern-

ments? Will there be certainty for the manner in which BLM will consider the needs of State, county, and local governments.

Answer. The proposed rule would improve coordination with State, county, and local governments by requiring communication and coordination early in the planning process. Two new steps would include (1) input into the development of the planning assessment and (2) review of the preliminary alternatives, rationale for alternatives and basis for analysis prior to issuance of the draft plan.

During the planning assessment the BLM would coordinate with State and local governments to identify the best available data for the planning area. BLM frequently hears from our State and local partners that they often have the best data for a resource and they want to ensure that BLM uses this data. This proposed step would respond to these requests and ensure early coordination on data and information sharing. During this step the BLM would also coordinate with State and local governments to identify existing State and local land use plans to begin to seek consistency between local land use plans and BLM's Resource Management Plans (RMPs).

Once BLM has developed a preliminary range of alternatives, the BLM will make these preliminary alternatives and rationale available to State and local partners for review. This new coordination step will allow State and local governments to provide early feedback to the BLM on the alternatives and whether the range of alternatives adequately considers the needs of State and local governments. The BLM will use this feedback to revise the alternatives and develop a draft resource management plan that is more responsive to the needs of State, county, and local governments.

Question (37). One of the goals of Planning 2.0 is to "improve the BLM's adaptability to respond to social and environmental changes." What types of social change does the BLM need a new rule in order to adapt to? Also, what types of environmental change require the new rule?

Answer. The proposed rule would provide the BLM the tools necessary to respond to both social and environmental change in an efficient and effective manner. Examples of social change that affect the public lands include the increased demand for recreation on public lands, changes in the composition and needs of local communities, or new emerging markets such as the increasing demand for renewable energy development on public lands. Examples of environmental change that affect the public lands include severe drought, catastrophic wildfire, or changes in plant community composition due to invasive species or pest infestations.

Question (38). I've made no secret about my concerns with this administration's practices relating to mitigation. The President's Memorandum entitled, Mitigating Impacts on Natural Resources from Development and Encouraging Related Private Investment, coupled with your Secretarial Order 3330 on mitigation have only served to further my initial apprehension.

The President's Memorandum mandated that, "[w]ithin 1 year of the date of this memorandum, the Department of the Interior will develop program guidance regarding the use of mitigation projects and measures on lands administered by bureaus or offices of the Department through a land-use authorization, cooperative agreement, or other appropriate mechanism that would authorize a project proponent to conduct actions, or otherwise secure conservation benefits, for the purpose of mitigating impacts elsewhere."

a. Is there a status update as to where the DOI and its relevant agencies are in the development of program guidance?

Answer. The Department is working diligently on the policies required by the Presidential Memorandum (PM), including the guidance document identified above. The primary work by the Bureau of Land Management (BLM) and the Department since the publication of the PM has been to finalize BLM's forthcoming mitigation handbook and manual.

Question (39). I understand mitigation can be a great tool for land managers, but what authority does the Department have to require mitigation for projects on public lands under the Department's jurisdiction? And, to that end, what authority is there to require that mitigation meet a standard of benefit for natural resource damage?

Answer. The Department's authority to seek a net benefit in recommended or required mitigation actions is derived from the underlying statutory authority mandating the management of the impacted resource. Under these authorizations, the bureaus and offices of the Department are responsible for managing different resources and for different purposes.

For example, the Federal Land Policy and Management Act (FLMPA) mandates management of resources in accordance with the principle of sustained yield, which

is defined as the “maintenance in perpetuity of a high annual or regular periodic output” of such resources. Where, for example, past practices have degraded resources so as to reduce their annual or regular periodic output to low levels, requiring that mitigation achieve a net benefit is consistent with the statutory mandate to achieve and maintain a high periodic output by restoring such resources to pre-degradation levels.

Question (40). Along the same lines, given that much of the framework from the Presidential Memorandum reflects your own mitigation efforts stemming from your Secretarial Order 3330, please explain in detail what you hoped to achieve through your own mitigation efforts?

- a. How will those efforts would be implemented across your Department and with other Department sub-agencies and among sister agencies where mitigation efforts and/or natural resource impacts straddle multiple jurisdictions.

Answer. A stated goal of the Council on Environmental Quality and the Department in establishing new mitigation policies is the transparency, efficiency, and consistency such guidance will bring to permitting processes. Although a multitude of factors play a role in successful permitting and project development, mitigation principles espoused by these policies, such as efforts to produce better avoidance and the consideration of mitigation measures early in the permitting process, are intended to reduce permit times and create better outcomes for impacted resources.

To ensure the Department’s ability to achieve these objectives consistently, bureaus and offices of the Department have established common frameworks to apply the mitigation hierarchy in the development of mitigation recommendations and requirements. The frameworks create consistency in how bureaus and offices implement mitigation in a number of important ways, including the use of a compensatory mitigation goal; a clear and stated preference when selecting between compensatory mitigation providers; use of standardized definitions and terms; and adherence to a consistent set of standards to ensure equivalency among compensatory mitigation providers, among others.

Question (41). The Bureau of Land Management briefed the Senate on the Presidential Memorandum, and admitted to not having a rigorous understanding of impacts to subsistence use. Nevertheless, the Department assigned an \$8 million impact in the National Petroleum Reserve—Alaska (NPR-A). What metrics are used generally to determine dollar values associated with anticipated natural resource damage(s), and specifically, what metrics were relied upon to arrive at the \$8 million dollar cost in the NPR-A?

Answer. The Record of Decision for the Greater Mooses Tooth One Project included a voluntary contribution by ConocoPhillips Alaska, Inc. (CPAI) of \$8 million to a compensatory mitigation fund to address impacts to subsistence uses that were not sufficiently avoided or minimized in the decision—in particular, encroachment of the project footprint into the established setbacks for Fish Creek and the Ublutuooh River. The Alaska National Interest Lands Conservation Act directs the BLM to specifically consider subsistence uses when reviewing projects and prohibits the BLM from approving projects with significant impacts that have not been adequately addressed (16 USC 3120 section 810). This contribution represents less than 1 percent of the cost estimate cited by CPAI for development of the project.

Question (42). The Department’s Budget Brief for 2017 notes “(r)esource management plans provide the basis for every BLM management action and are *necessitated* by changes in resource use and demands . . .” (emphasis added)

- a. What, specifically, are the changes in resource uses and demands that necessitate potential management of:

—715,000 acres of the Fortymile and Mosquito Flats Area of Critical Environmental Concern (ACECs) in the Eastern Interior Management Plan;

Answer. Based on public comment on the Eastern Interior Draft Resource Management Plan (EIRMP)/Environmental Impact Statement (EIS), the BLM considered changing the boundary of the proposed Fortymile Area of Critical Environmental Concern (ACEC) and designating a new ACEC on the Mosquito Flats, also in the Fortymile region.

The Fortymile ACEC (685,000 acres) is proposed for the purpose of protecting caribou calving and post calving habitat for the Fortymile caribou herd, and Dall sheep habitat. The Fortymile caribou herd is both a highly important subsistence resource in east central Alaska and an international resource, with a considerable portion of its historic range occurring in Canada. BLM-managed lands in the Fortymile region are used by Fortymile caribou for calving, post-calving, and winter range. The population and range of the herd is currently depressed compared to its historical extent. The herd was estimated at more than 500,000 animals in 1920, but currently numbers 50,000 animals. A cooperative planning effort, involving diverse interests in

Canada and the United States, focuses on the recovery of the herd in numbers and into historic range. Calving and post-calving habitats were identified as the most sensitive habitats by the Fortymile Recovery Planning Team. Additionally, the planning area is predicted to become warmer and drier with a likely rise in tree line. These changes will increase the importance of alpine and subalpine habitats for calving and year-round habitat. Focusing on limiting impacts to the most critical habitat areas is the most efficient strategy for maintaining this important resource.

The Mosquito Flats ACEC (30,000 acres) was proposed to protect a unique high elevation wetland. This wetland is atypical; the Mosquito Fork River flows over continuous sand beds that are uncharacteristically clean, light colored, well-sorted, and low in organics, suggesting the origin of the sand is likely from a past depositional environment, possibly related to eolian deposits of Pleistocene or later age. These wetlands are an important moose calving area and support BLM sensitive species, including nesting trumpeter swans and short-eared owls.

—Nearly 700,000 acres in the Sheefish Bering Sea-Western Interior Plan;

Answer. While developing the Bering Sea-Western Interior (BSWI) RMP, the BLM received a number of public comments and nominations from tribes, advisory councils, and individuals regarding the increased importance of non-Salmon species due to the crash of the salmon population. Sheefish is one of the species specifically mentioned.

Sheefish were mentioned as being a culturally significant fish species along the Kuskokwim River. They are harvested for subsistence use by many, especially in the middle and upper river. Sheefish are often caught before salmon in the spring, and offer an opportunity for fresh fish early in the season. In recent years, salmon have been in decline and there has been an even greater shift in harvest patterns away from salmon and more toward whitefish and other salmon species. Sheefish spawning grounds have very specific needs and occur in small numbers on the Kuskokwim River. Sheefish spawn in relatively small and specific locations, and a section of the Big River located south of McGrath has been identified as a well-known spawning area for sheefish. Local residents depend on the fish and wildlife resources of this drainage. The local Athabascan name for the river is “Zidlaghe Zighashno” which translates as “Sheefish Spearing (Harvest) River” and the river has been expressed as very important to local people.

A November 2012 ADF&G report on sheefish spawning grounds on the Kuskokwim River provides detailed information about documented spawning areas. The report shows three spawning locations on the Kuskokwim River for sheefish, located on the Tonzona, Middle Fork and Big River, all located in the upper Kuskokwim River area. Of these locations, there are BLM-managed lands near the Big River. The sheefish that populate the entire Kuskokwim River spawn in very discrete areas or, smaller tributaries of the main Kuskokwim River. Eighty percent of the sheefish spawning in the Kuskokwim River spawn in a 15.5 mile section of the Big River (Stuby, 2012, Alaska Department of Fish & Game (ADF&G) Report).

As a result of the local importance expressed in public comment and after review of the ADF&G studies, the BLM found there were relevant and important values and proposed the Sheefish ACEC to protect the sheefish spawning areas.

—Any of the over 6 million proposed acres in the Central Yukon Management Plan; and

Answer. The BLM is in the early stages of planning for the Central Yukon RMP and does not anticipate a final decision until 2019. There are approximately 1.8 million acres of existing ACECs in the Central Yukon Planning Area. These were designated in 1986 by the Central Yukon RMP and in 1991 by the Utility Corridor RMP. During scoping and public outreach in 2013–2014, the BLM received numerous nominations for new ACECs (approximately 3.7 million acres) and expansions of existing ACECs (approximately 1 million acres). Many of the nominations identify habitats of important subsistence species such as caribou, Dall sheep, and salmon. The Central Yukon interdisciplinary team members reviewed all ACEC nominations and BLM-managed lands in the planning area to determine whether any areas should be considered for designation as an ACEC. Team members also reviewed all existing ACECs and research natural areas (RNAs) to determine if the designations were still relevant. The interdisciplinary team determined that approximately 5.2 million acres met the relevance and importance criteria. These findings are published in the Central Yukon RMP Web site at: <http://www.blm.gov/ak/cyrmp>.

To date, the BLM has only made determinations on relevance and importance criteria and not special management attention. If needed, the special management approach is determined by the resource at risk and the BLM implements the least restrictive management needed to protect the resource. These restrictions could be seasonal restrictions on an activity, or additional stipulations on permitted activi-

ties, or limiting off highway vehicle use to designated trails. While the special management needed could be a recommendation to close the area to mineral entry, this would only be the recommendation if a closure is necessary to protect the relevant and important resource at risk.

The BLM will further analyze potential ACECs during development of draft alternatives and in the Draft RMP/EIS. The BLM will allow for public comment on both the preliminary alternatives and the Draft RMP/EIS when reaching those stages of the planning process.

—Some of the proposed ACECs would result in the closure of the public lands to mining or other activities. Please articulate how the Department would satisfy its multiple-use, sustained yield mandate in the Federal Land Policy and Management Act if any of the ACECs proposals that contemplate a form of closure are finalized.

Answer. Areas of Critical Environmental Concern (ACECs) are specifically defined in the Federal Land Policy and Management Act (FLPMA) as “areas within the public lands where special management attention is required . . . to protect and prevent irreparable damage to important historic, cultural, or scenic values, fish and wildlife resources or other natural systems or processes, or to protect life and safety from natural hazards.” In FLPMA, Congress also directed that, “In the development and revision of land use plans, the Secretary shall . . . give priority to the designation and protection of areas of critical environmental concern . . .” in addition to the broader considerations of multiple use and sustained yield.

In addition to the specific discussion of ACECs, FLPMA sets a policy that the public lands be managed “in a manner that will protect the quality of scientific, scenic, historical, ecological, environmental, air and atmospheric, water resource, and archeological values; that, where appropriate, will preserve and protect certain public lands in their natural condition; that will provide food and habitat for fish and wildlife and domestic animals; and that will provide for outdoor public recreation and human occupancy and use. . . .”

FLPMA defines the term multiple use as “making the most judicious use of the land for some or all of these resources or related services over areas large enough to provide sufficient latitude for periodic adjustments in use to conform to changing needs and conditions; the use of some land for less than all of the resources; a combination of balanced and diverse resource uses that takes into account the long-term needs of future generations for renewable and nonrenewable resources, including, but not limited to, recreation, range, timber, minerals, watershed, wildlife and fish, and natural scenic, scientific and historical values; and harmonious and coordinated management of the various resources without permanent impairment of the productivity of the land and the quality of the environment with consideration being given to the relative values of the resources and not necessarily to the combination of uses that will give the greatest economic return or the greatest unit output.”

FLPMA defines sustained yield as “achievement and maintenance in perpetuity of a high-level annual or regular periodic output of the various renewable resources of the public lands consistent with multiple use.”

In the event that some ACECs are closed to the mining laws, the BLM will meet FLPMA’s multiple use mandate by allowing mining on lands outside of the those ACECs. For example, in the Eastern Interior RMP Fortymile Subunit, the agency preferred alternative recommends mining be allowed on more than half (70 percent) of the BLM-managed lands in the planning subunit. Should this alternative become the final decision, the BLM will meet the sustained yield mandate for caribou by designating ACECs for calving and post calving habitat.

b. Please tell me what efforts the Department has made to apprise Alaskans, and specifically Fortymile placer miners, of developing management plans, individual obligations and new enforcement approaches?

Answer. The BLM uses a variety of methods to notify and engage the public in planning efforts and changes to policy and practices, depending on the issue and the scope of the impact. For many planning efforts, the BLM is required to publish notices to the *Federal Register*. However, the BLM generally creates many more opportunities for public outreach than the *Federal Register* and is currently revising its planning regulations to include more robust public outreach and collaboration.

Other types of BLM actions require different levels of public involvement. Of recent concern was the development and implementation of the “mining IMs” in Alaska. These Instructional Memoranda (IMs) on mining reclamation and bonding are direction to staff on how to interpret the current mining regulations in 43 CFR 3809 in a consistent way. These IMs provide consistency in how the BLM evaluates reclamation performance and will provide miners with consistent methods for meas-

uring reclamation success. The regulations that define reclamation standards have been in place since 2001.

In 2013 and 2014, BLM staff began discussions with miners and mining organizations on current practices that were not meeting reclamation performance standards. There have been many advances in the last 15 years since the regulations were developed and many of the past practices for rehabilitating fish, wildlife, and riparian habitat after placer mining have, in many cases, failed to meet a number of reclamation performance standards required by regulation. The BLM was also concerned about whether there were adequate financial guarantees to cover all of the Federal mining operations in the State.

After the issuing IMs, the BLM sent a letter with associated information to every Federal miner in Alaska and met with individual miners to go over the regulations and how BLM would be measuring reclamation. The BLM also provided presentations on reclamation and a short course on revegetation with the Alaska Miner Association (AMA) and Alaska Minerals Commission in the Fall of 2015. In the summer 2015, the BLM implemented the Jack Wade Demonstration project in the Fortymile Wild and Scenic River Corridor to test new reclamation techniques for placer mined streams in Alaska. The project is designed to accelerate the recovery of in-stream and riparian habitats in a historically mined area. The ultimate goal was to find new approaches to reclamation and to help miners meet the reclamation standards more quickly. If the techniques are successful it will help miners to plan and implement their own reclamation work and assist them in meeting the reclamation performance standards required by regulation. Several Fortymile miners attended a workshop in Chicken to discuss reclamation evaluations and view the demonstration project. One of the successes from the workshop is that one of the area miners has asked BLM to help develop another demonstration project in 2016 on his mine site.

In April 2016, the BLM plans to give presentations on reclamation and a short course on revegetation at the AMA conference in Fairbanks. The BLM will also organize field workshops and demonstrations for miners in Chicken, Central and Coldfoot in the summer of 2016 and develop booklets and videos describing reclamation techniques.

- c. And please elaborate on what the Department's policy is in the interim while new policies, enforcement approaches, management plans and the like are being developed. For example, is it the Department's position to continue operating under existing policies while a new policy is being drafted?

Answer. Existing operations are not affected until new policy, plans or regulations are finalized. In some instances, operations are "grandfathered in" and follow the old regulations. For example, some mining operations are covered by the 1980 version of the CFR while others are covered by the 2001 version. However both versions require revegetation and the rehabilitation of fisheries and wildlife habitat. The mining IMs outline ways to measure the effectiveness of the reclamation and assure that it meets either version of the regulations.

When the new Resource Management Plan is completed, the stipulations in the plan will only affect new or modified mining plans of operation. Existing plans of operation, or those with only minor modifications, are not affected.

Question (43). The administration has been vague on the details surrounding your proposed \$10.25/barrel "fee," as you call it.

- a. Has the Interior Department performed any analysis of how a \$10.25/barrel fee would impact energy production on Federal lands? If not, why not?

Answer. The proposed oil fee, which would be gradually phased in over 5 years, is an important part of the administration's effort to address the challenges of our outdated transportation system. The fee would raise the funding necessary to make these new investments, while also providing for the long-term solvency of the Highway Trust Fund to ensure we maintain the infrastructure we have. By placing a fee on oil, the President's plan creates a clear incentive for private sector innovation to reduce our reliance on oil and at the same time invest in clean energy technologies that will power our future.

The proposed fee is not a wellhead tax and is not specific to oil production from Federal lands. Therefore, BLM has no reason to believe that energy production from Federal lands would be disproportionately impacted—either positively or negatively—by the fee and has not performed an analysis on its impact. The Department understands that the administration has indicated a desire to work with Congress on how to optimize collection of the fee. However, the Department would not have a direct role in developing or implementing the details of this fee proposal. Further questions about this proposal should be directed to the Department of the Treasury.

- b. In 2013, a report commissioned by the Department of the Interior concluded that raising royalty rates on onshore oil and gas production on public lands would discourage investment and bring less money to the treasury, and consequently was not warranted. With oil prices drastically lower than in 2013 and the literally thousands of pages of new regulations that have come out of your Department to regulate industry over the last few months, has your Department analyzed what the cumulative impact of all of these actions will be on production on Federal lands and revenue to the treasury?

Answer. Consistent with Federal requirements, the Department has analyzed the economic effects of each rule. These analyses evaluate the rules individually, because there is so much geographic and operational variability in where and when the rules will apply and whether and how they will impact operators. That said, a number of the new standards reflect existing industry best practices, with which many operators are already in partial or full compliance, and some of the measures will actually save producers money. Additionally, many of the rules incorporate grandfathering or other provisions that are specifically designed to take account of operators' concerns about the rules' impacts, including impacts on lower-producing wells.

- c. In light of these news regulations and fees, can you tell me that your actions are designed to increase production on public lands, or are you ready to concede that we have different policy objectives when it comes to energy development on Federal lands?

Answer. With respect to onshore production, the Department has a unique and broad mission to manage public lands on behalf of the American people under the dual framework of multiple use and sustained yield. This means we manage these lands for a broad range of uses including renewable and conventional energy development, livestock grazing, timber production, hunting, fishing, recreation, and conservation. These rules are part of a broad regulatory framework designed to balance oil and gas production on the public lands with the many other uses of those lands and assure development of the public's oil and gas resources occurs safely, responsibly, and in the right places.

Question (44). The fiscal year 2015 Omnibus included a requirement for a comprehensive inventory of contaminated sites conveyed through ANCSA and a detailed plan on how the Department intends to complete cleanup of each contaminated site within 180 days of enactment.

- a. When will the report be completed and made public?

Answer. The report is complete and in the midst of a final review. It should be available this summer.

- b. Does the Department have any plans to accelerate the cleanup of contamination on Native lands, either the lands that BIA, BLM, FWS, NPS, or Bureau of Mines actually caused, and do you have any plans to coordinate a cleanup among the other Federal agencies: DOD, FAA, the National Weather Service and the Forest Service since as Secretary you do have a trust responsibility to Alaska Natives?

Answer. The BLM developed a database with the most comprehensive inventory to date of known contaminated sites on lands conveyed to Alaska Native Corporations through the Alaska Native Claims Settlement Act (ANCSA). The database contains current information about each site's land and regulatory status, including (1) the entity to which the BLM conveyed the property; (2) the precise coordinates, if known, for where the contaminated site is located; (3) the current understanding of the site's type and amount of contaminants, if known; and (4) any data gaps. Before it can be considered final, the inventory needs to be refined with further regulatory and site characteristics, when that information is identified. Additionally, further outreach needs to be completed to those Alaska Native Corporations that did not respond during the BLM's facilitated meetings with stakeholder groups. Once finalized, the inventory will provide Alaska Native entities and the appropriate Federal and State regulators with a powerful tool to help address these contaminated sites.

It is important to stress that, once non-Department of Defense lands pass from Federal ownership, former land-managing agencies no longer have authority under CERCLA and Executive Order 12580 (Superfund) to compel or conduct clean up, although the United States may remain liable for pre-conveyance contamination. The Department of Defense is the only Federal agency besides the Environmental Protection Agency (EPA) authorized to execute or compel cleanup of contaminated lands no longer under its ownership per 10 USC 2701(c)(1)(B). The BLM and DOI have no authority over other entities that may be identified as parties responsible for existing contamination on lands conveyed to ANCSA corporations. With the comple-

tion of this comprehensive database, the BLM has worked to the full extent of its authority in fulfilling its responsibilities under the Consolidated and Further Continuing Appropriations Act, 2014 (Public Law 113–235).

Among the sites known to be in need of cleanup, the Alaska Department of Environmental Conservation (ADEC) has identified a responsible party or parties for almost all sites. For the vast majority of parcels, the BLM was not managing the lands when they became contaminated and ADEC has identified other agencies as the responsible party. Once responsible parties have been documented for the sites identified in the completed inventory, the final phase of work will be directed by the appropriate regulatory agency. Within Alaska, this authority lies with ADEC and EPA for sites not on federally managed lands. For sites where a Federal agency has been identified as the responsible party, funds for cleanup will require budgetary planning and prioritization.

- c. Does the Department have any estimates or intend to develop estimates for exactly what it will cost to clean up the lands so they are usable by Natives to generate the benefits that were intended when the Native Claims Settlement Act passed 45 years ago?

Answer. The sites not currently in a clean-up program vary in levels of confirmation with regard to the extent of the contamination. Without the details related to a verification of a release, extent of hazardous material, and other site characteristics that would support estimates for cleanup, it is difficult to predict cleanup costs.

QUESTIONS SUBMITTED BY SENATOR TOM UDALL

Question (1). I'm very pleased that this subcommittee was able to provide an 85 percent increase for Indian school construction and improvements in the 2016 omnibus. That amount includes funds to finish the schools on the 2004 school construction priority list. It also provides a down payment for to begin work on new schools—that BIE is in the process of selecting.

Selecting five new schools for priority construction is only the beginning of the investment we need to make in tribal schools—and I believe we won't get there unless we develop some kind of "Marshall Plan" for Native youth that fully funds infrastructure needs. We included language in the 2016 omnibus urging the Department to follow the lead of the Defense Department—and develop a comprehensive plan to modernize and improve all BIE schools. DOD produced a plan to modernize its education facilities needs in 2009—and has been able to make significant progress towards fixing its schools as a result. There's no reason that the administration and Congress can't work together to do the same for tribal schools.

- a. Secretary Jewell, can you share what steps the Department is taking to develop a comprehensive plan to improve all Indian schools?

Answer. Indian Affairs and the Department have directed the Office of Facilities, Property, and Safety Management, through its Division of Facilities Management and Construction to work with a contractor to develop a "Poor-to-Good" 5-year plan to identify the approach and resource requirements necessary to modernize our school facilities. The results of the assessment will be ready for internal review and further strategic planning development in May 2016.

- b. Is there any reason that the Department can't move forward with preparing a comprehensive needs assessment—and plan to address the needs identified by such an assessment—this fiscal year?

Answer. As described above, the Office of Facilities, Property, and Safety Management, through its Division of Facilities Management and Construction is engaged in developing such a plan. The results of the assessment will be ready for internal review and further strategic planning development in May 2016.

Question (2). I understand that the Department is now moving forward with the first phase of the proposed reorganization of the Bureau of Indian Education—including the establishment of new Educational Resource Centers—and that your 2017 budget anticipates additional changes to the Bureau. As part of the first phase of the reorganization, you have proposed a number of staffing changes, including changes to the regional office in Albuquerque, to create these new centers to assist BIE and tribally controlled schools.

- a. What is your timeline for staffing up these centers, and what services can schools expect to receive starting in the fall?

Answer. Staff hiring is planned to be completed by the end of June 2016 in time for the new school year 2016–2017.

The Education Resource Centers are geographically positioned close to schools and will be staffed with School Solutions Teams. These Teams will ensure that principals and teachers have the resources and support they need to operate high achieving schools. These Teams will assist schools in their improvement efforts by providing data-supported best practice models in such areas as school management and climate, professional development, curriculum, and instruction. These Teams will not micromanage or direct reforms in schools; rather, they will listen to principals and teachers and then provide the support that is requested.

- b. I am still hearing from tribes in New Mexico that they don't feel fully informed about changes to expect from the reorganization. What is your plan to ensure that all stakeholders—including BIE employees whose jobs may be affected—know what to expect during the reorganization?

Answer. The BIE has sought to inform Tribes about the expected changes to the BIE reorganization through consultation and outreach. In 2015, the BIE held 12 regional and individual consultations along with six national consultations. The BIE welcomes further questions or comments.

In terms of informing BIE employees, the BIE Office of Human Resources (HR) has held an open house, as well as encouraged BIE employees to stop by the office to discuss the reorganization and positions. All employees were notified by email that HR was available for private meetings to discuss the reorganization and the potential impact on them individually; approximately 110 individual counseling sessions were held in person or via telephone. Since February 22, 2016, the BIE has issued vacancy announcements for available positions under the new structure. The Acting HR Director and his staff have sent email updates as the vacancy announcements have been made and provided letters to all staff affected by the reorganization. In addition, information is posted on the HR Web site and distributed by the BIE newsletter and flyers. HR has also provided Webinars that can be accessed at any time by staff explaining how to access USAJobs and how to apply for jobs using USAJobs.

- c. Your budget request provides \$8 million dollars in new funds to implement more changes to the Bureau to “increase capacity” and provide additional services to BIE-funded schools, but it doesn't provide much more detail. What specific changes are you proposing to make, and what additional capacity will BIE build with these funds? Will these funds be used to address shortfalls in facilities management, contracting and other services provided to schools, as identified by the Governmental Accountability Office?

Answer. The additional \$8 million is required to stand up the new Schools Operations Division within the Bureau of Indian Education. The School Operations Division will include the following functions: Facilities (school construction, repair and maintenance, school safety and school property); Human Resources; Educational Technology; Acquisitions; Budget and Finance; and Communications. The redesign and restructuring of the Schools Operations Division will address the Government Accountability Office recommendations related to accountability and management of funds, school safety issues, shortfalls in facilities management, and the planning and execution of acquisitions. These issues are addressed in several ways under the restructuring of the BIE as follows: (1) dedicated, additional staffing; (2) establishment of new offices with new responsibilities (e.g., auditing, technical assistance, policy development); (3) new reporting chains to ensure oversight of functional experts; (4) new business processes that support school needs, and (5) consolidation of functions to eliminate duplication.

Question (3). Secretary Jewell, I am pleased to see your 2017 budget includes a \$350,000 increase to expand the Manhattan Project National Historical Park, for a total budget of \$691,000. I know that the Park Service is still working with the Department of Energy to develop its plan for the park.

Could you please provide an update on what we can expect to happen with the park in 2016, particularly in Los Alamos? What activities do you plan to fund with your requested increase?

Answer. If appropriated, funding would provide for adequate initial staffing of all three park locations, including Los Alamos. A Superintendent, a site manager at each location, and some interpretive staff are planned based on the proposed budget for fiscal year 2017.

If funding is appropriated, the Los Alamos site will hire a site manager in 2017 and will expand interpretive staff. The Department of Energy is working to have the first buildings open to the public in late calendar year 2017.

In the meantime, the park has developed a brochure showing the Manhattan Project resources visitors can see in town, and will be hosting regular ranger talks and tours by summer 2016. NPS anticipates expanding the interpretive presence in

2017 with the additional funding as well as continuing to develop partnerships with the local community.

Question (4). Secretary Jewell, I am very pleased that my colleagues and I were able to provide the BLM National Conservation Lands line item with its first increase since fiscal year 2012. As you know, we recently established two new national monuments in New Mexico—the Organ Mountains-Desert Peaks National Monument in the southern border area of the State, and the Rio Grande del Norte National Monument in the north near Taos. Tourism at these monuments creates critical economic opportunities for the people in surrounding communities—and they are also places that New Mexicans enjoy visiting ourselves. The President's budget once again proposes a significant increase of \$13.8 million dollars for monuments throughout the country.

- a. Can you tell us what BLM's plans are for utilizing the new funds we provided in fiscal year 2016— particularly to support the monuments in New Mexico?

Answer. The BLM's National Monuments and National Conservation Areas (NM&NCA) program received a \$5.0 million increase in fiscal year 2016. The increase brings the program's total appropriation to \$36.8 million, which is used to administer 46 areas covering about 12.2 million acres (as of April 1, 2016). New Mexico has received \$1.3 million, or 26 percent, of the increase because of several new NM&NCA designations. This brings the State's total NM&NCA program funding to \$2.5 million—a 110 percent increase from fiscal year 2015.

These funds will support all NM&NCAs in New Mexico, including newer national monuments. Specific direction includes funding managers, critical staff, signage, and educational materials, among other things. Funding is also directed for New Mexico's critical maintenance needs, to inventory and protect the resources, objects, and values for which units were designated, to reduce staffing vacancies, provide education and interpretation to the public, hire youth and veterans, and provide safe and legal public access.

- b. With the increased funding included in the 2017 Budget for national monuments, what will you be working on? What are the needs that should be addressed?

Answer. The BLM plans to use the proposed \$13.8 million increase to the NM&NCA program as described in the fiscal year 2017 President's budget. Specifically, the program will use the increase to fill critical management and staff vacancies, conduct vital inventories, provide safe and legal public access, perform basic maintenance on infrastructure, protect wildlife habitat and irreplaceable historical resources, and provide opportunities for recreation, volunteering, youth and veteran engagement, and scientific research.

- c. Since the budget was delivered, the President has designated new monuments in California, and I understand there is still the potential for additional designations. Will the funding needs for those areas be covered by the increases you've proposed? If not, how will you fund them without impacting other states like New Mexico?

Answer. The 2017 budget was formulated prior to these most recent designations. BLM base funding has been used to manage these acres prior to their designation as national monuments. Decisions on allocation of the requested increase have yet to be made. The BLM will have a better idea of 2017 funding needs for the new monuments in the coming months, and will be able to reprioritize estimated NM/NCA State allocations at that time.

Question (5). The budget proposes \$1.7 million dollars to implement a Departmental Southwest Border Radio Initiative—in partnership with the Forest Service—to improve communications infrastructure amongst the various land management agencies, based on some issues the Inspector General uncovered.

- a. Can you talk about how this funding specifically addresses the concerns raised by the Inspector General? Will this initiative improve Interior's ability to communicate with Border Patrol and State and local law enforcement as well?

Answer. The funding proposed for the fiscal year 2017 Bureau of Land Management Deferred Maintenance budget will allow the Department of the Interior to complete the first pilot projects aimed at resolving deficiencies in the land mobile radio program in an area with a critical need for improved communications. Projects to be completed with these funds will focus on resolving concerns over safety of DOI personnel using and maintaining land mobile radio facilities. In addition, land mobile radio infrastructure will be consolidated, removing redundant facilities and upgrading equipment on remaining sites. The priorities for work will be accomplished in collaboration with other DOI Bureaus in the region including the National Park Service (NPS), Fish and Wildlife Service, Bureau of Indian Affairs, the Bureau of

Reclamation and the U.S. Forest Service. There may be as many as 32 sites in the region which could be eliminated through this consolidation.

When completed this project will lead to reduced infrastructure costs since there will be fewer sites to maintain and the condition of the remaining sites will be much improved. A key aspect of this project is the cross Bureau cooperation within DOI and the inclusion of the USFS as a full partner. Safety and effectiveness will also be enhanced with upgraded replacement communication hardware and operational support for the infrastructure will be shared.

Radio coverage and reliability will be enhanced which should lead to better communications with other partners including the U.S. Border Patrol. The work to be done is not focused on correcting interoperability issues. These issues have been addressed through MOUs and exchange of radio frequencies and encryption keys. On the Southwest Border, the DOI and USFS Law Enforcement have been successfully interoperable with the Department of Homeland Security since 2008, in some cases much earlier. Our Officers communicate on these shared frequencies and infrastructure every day.

- b. Can you tell us why BLM was chosen as the lead agency and why the Park Service and Fish and Wildlife Service do not have similar increases proposed for this project?

Answer. BLM currently administers and operates a regional interagency dispatch center in Phoenix and has been a leader in managing land mobile radio communications in the region. The Arizona BLM State Directors Office and staff have collaborated with other DOI Bureaus and the USFS to identify priority actions needed to address field communications issues and has entered into a partnership with the NPS, FWS, and the USFS in the border region of New Mexico and Arizona. Radio communications are a common operational activity and BLM has agreed to manage the requested funds to address needs across all Bureaus and the USFS. The funding will be used to consolidate existing infrastructure, removing towers that provide overlapping service and upgrading the towers that will remain and serve all the participating agencies. The specific sites to be worked on will be identified based on technical information gathered through a collaborative effort with the partners involved.

- c. What are the tangible impacts we will see on the ground in New Mexico if this program is funded?

Answer. When project work is completed there should be fewer land mobile radio communication sites in New Mexico since sites that provide overlapping service will be removed. This will reduce environmental impacts and maintenance costs for unneeded sites. Maintenance visits to the sites will no longer be required reducing disturbance to sensitive species and removal of equipment and associated infrastructure will allow for restoration of previously impacted sites.

Improvements at remaining communication sites will increase radio coverage and reliability for DOI Bureaus and the USFS and should make these sites viable for colocation use by the New Mexico FirstNet Public Safety Broadband Network, counties, cities, and other Federal agencies.

Question (6). I am the lead cosponsor of legislation with Senator Wyden that would require the Department to collect royalties for coal mined on Federal lands based on the actual market value of coal. The bill also increases transparency within the Federal coal program by making it a requirement to calculate and publish the going market rate for coal and coal transportation.

I know that you have called for a comprehensive review of the coal program. What is the status of that review, and the expected timetable for completion? Will the reforms proposed in our bill be evaluated as part of your review? Please provide a comprehensive list of the issues that you expect to investigate or address as part of the review.

Answer. On January 15, 2016, the Secretary of the Interior issued Order No. 3338 directing the BLM to conduct a broad, programmatic review of the Federal coal program it administers through preparation of a Programmatic EIS under NEPA. The Order was issued in response to a range of concerns raised about the Federal coal program, including, in particular, concerns about whether American taxpayers are receiving a fair return from the development of these publicly owned resources; concerns about market conditions, which have resulted in dramatic drops in coal demand and production in recent years, with consequences for coal-dependent communities; and concerns about whether the leasing and production of large quantities of coal under the Federal coal program is consistent with the Nation's goals to reduce greenhouse gas emissions to mitigate climate change. In light of these issues, the coal Programmatic EIS will identify and evaluate a full range of potential re-

forms to the Federal coal program, including those related to ensuring a fair return to the taxpayer.

On March, 30, 2016, the Department of the Interior published a Notice of Intent (NOI) to prepare a programmatic EIS to review the Federal coal program and conduct public scoping meetings [Pages 17720–17728 [FR DOC # 2016–07138]]. Scoping meetings are scheduled for May and June 2016. The BLM will invite interested agencies, States, American Indian tribes, local governments, industry, organizations and members of the public to submit comments or suggestions to assist in identifying significant issues and in determining the scope of this Programmatic EIS. All comments and recommendations submitted during the scoping process will be collected for consideration. The estimated completion time for the program review is 3 years.

Question (7). Secretary Jewell, the demand for ivory and rhino horns has skyrocketed. The Congressional Research Service reports that a rhino horn is worth more than \$50,000 per kilogram—more than even gold and platinum. The profit incentive is just staggering—so it's no surprise that terrorist networks such as al-Shabab and the Lord's Resistance Army are turning to poaching to support their operations.

The fiscal year 2016 Omnibus included \$8 million dollars, a 12 percent boost, to the Fish and Wildlife Service's efforts to combat wildlife trafficking. The budget request for fiscal year 2017 would maintain that increased effort.

What progress is the Service making on hiring the planned 45 new specialists and agents, and how quickly will they get into the field? What other steps is the Service planning to take with the new funds, both in 2016 and 2017?

Answer. The fiscal year 2016 Omnibus included an \$8 million dollar increase for the U.S. Fish and Wildlife Service's Office of Law Enforcement to combat wildlife trafficking. These funds are being used to strengthen the Service's capacity to combat trafficking by hiring additional international special agent attachés, digital forensic specialists, intelligence analysts, and special agents.

International attachés are experts on investigating wildlife trafficking and breaking up smuggling networks. They are stationed around the world in strategic international locations to strengthen ongoing international partnerships to protect the world's wildlife from poaching and illegal trade. In August 2015, three additional attachés were stationed at U.S. embassies in Dar es Salaam, Tanzania; Gaborone, Botswana; and Lima, Peru. The Service continues to work with the State Department to place a fifth attaché in Beijing, China in May 2016. In 2016, the Service plans to deploy an additional four international attachés in areas of the world that have been determined to be strategically important in the fight to combat illegal wildlife trafficking. The Service is in final discussions with the State Department concerning the placement of four additional attachés. The Service anticipates advertising the positions before July 2016, with selections for the positions to be made in August 2016.

Digital forensic specialists support agents in case development and execution by providing forensic results concerning computers, cell phones, and other digital technologies. The Service is currently reviewing applications for the five new special agent positions funded in the fiscal year 2016 budget. The Service aims to place the new agents at the Digital Evidence and Recovery Computer Forensics Lab by June 2016.

Intelligence analysts support special agents and wildlife inspectors working in the field in numerous ways, including providing information concerning trends in wildlife trafficking, researching information on smuggling syndicates, performing criminal history checks, and producing and distributing intelligence bulletins. The Service is on track to select a new Special Agent in Charge of the expanded Intelligence Unit in June 2016, with plans to bring the remaining agents on board shortly thereafter.

The Service has also hired 43 special agents to ensure its ability to enforce the Nation's wildlife laws and safeguard protected species. The additional special agents will address the current staffing level shortfall that has limited the Service's ability to perform ongoing investigations. A portion of the new agents have completed initial training and are already working at field locations. Final training will take place in June 2016 at the Federal Law Enforcement Training Center in Glynco, Georgia. After completion of all training, new agents will be deployed to the field for direct interdiction of illegal commercial exploitation by organized crime elements.

Through increased staff in these vital areas of expertise, the Service will strengthen our own and our global partners' capacity to prosecute and deter criminals that engage in the poaching and smuggling of wildlife and plants.

Question (8). Secretary Jewell, the Fish and Wildlife Service's efforts to reintroduce the Mexican gray wolf in New Mexico and Arizona has had a promising start. They were virtually eliminated from the wild by the 1970s, but thanks to the program, the population reached 110 wolves in 2014.

Unfortunately, the 2015 count brought some troubling news—the Mexican gray wolf population dropped to 97. I also understand that two wolves passed away during or right after being darted and tagged by the Fish and Wildlife Service. Wild populations can naturally ebb and flow, but we know that these wolves are at risk for a number of factors. It's critical that we investigate closely.

- a. Do your scientists have a theory for why the population is trending downward? Are there plans underway to help support a rebound?

Answer. The drop in numbers from 2014 to 2015 represents 1 year and does not yet indicate a trend. The population decline in 2015 was due to a combination of factors. There were 13 Mexican wolf mortalities (5 illegal, 2 natural, 1 capture complication, 5 awaiting necropsy) compared to 11 in 2014. Ten additional wolves are considered fate unknown compared to three in 2014. Finally, a significantly lower proportion of pups survived to December, relative to last year: 55 percent survival in 2015 compared to 86 percent in 2014. In the 2014 Environmental Impact Statement for the revised regulations for the Mexican wolf experimental population, the Service anticipated an average annual population growth of 10 percent. In 2014, Mexican wolves had higher than usual pup survival and a population growth of 30 percent. The Service maintains that the strategy for the experimental population continues to be viable. The Service and its partners remain focused and committed to making this population genetically healthy and robust so that it can contribute to the recovery of the Mexican wolf.

- b. Why did the two wolves die during the count and capture operation? Has the Fish & Wildlife Service done a full review of their policies and procedures to prevent similar accidents?

Answer. The Service conducted preliminary investigations immediately following the two deaths during the 2015 count and capture operation. Both wolves are undergoing necropsies at the Service's Forensics Laboratory in Ashland, Oregon, to determine cause of death. We have requested that the lab specifically determine if either wolf experienced capture myopathy and if there was any other contributing underlying health issue. The techniques, protocol, and drugs used were the same as those used throughout this year's and last year's count and capture operations. This year, 13 additional wolves were successfully darted, processed, collared, and released back into the wild. Based on the outcome of the necropsies, the Service will determine if any changes to protocol are needed.

QUESTIONS SUBMITTED BY SENATOR ROY BLUNT

Question (1). Could you please provide a comparison of the revenues returned in the last several fiscal years from oil, gas, and coal leases, versus any revenue brought in from solar energy. Please include in the report what the revenue is generated from, such as rents. Further, please identify where this money is accounted for in the Interior budget. It does not appear to be documented in Interior's Office of Natural Resources Revenue which lists revenues from other sources.

Answer. A comparison of the revenues generated for oil, gas, coal and solar energy are provided in the tables below.

Revenues from oil, gas, and coal leases: Data with respect to revenue generated by the production of Federal oil, gas, and coal is maintained by ONRR on its Statistical Information Web page (<http://statistics.onrr.gov/ReportTool.aspx>). Information made available is broken down into information on Revenue Type (reported royalties, rents, bonus, and other revenues), Commodity (leased solid and fluid minerals), and the total Revenue collected. Definitions for these categories are provided by ONRR on its Web site.

The tables below present the total revenue collected from Federal oil, gas, and coal production on both an annual and aggregate basis from fiscal year 2010 through fiscal year 2015.

OIL AND GAS REVENUE
Fiscal Year 2010–2015

Type	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015
Gas (mcf)	\$1,444,790,640	\$1,360,191,600	\$976,195,024	\$1,008,066,360	\$1,161,006,314	\$915,071,846
NGL (gal)	\$210,688,138	\$253,774,439	\$298,372,582	\$284,957,168	\$279,379,284	\$154,241,725
Oil (bbl)	\$870,739,500	\$1,110,883,193	\$1,275,117,598	\$1,459,973,589	\$1,634,903,295	\$1,269,596,134
Total Royalties	\$2,526,218,278	\$2,724,849,233	\$2,549,685,203	\$2,752,997,117	\$3,075,288,892	\$2,338,909,704
Oil & Gas Rents	\$48,800,065	\$45,002,896	\$43,758,281	\$41,036,833	\$36,684,823	\$30,886,105
Oil & Gas Bonuses	\$201,872,509	\$233,467,555	\$283,051,994	\$188,982,219	\$161,936,505	\$112,651,284
Total Royalty, Rent and Bonus	\$2,776,890,852	\$3,003,319,684	\$2,876,495,478	\$2,983,016,170	\$3,273,910,220	\$2,482,447,094

COAL LEASE REVENUE
Fiscal Year 2010–2015

Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Total Fiscal Year 2010–2015
\$856,793,241	\$956,018,290	\$1,364,744,116	\$1,165,066,525	\$1,161,706,509	\$1,137,450,911	\$6,641,809,592

Revenues from Solar Energy: ONRR does not collect renewable resource revenue information. Renewable energy revenue is reported by the BLM in the Public Land Statistics. Since 2010, the BLM has authorized 35 solar projects. As of April 2016, there are 6 projects that have been built and are providing power to the grid. The following table summarizes renewable energy revenues that BLM has collected over the past several years.

The table below reflects annual payments that the BLM collects for solar and wind energy development. It does not include revenues collected through competitive bidding for development parcels at an auction since there has only been one auction held to date, in 2014, which resulted in over \$5.8 million in bids. This is an amount that the BLM collected in addition to the amounts reported in the table below. All revenues, including bid monies, are sent to the General Fund at the Treasury.

SOLAR AND WIND ENERGY REVENUE
Fiscal Year 2010–2015

Year	Solar	Wind	Fiscal Year Total
Fiscal Year 2010	\$3,911.76	\$3,115,480.25	\$3,119,392.01
Fiscal Year 2011	\$6,230,982.09	\$3,713,338.16	\$9,944,320.25
Fiscal Year 2012	\$5,199,338.42	\$4,354,260.32	\$9,553,598.74
Fiscal Year 2013	\$6,343,817.72	\$4,315,856.99	\$10,659,674.71
Fiscal Year 2014	\$7,307,687.93	\$5,402,276.42	\$12,709,964.35
Fiscal Year 2015	\$10,686,757.63	\$4,538,337.65	\$15,225,095.28
Totals	\$35,772,495.55	\$25,439,549.79	\$61,212,045.34

Question (2). Given that your department has concluded that a PEIS for the coal leasing program is necessary, will you commit to refraining from other major modifications to the coal program while this analysis is being conducted?

Answer. The intent of the discretionary Programmatic EIS is to analyze potential leasing and management reforms to the current Federal coal program in response to concerns raised by the Government Accountability Office, the Interior Department's Office of Inspector General, Members of Congress, interested stakeholders and the public. Any potential reforms or changes to the Federal coal program will be identified in the scoping process.

Question (3). You have indicated that a number of coal leases that have received record of decisions will be grandfathered. Are you firmly committed to allowing those lease sales to move forward as planned?

Answer. The Secretarial Order states that applications having records of decisions or decision records issued by either the surface management agency or the bureau at the time of the order will be processed and not affected by the pause.

QUESTIONS SUBMITTED BY SENATOR MITCH MCCONNELL

Question (1). The Consolidated Appropriations Act of 2016 (Public Law 114–113) included a directive to require the Office of Surface Mining Reclamation and Enforcement (OSMRE) to provide States with technical reports, data, analyses, comments received, and documents related to the environmental review and environmental impact statements for the agency’s proposed stream buffer zone regulation. To date, what has OSMRE done in conjunction with the Department of Interior to comply with Congress’ directive?

Answer. OSMRE made these documents available to all of the States on March 24, 2016. Reference materials cited in the proposed rule were uploaded on the Web site *regulations.gov* with the exception of reference materials protected by copyright law.

Question (2). The Office of Surface Mining and Enforcement (OSMRE) claims that States have been reluctant to work with the agency despite their outreach efforts on the proposed stream buffer zone regulation. The Energy and Environment Cabinet in Kentucky sent a letter to your agency on February 8, 2016, indicating that the State agency would be interested in receiving the information directed by Congress in the Consolidated Appropriations Act of 2016 (Public Law 114–113) to see how those studies and assessment documents compare with their own findings and reviews. Where is your agency in the process of responding to this request? What steps will your agency take to ensure that the newly elected and appointed officials in the commonwealth of Kentucky are brought up to speed with the proposed rule and reviews and findings associated with it? What sort of engagement can the Kentucky Energy and Environment Cabinet expect from your agency before the stream buffer zone rule is finalized?

Answer. OSMRE has and will continue to honor its commitment to provide the State of Kentucky as well as all other States the information directed by Congress. In this regard, OSMRE scheduled a series of technical meetings to provide answers to questions the States might have with any of the documents provided. The State of Kentucky was invited to participate in these meetings held on April 14, 2016 and on April 21, 2016.

QUESTIONS SUBMITTED BY SENATOR BILL CASSIDY

Question (1). In 1996 Congress passed the National Technology Transfer and Advancement Act (NTTAA). The law prohibits the use of technical standards unique to the Federal government in lieu of voluntary consensus standards as they relate to agency rule making. However, the Blowout Preventer Systems and Well Control final rule, RIN 1014–AA11 violates the NTTAA by using government unique technical standards. This violation makes it impossible to implement numerous portions of the rule while remaining compliant with existing law. In its formulation of the rule BSEE also infringes upon OMB Circular A–119. The circular requires the publishing of a NTTAA “statement” in its Notice of Proposed Rulemaking (NPRM) detailing why government unique technical standards were necessary in lieu of consensus standards if exceptional reasons existed.

a. Why did BSEE not include a NTTAA statement in its original NPRM?

Answer. BSEE’s Blowout Preventer Systems and Well Control final rule is consistent with the NTTAA’s requirement that agencies use technical standards that are developed or adopted by voluntary consensus standards bodies rather than government-unique standards. The final rule expressly incorporates the following voluntary consensus technical standards as required by the NTTAA:

- American Petroleum Institute (API) Standard 53 (“Blowout Prevention Equipment Systems for Drilling Wells”);
- ANSI/API Specification (Spec.) 11D1 (Packers and Bridge Plugs,
- ANSI/API Spec. 16A (Drill-through Equipment);
- API Spec. 16C (Choke and Kill Systems);
- API Spec. 16D (Control Systems for Drilling Well Control Equipment and Control Systems for Diverter Equipment);
- ANSI/API Spec. 17D (Design and Operation of Subsea Production Systems—Subsea Wellhead and Tree Equipment); and

—ANSI/API RP 17H (Remotely Operated Vehicle Interfaces on Subsea Production Systems).

The final rule does not use government-unique standards in lieu of voluntary consensus standards. As a result, BSEE is not required to provide a statement that identifies government-unique standards and explain why using voluntary consensus standards would be inconsistent with law or otherwise impractical.

b. How does BSEE plan to implement all of rule RIN1014-AA11 if key provisions violate existing statutes?

Answer. BSEE does not believe that any provisions of the rule violate existing statutes. As BSEE described in the preamble to the proposed rule, pursuant to the Outer Continental Shelf Lands Act (OCSLA), Congress authorized BSEE to promulgate regulations concerning natural resources of the Outer Continental Shelf.³ BSEE relied on this legal authority as its basis for developing and issuing the final Blowout Preventer Systems and Well Control rule. The final rule is consistent with OCSLA and other existing statutes described in the rulemaking record.

c. Does the Department plan to publish a NTTAA statement and reopen the public comment period?

Answer. As the Blowout Preventer Systems and Well control rule complies with the requirements of the NTTAA and the guidance in OMB Circular A-119 concerning the Bureau's identification of voluntary consensus standards used in the rule, the Department does not plan to reopen the public comment period.

Question (2). The NTTAA does allow for exceptions from the voluntary consensus standards mandate when their use "is inconsistent with applicable law or otherwise impractical" and requires agencies to "transmits to the Office of Management and Budget an explanation of the reasons for using such standards." In accordance with 15 U.S.C. § 272.

a. Please explain the Department's process for justifying a NTTAA exemption when BSEE was actively involved in creating and approving the consensus standards at issue.

Answer. BSEE's promulgation of the final Blowout Preventer Systems and Well Control rule is consistent with the NTTAA's requirement that agencies use technical standards that are developed or adopted by voluntary consensus standards bodies, rather than government-unique standards, when such technical standards are consistent with the law and practical (e.g., when the technical standards would serve the agency's program needs and would not be ineffectual, inefficient or inconsistent with the agency's mission). The final rule does not rely on an exemption from the NTTAA.

b. Please explain the justification that voluntary consensus standards are "impractical", especially taking into account that government-unique standards lack a technical basis and create potential safety risks.

Answer. Each departure from voluntary consensus standards is founded on a sound technical basis, generally accepted engineering best practices, and BSEE's determination that the relevant consensus standard, or a specific provision of the standard, does not provide an acceptable level of risk, risk management, or due care. For example, API Standard 53 contains a provision that allows an operator to opt out of a requirement to have dual shear rams on a subsea blowout preventer. The final version of the Blowout Preventer Systems and Well Control rule incorporates API Standard 53, but does not incorporate the "opt-out" provision as the Bureau determined that full incorporation of Standard 53 cannot provide the same level of safety as an absolute requirement to have dual shear rams. In instances such as this, where the Bureau decided that a departure from consensus standards was appropriate, BSEE exercised its authority carefully with an eye toward establishing an acceptable level of protection while also balancing risks, costs, and the availability of alternative approaches in establishing regulatory requirements.

Question (3). In its NPRM BSEE claims the proposed rule is not a "significant energy action" triggering the need for a Statement of Energy Effects under the Outer Continental Shelf Lands Act ("OCSLA") and procedural requirements under Executive Order 13211 (May 18, 2001) requiring a "Statement of Energy Effects." However, based on comments received from the public it is unreasonable for BSEE and the Department to continue this claim. BSEE has acknowledged that the proposed rule in total "represents one of the most substantial rulemakings in the history of the BSEE and its predecessor organizations." While simultaneously and inconsistently claiming that the proposed rule is not a significant energy action under E.O.

³ 80 Fed. Reg. 21505 (April 17, 2015); 43 U.S.C. 1334.

13211, BSEE has not met the mandate under OCSLA for a reasoned analysis of the rule.

Given the obvious and BSEE acknowledged impact this rule will have; will the Department renew its analysis and prepare the requisite Statement of Energy Effects and submit the Statement for public comment, as required by law?

Answer. The rule represents one of the most substantial rulemakings in BSEE history because it codifies significant improvements to the safety of well control operations, not because of any possible energy effects. The Bureau's analysis of the final rule indicates that it will not have a significant adverse effect on energy supply, distribution, or use because its estimated impacts will not exceed the thresholds established by OMB.⁴

Question (4). BOEM has stated that offshore sources have not been demonstrated to impact onshore air quality. At the same time, BOEM is currently undergoing air modeling studies to inform its air quality rulemaking and these studies are not expected to conclude until 2017. However it appears the agency is on the cusp of proposing an entirely new regulatory program for offshore operators.

- a. Is the agency going to move forward with a proposed rule before receiving the results of the air modeling studies that are intended to inform the rule for which it has commissioned nearly \$4 million? What assurance can you provide today that the agency will issue a draft report of the studies for public review and comment prior to finalizing the report or incorporating its conclusions into any revised regulatory requirements?

Answer. The proposed regulations continue the framework of the current BOEM air quality regulations. The framework, a construct in place since 1980 when the Department of the Interior first issued air quality regulations, was designed to meet the Department's statutory mandate to ensure that offshore oil and gas activities do not exceed onshore national ambient air quality standards (NAAQS).

Given today's landscape, we acknowledge the need to update the 36 year-old regulations to reflect current science and technology and recent determinations about pollutant levels that are potentially harmful to human health and the environment. The existing regulations reflect outdated air quality standards that the Environmental Protection Agency (EPA) has since revised to better reflect current science.

The proposed regulations will more effectively protect public health and the welfare of affected States. In addition, BOEM's current regulations do not take into account air quality impacts over State coastal waters, which BOEM believes would more accurately meet its statutory responsibility. Finally, revisions are also needed to address BOEM's responsibility to assess air quality impacts in the Arctic, as required by The Consolidated Appropriations Act, 2012 (Public Law 112-74).

The proposed regulations are designed to allow advances in science and assessment of air quality impacts to be flexibly and efficiently incorporated into BOEM's air quality rules, including results of the modeling studies currently underway. The modeling studies are intended to inform air quality requirements *within* the framework of the proposed regulations, not the framework itself. Consistent with BOEM's practice for scientific standards, the studies will be peer-reviewed and made public once final. Also, as BOEM's proposed regulation provides, any changes in the current emission exemption thresholds, which the models are designed to inform, would not occur until the studies are completed, and would not occur before BOEM gives notice in the *Federal Register* that it intends to revise the thresholds and provide an opportunity for public comment.

Conclusions about the environmental impact of OCS air emissions depend on the focus of review and the most recent science. Those assessments are determined when BOEM reviews site-specific plans of operations. In that context, it is possible for emissions to exceed significant impact levels or lead to deterioration of State air quality. Accordingly, it is necessary for BOEM to conduct a broad cumulative impact analysis, as well as a site-specific review of plans.

- b. What justification does the agency have for moving forward without the results of the studies when your agency, through its environmental impact assessments, has repeatedly concluded that offshore sources do not impact onshore air quality?

Answer. The proposed regulations continue the framework of the current BOEM air quality regulations. The framework, a construct in place since 1980 when the Department of the Interior first issued air quality regulations, was designed to meet the Department's statutory mandate to ensure that offshore oil and gas activities do not exceed onshore national ambient air quality standards (NAAQS).

⁴OMB Memoranda 01-27 (Guidance for Implementing E.O. 13211) (2001).

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- c. What reassurance can you provide that the agency will not rush, in order to meet an artificial deadline, the regulated community's ability to comment on the proposed rule and allow the agency time to engage with stakeholders as you analyze and digest those comments in order to incorporate any appropriate revisions into the final rule?

Answer. BOEM is proceeding with the rulemaking in a deliberative manner with ample opportunity for public comment. For instance, while drafting the Air Quality proposed rule, BOEM held a number of meetings and listening sessions with other government entities, and environmental and industry stakeholders. The proposed rulemaking provides 60 days for public comment following its publication on April 5, 2016 in the *Federal Register*. Additionally, the proposal was posted on BOEM's Web site on March 17, 2016, providing the public an additional 19 days to review the proposed rule. BOEM will carefully review the comments it receives on the proposed rule as it develops a final rule.

Question (5). BSEE is currently working to finalize its BOP/Well Control Rule which as proposed may actually decrease safety and increase risk. Will the final rule make offshore operations less safe and increase risk like the proposal did?

Answer. The Department announced the final rule on April 14, 2016, and the final rule was published in the *Federal Register* on April 29, 2016. The Bureau's analysis of the administrative record, including the many recommendations associated with the *Deepwater Horizon* blowout and explosion investigations and the public comments indicates that the final rule will reduce the risk of an offshore oil or gas blowout that could result in the loss of life, serious injuries, or substantial harm to the environment. Accordingly, the final rule represents one of the most significant safety and environmental protection reforms the Interior Department has undertaken since *Deepwater Horizon*, and builds upon a number of reforms instituted over the last 6 years to strengthen and modernize offshore energy standards and oversight.

- a. Prior to the rule's proposal last year did DOI thoroughly examine all of the safety improvements made since 2010 and identify the existing gaps to determine what this rule needed to address?

Answer. Following the *Deepwater Horizon* tragedy, several immediate actions were taken to address specific offshore safety concerns involving drilling operations. The regulations that were issued in 2010 and 2012 provided new standards for well design, casing and cementing, and third-party certification of designs. These rules represented an important first step in addressing regulatory gaps in the offshore program, but did not address the full cadre of regulatory deficiencies identified after *Deepwater Horizon*.

The Blowout Preventer Systems and Well Control rule represents the next step in the process of creating a robust regulatory program that is responsive to all of

the recommendations received from the several investigations of the *Deepwater Horizon* incident. BSEE employed a number of strategies to ensure that regulatory gaps were identified and addressed, including, but not limited to, involving industry and other stakeholders in the development of the proposed rule and in the final rulemaking process.

- b. DOI received significant comments and feedback on a number of safety concerns with the proposed rule. A recent Wall Street Journal article, which may have been written as a result of a DOI leak of the final rule, suggests that changes have been made to the proposal. What changes have been made to enhance safety?

Answer. The Blowout Preventer Systems and Well Control rule codifies many important improvements to offshore drilling. The final rule addresses key recommendations made after the *Deepwater Horizon* tragedy and closes gaps in existing regulations and updates BSEE regulations to reflect industry best practices. Parts of the final rule that were modified after the public comment period on the proposed rule include the safe drilling margin requirement, real-time monitoring, blowout preventer (BOP) inspection requirements, and BOP accumulator capacities.

As to the drilling margin requirement, text was added to clarify the acceptability of risk-based justifications for specifying an alternative drilling margin, which clearly provides the flexibility requested in numerous industry comments. With regards to the real-time monitoring provisions, language was revised to clarify the Bureau's intent and to address misperceptions reflected in the comments. The new provision reflects the Bureau's intent to allow maximum flexibility in complying with real-time monitoring requirements.

In addition to enhancing safety and flexibility, many of the changes reflected in the final rule will result in substantial cost-savings for offshore operators. For example, the final rule modifies the 5-year BOP inspection requirement, allowing inspections to occur in phases, provided every component is inspected once every 5 years. Compliance dates were also extended for several important requirements, including the extension of the requirement to use BSEE-Approved Verification Organizations (BAVOs) to perform certifications from 90 days to no later than 1 year from the date when BSEE publishes the list of BAVOs. In response to industry comments, the requirement to use "hydraulically operated locks" on surface BOPs was modified to allow the use of remote-controlled locks and the effective date of that requirement was extended to 3 years after the date of publication. These are just a few instances where comments and other feedback BSEE received were reflected in changes to the final rule.

- c. A number of us in Congress have real concerns with the proposal all centered on safety and as a result the DOI needed to undertake a more robust analysis and engage in real dialogue to make sure the unintended consequences were addressed and the rule actually made offshore operations safer. As a result, the fiscal year 2016 omnibus spending bill expressed the need for more robust analysis and that further examination needed to take place prior to the finalization of the rule. Did DOI heed to the call of the Congress prior to finalizing and sending the rule to OMB? Why or why not?

Answer. Yes. BSEE conducted extensive stakeholder engagement after publication of the proposed rule and during the extended comment period. BSEE participated in numerous meetings with industry and other stakeholders before and after publication of the proposed rule on subject matter related to the Blowout Preventer Systems and Well Control rule, a number of which dealt specifically with clarifying stakeholders' written comments on the rule. BSEE also attended listening sessions arranged by the Office of Management and Budget (OMB) during the E.O. 12866 review period for the draft final rule, most of which were requested by members of industry. BSEE staff carefully considered all stakeholder comments and input.

The Bureau's comprehensive and transparent outreach was critical to the development of the final rule. The final rule does not represent a "one-size-fits-all" approach. Rather, the final rule incorporates sufficient flexibility to allow operators to focus on the ultimate goal of increasing safety and reducing risk offshore. The final rule also allows for the development and deployment of new technologies that lead to safer operations. Additionally, the final rule employs a phased implementation approach for some of its more complex provisions that gives industry sufficient time to come into compliance with new technological requirements.

- d. Does the final rule address and fix all of the safety concerns stakeholders and Congress had with the proposal? Does the final rule enhance safety?

Answer. The final Blowout Preventer Systems and Well Control rule combines prescriptive and performance-based approaches to regulation to ensure that oil and

gas companies and offshore rig operators are cultivating a greater culture of safety with a focus on risk reduction. Based on the extensive technical comments received during the rulemaking process, several adjustments were made to provisions of the proposed rule that are reflected in the final rule. The final rule provides a level of flexibility sufficient to ensure that regulatory oversight keeps pace with technological advancement, provided future innovations can meet the rule's standards for safety performance. The key concerns of industry based on the proposed rule are addressed in the final rule including, but not limited to safe drilling margins, accumulator capacity, BOP inspection intervals, and real-time monitoring requirements. The Bureau firmly believes that the regulatory process has resulted in a final rule that will raise the bar for offshore safety, both in United States Federal waters and internationally.

SUBCOMMITTEE RECESS

[Whereupon, at 12:08 p.m., Wednesday, March 2, the subcommittee was recessed, to reconvene subject to the call of the Chair.]