INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR 2018

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES

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DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR 2018

WEDNESDAY, MAY 24, 2017.

INDIAN HEALTH SERVICE

WITNESSES

REAR ADMIRAL CHRIS BUCHANAN, ACTING DIRECTOR, INDIAN HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ANN CHURCH, ACTING DIRECTOR, OFFICE OF FINANCE AND ACCOUNTING

CAPTAIN MICHAEL TOEDT, M.D., ACTING CHIEF MEDICAL OFFICER

GARY HARTZ, P.E., DIRECTOR, OFFICE OF ENVIRONMENTAL HEALTH AND ENGINEERING

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT [presiding]. The committee will come to order.

Good afternoon, and welcome to th"is oversight hearing of the Fiscal Year 2018 budget for the Indian Health Service.

Funding for Indian Country has been a nonpartisan priority of this subcommittee for many years now. Working together, we have begun to address the most urgent needs, and we are making a difference. Contract support costs are now fully funded freeing up funds for operations, affording tribes the capacity to run additional programs rather than relying on the Federal government to do it for them.

Funds to meet extraordinary medical costs for victims of disasters or catastrophic illness, which used to run out in the middle of the year and led to the common refrain in Indian Country do not get sick after June, and now finally estimated to last the entire year.

More children are receiving proper dental care. More teens are receiving the help and support they need to battle substance abuse and suicide. More providers are being recruited because we are helping to pay back their student loans. More new care facilities are opening their doors each year. The list of accomplishments goes on and on, and we are deeply proud of our work.

But we also recognize that we still have a long way to go before the health disparities in the American Indian and Alaska Native population, compared to the Nation as a whole, become a thing of the past. That is why I am disappointed by the fiscal year 2018 budget proposal for the Indian Health Service, which would cut the

Agency's budget by $301 million, or 6 percent below the amount we just appropriated for fiscal year 2017.

The proposal contains none of the increases enacted for fiscal year 2017. It contains no additional funds to keep pace with tribal and Federal pay costs, medical inflation, and population growth in order to maintain current level of service. It contains no funds to replace the dilapidated staffing quarters, or repay additional student loans, or make any extra effort for that matter to save the Agency from low recruitment and retention rates.

For the first time since 2011, when the subcommittee began to annually appropriate enough funding to reduce the maintenance backlog, the budget request proposes to drive the backlog upwards again.

The average age of Indian Health Service facilities is four times the nationwide average. At current spending rates, any facility constructed in 2015 will not be replaced for 400 years. And yet, the budget request proposes to cut the construction budget by $18 million.

Earlier this year, the Government Accountability Office added the Indian Health Service to the list of the highest risk programs across the Federal government. Whether that addition will rally support for IHS or, conversely, sink Agency morale and recruitment even further and exacerbate the Agency's problems, remains to be seen. But what is clear is this. The United States has a moral and legal responsibility to provide the highest possible standard of healthcare to American Indians and Alaska Natives.

This responsibility is grounded in the earliest treaties between the sovereign and equal nations, and it must not be compromised at the expense of lower priorities in the Federal budget. Let me be clear. Congress must not balance the budget on the backs of American Indians and Alaska Natives.

With us today from the Indian Health Service to explain the budget request and answer questions are Rear Admiral Chris Buchanan, Acting Director of the Indian Health Service, Dr. Michael Toedt, acting chief medical officer, and Ann Church, acting director, Office of Finance and Accounting. Thank you for being here today and for your public service to Indian Country.

Before we turn to your opening statement, I will ask our distinguished ranking member, Ms. McCollum, for any opening remarks.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you very much, Mr. Chairman, and welcome to those of you who are going to be testifying later. As the chairman clearly stated, last week we heard testimony from Native American witnesses about the need for adequate resources for healthcare services. They gave us their firsthand accounts describing their experiences and their challenges faced by their communities.

Native Americans and Alaska Natives suffer some of the worst health disparities of all Americans, and live on average 4.4 years less than anyone else in the U.S., all race populations in the United States. Additionally, suicide rates are four times higher than the national average, and suicide is the second leading cause of death for Native American youth.

We know that much needs to be done to address these problems to improve the lives our Nation's indigenous people. Our goal today is to outline and understand the Indian Health Service's challenges and to look for ways we can work with you to address that. That said, I agree with the chairman, and I am personally deeply disappointed in the fiscal year 2018 President's budget that cuts the Indian Health Service by $300 million below the 2017 enacted level. Moreover, this reduction will significantly compound if the Patient Protection and Affordable Care Act is eliminated.

Multiple tribal leaders expressed concern about this last week, knowing that a large portion of the American Indians and Alaska Natives could lose coverage, decreasing revenue streams upon which the services for the Indian Health Service rely.

Funding for the Indian Health Service has been an area of broad bipartisan cooperation, as you can tell by the chairman's comments. And although we have provided increases in the Indian Health Service appropriation over the last several years, current events in the Great Plains region signal that more needs to be done. The continuing problem in the Great Plains region are a clear indication that IHS should be focusing its efforts on strengthening the organization and recruiting and retaining permanent staff.

The 2017 statement of managers, "We are very clear about our dedication providing access to healthcare for IHS patients all across the system. We stated our expectation that the IHS should aggressively work down the current health construction priority system and examine ways to effectively close the service gap."

This budget clearly, clearly does the opposite. It is reprehensible that the Administration's budget request includes $98 million, or 18 percent, reduction for Indian health facilities, especially when the average age of federally operated IHS facilities is 31 years, with some facilities older than 40 years without any repair or renovation. Furthermore, this budget does not include an increase provided by this Congress in the 2017 budget for things such urban Indian healthcare programs, dental, mental health, alcohol, and substance abuse.

This budget also eliminates the Tribal Management Grant Program to assist tribes in assuming all or part of the IHS program services, functions, or activities, and only includes $2 million for accredited emergencies, when $29 million was added in 2017. Tragically, these cuts to IHS are just one part of President Trump's cruel and reckless budget. His proposal rips apart the social safety net with cruel cuts that fall on vulnerable children, families, and seniors, including Native Americans.

In a Nation as prosperous as the United States, purposefully inflicting harm on vulnerable people is just plain immoral. Instead, we should be working together to build a stronger America for tribal nations and our Nation as a whole by making smart, sustainable investments in infrastructure, public schools, healthy environment, and safe streets.

This should also be our guide in approaching comprehensive solutions and holistic approaches to address health, education, and the quality of life needs of Native Americans. Unfortunately, this proposed Indian Health Service budget falls short on the mark. I

look forward to working with all of my subcommittee colleagues to craft a bill that will appropriately fund the IHS.

We have a moral and legal responsibility to Native Americans, and when we fall short, it is just not a violation of treaty agreements that we hold with Native Americans, but it is a violation of the trust we share.

Mr. Chairman, I thank you for holding this hearing. I thank you for your comments in your opening statement, and I look forward to working with you on these important issues, and doing our best to build back healthy tribal communities.

I yield back.

Mr. CALVERT. Thank you. Thank you, Ms. McCollum, and I appreciate your remarks.

We are going to have a series of votes, so we are going to have Admiral Buchanan's testimony, and then we are going to recess for a vote. Admiral, you are recognized.

OPENING REMARKS OF ACTING DIRECTOR RADM BUCHANAN

Rear Admiral BUCHANAN. Thank you. Good afternoon, Mr. Chairman, members of the subcommittee. I am Chris Buchanan, the acting director for Indian Health Service. Here with me today are three of my colleagues, Captain Michael Toedt, chief medical officer, Ann Church, the acting director of the Office of Finance and Accounting, and Mr. Gary Hartz, director of the Office of Environmental Health and Engineering.

Today I am providing testimony on the President's fiscal year 2018 budget request for IHS, which will allow us to maintain and address our Agency's mission to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives to the highest level.

IHS is responsible for providing Federal health services to approximately 2.2 million Americans and Alaska Natives from 567 federally-recognized tribes in 36 States through a network of 662 hospitals, clinics, and health stations. These health services are provided directly by IHS, by the tribes, and tribal organizations under the authorities of the Indian Self-Determination Education and Assistance Act. Our budget plays a critical role in providing a path to fulfill our commitment to ensure a healthier future for American Indian and Alaska Native people.

The fiscal year 2018 President's budget proposes a total discretionary budget authority for IHS of $4.7 billion, which is $59 million below the fiscal year 2017 annualized continuing resolution. The budget reflects the Administration's high priority commitment to Indian Country, protecting the direct healthcare investments, and reducing IHS' overall program level by only .9 percent in the context of an 18 percent reduction within the overall HHS discretionary budget.

In order to prioritize funding for the direct healthcare services to our population and newly-constructed joint venture healthcare facility scheduled to open in fiscal year 2017, the budget includes a reduction to funding levels for facilities, infrastructure projects, and management activities of $75 million below the fiscal year 2017 annualized continuing resolution.

IHS, like all of you, remains committed to addressing the behavioral health challenges, including high rates of alcohol, substance abuse, mental health disorders, and suicides, in American Indians and Native American communities. The budget for these services is maintained at the fiscal year 2016 level for a total of $288 million.

The IHS, in partnership with tribes, uses evidence-based practices at the local levels to reduce the incidences of preventable diseases and improve the health of individuals, families, and communities across Indian Country. Programs such as public health nursing, health education, and community health representatives play an integral role in delivering culturally appropriate services.

The fiscal year 2018 budget assumes $1.2 billion in estimated health insurance reimbursements from third-party collections. These third-party collections allow IHS and tribally managed programs to meet accreditation and compliance standards, and expand the provisions of healthcare services by funding staff positions, purchasing new equipment, and maintaining and improving buildings.

The budget request includes $20 million to support staffing and operating costs for two joint venture construction program projects that include the Choctaw Nation Regional Medical Clinic in Oklahoma and the Flandreau Health Center in South Dakota. In addition, the budget includes funding to support three facility projects that include the Alamo Health Center in New Mexico, the Rapid City Health Center in South Dakota, and the Dilkon Alternative Rural Health Center in Arizona.

The budget supports self-determination by continuing the separate indefinite appropriations account for contract support costs, or CSC, through fiscal year 2018, and includes an estimated $718 million to fully fund CSC. Maintaining the flexible funding authority of an indefinite appropriation allows IHS to guarantee full funding of CSC as required by law while protecting the Service's funding for the direct service tribes.

Finally, we are working aggressively to address the quality care issues at three of our facilities in the Great Plains area: Winnebago, Rosebud, and Pine Ridge. The challenges are longstanding, especially around recruitment and retention of providers. The deficiencies cited in the reports by CMS are unacceptable. Providing high quality of care to our IHS patients is my priority, and we have intense efforts under way right now to correct the problem cited by CMS at these hospitals. In November 2016, we launched the Quality Framework, an implementation plan to strengthen the quality of care that IHS delivers to patients we serve.

Despite all these challenges, we are firmly committed to improving quality safety and access to healthcare for American Indians and Alaska Natives in collaboration with the HHS, our partners across Indian Country, and the Congress. I appreciate all the efforts in helping us provide the best possible healthcare services to our people we serve to ensure a healthier future for American Indians and Alaska Natives.

Thank you, and we are happy to answer any questions you may have.

[The statement of Admiral Buchanan follows:]



Department of Health and Human Services

Statement by

RADM Chris Buchanan, R.E.H.S., M.P.H.
Assistant Surgeon General, USPHS
Acting Director, Indian Health Service

Before the

House Subcommittee on Interior, Environment and Related Agencies

Appropriations Hearing on
The President's FY 2018 Budget Request for the
Indian Health Service

May 24, 2017

STATEMENT OF THE INDIAN HEALTH SERVICE

Mr. Chairman and Members of the Subcommittee:

Good morning. I am RADM Chris Buchanan, Acting Director of the Indian Health Service (IHS). I am pleased to provide testimony on the President's Fiscal Year (FY) 2018 Budget Request for the IHS, which will allow us to maintain and address our agency mission to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives (AI/ANs) to the highest level.

The IHS, an agency within the Department of Health and Human Services (HHS), is responsible for providing federal health services to approximately 2.2 million AI/ANs from 567 federally recognized Tribes in 36 states. The IHS system consists of 12 Area offices, which oversee 170 Service Units that provide care at the local level. Health services are provided through facilities managed directly by the IHS, by Tribes and Tribal organizations under authorities of the Indian Self-Determination and Education Assistance Act (ISDEAA), through services purchased from private providers, and through contracts and grants awarded to urban Indian organizations authorized by the Indian Health Care Improvement Act.

Our budget plays a critical role in providing a path to fulfill our commitment to ensure a healthier future for all AI/AN people and to maintain progress made to date. The FY 2018 President's Budget proposes a total discretionary budget authority for IHS of $4.7 billion, which is $59 million below the FY 2017 Annualized Continuing Resolution and proposes Program Level funding of $6.1 billion, which is $56 million below the FY 2017 Annualized Continuing Resolution.

Prioritizing Health Care Services

The IHS provides comprehensive health care, including but not limited to primary medical services, dental care, behavioral health services, community health services, and public health services such as environmental health and sanitation facilities, through a network of 662 hospitals, clinics, and health stations in and near Indian reservations. The Budget reflects the Administration's high priority commitment to Indian Country, protecting direct health care investments and reducing IHS's overall program level by only 0.9 percent, in the context of an 18 percent reduction within the overall HHS discretionary budget. In order to prioritize funding for direct health care services to AI/ANs and the staffing and operating costs for newly-constructed Joint Venture health care facilities scheduled to open in FY 2017, the Budget includes a reduction to the funding level for facilities infrastructure projects and management activities of $75 million below the FY 2017 Annualized Continuing Resolution. Direct health care services include outpatient and inpatient care in hospitals and clinics, behavioral health services, and dental health services.

The Budget maintains the Purchased/Referred Care program funding that is essential for ensuring access to care by our AI/AN patients at $914 million, which is $2 million above the FY 2017 Annualized Continuing Resolution. This program provides critical health care services that IHS and tribally-managed facilities are otherwise unable to provide through contracts with

hospitals and other health care providers to purchase such specialized or critical care. In addition, it supports high cost medical care for catastrophic injuries and specialized care.

The IHS remains committed to addressing behavioral health challenges, including high rates of alcohol and substance abuse, mental health disorders, and suicide in AI/AN communities. The Budget for these services is maintained at the FY 2016 level for a total of $288 million, which is $1 million above the FY 2017 Annualized Continuing Resolution.

Funding for preventive health services is preserved at the FY 2016 level as well for a total of $157 million, which is $1 million above the FY 2017 Annualized Continuing Resolution. The IHS, in partnership with Tribes, uses evidence-based practices at the local level to reduce the incidence of preventable disease, and improve the health of individuals, families, and communities across Indian Country. Programs such as public health nursing, health education, and community health representatives play integral roles in delivering culturally appropriate services to AI/ANs and ensuring access to care for homebound patients and others who live in rural and isolated communities.

Special Diabetes Program for Indians

The Special Diabetes Program for Indians (SDPI) provides grants for evidence-based diabetes treatment and prevention services across Indian Country. Diabetes health outcomes have improved significantly in AI/AN communities since the inception of the SDPI. Within our communities, the longtime trend of increasing rates of diabetes ended in 2011. One of the most important improvements has been an eight percent reduction in the average blood sugar level of AI/ANs with diagnosed diabetes between 1997 and 2015. Improved blood sugar control reduces complications from diabetes. In addition, new cases of kidney failure due to diabetes declined by 54 percent among AI/AN adults from 1996 to 2013.

The SDPI grant program provides funding for diabetes treatment and prevention to 301 Indian health, Tribal, and Urban health programs. Most recently, the SDPI was reauthorized through September 2017.

Health Insurance Reimbursements

The Budget assumes $1.2 billion in estimated health insurance reimbursements from third party collections. The collection of health insurance reimbursements for the provision of care to patients covered by Medicare, Medicaid, the Veterans Health Administration, and private insurance allows IHS and tribally-managed programs to meet accreditation and compliance standards and expand the provision of health care services by funding staff positions, purchasing new medical equipment, and maintaining and improving buildings.

Access to Quality Health Care Services Through Improved Infrastructure

The Budget proposes $20 million for staffing of newly-constructed health care facilities. This funding will support staffing and operating costs for two Joint Venture Construction Program

(JVCP) projects: the Choctaw Nation Regional Medical Clinic in Oklahoma and the Flandreau Health Center in South Dakota. Through JVCP agreements, the IHS partnered with the Tribes to provide funds for staffing, equipping, and operating the facilities while the Tribes invested in the design and construction costs associated with the new facilities. These funds will allow the new facilities to expand the provision of health care in areas where the existing capacity is overextended.

The Health Care Facilities Construction budget includes funding for the following three facilities projects: (1) to design the Alamo Health Center in New Mexico, (2) to complete replacement of the Rapid City Health Center in South Dakota, and (3) to continue construction of the Dilkon Alternative Rural Health Center in Arizona.

Supporting Indian Self-Determination

The Budget supports self-determination by continuing the separate indefinite appropriation account for contract support costs (CSC) through FY 2018. Authorized and required by the ISDEAA, CSC funding supports certain operational costs of Tribes and Tribal organizations administering health care service programs under self-determination contracts and self-governance compacts. The Budget includes an estimate of $718 million to fully fund CSC, which is $1 million above the FY 2017 Annualized Continuing Resolution. Maintaining the flexible funding authority of an indefinite appropriation allows the IHS to guarantee full funding of CSC, as required by the law, while protecting services funding for direct services tribes.

Great Plains Hospitals

Finally, we are working aggressively to address quality of care issues at three of our facilities in the Great Plains Area – Winnebago, Rosebud, and Pine Ridge. The challenges there are long-standing, especially around recruitment and retention of providers. The deficiencies cited in the reports by the Centers for Medicare and Medicaid Services (CMS) are unacceptable. We have an intense effort underway right now to correct the problems cited by CMS at these hospitals.

We brought in independent third-party expert reviewers to advise us on addressing the specific deficiencies found by CMS. In addition, we are deploying subject matter experts to mentor and coach our service unit leadership and their teams. We also continue working to improve communications with the Tribes impacted. Additionally, to ensure sustained change, the position of Deputy Director for Quality Health Care was established as part of the senior leadership team at Headquarters to provide a national focus for advising me as acting IHS Director and providing leadership and guidance to the field on all aspects of assuring quality health care. In November 2016, we launched our 2016-2017 Quality Framework and Implementation Plan to strengthen the quality of care that the IHS delivers to the patients we serve. Implementation of the Quality Framework will strengthen organizational capacity to improve quality of care, improve our ability to meet and maintain accreditation for IHS direct service facilities, align service delivery processes to improve the patient experience, ensure patient safety, and improve processes and strengthen communications for early identification of risks. This framework will be reviewed and updated as needed in partnership with Tribes.

Other HHS Support for Indian Health Service

HHS created the Executive Council on Quality Care (the Council) in order to identify and facilitate collaborative, action-oriented approaches using resources from across the Department to address issues that affect the quality of health care provided to AI/ANs served by IHS facilities. The Council is comprised of leadership from 12 HHS Staff and Operating Divisions.

The Council's mission is to support IHS' efforts to develop, enact, and sustain an effective quality program – to improve quality and patient safety in the hospitals and clinics that IHS administers. The Council will also implement a series of reforms intended to stabilize, strengthen, and raise the overall quality of care it provides to native people. These reforms include providing technical assistance to bolster quality and safety, identifying solutions to address workforce recruitment and retention challenges, seeking creative solutions to infrastructure needs, and enhancing stakeholder engagement.

The Council partners with HHS leadership and staff in policy implementation. It works to identify and facilitate collaborative, action-oriented approaches using resources from across HHS, including by leveraging HHS stakeholder networks, to address issues that relate to or may affect the quality of care provided in tribal communities. This includes supporting IHS in implementing a population health approach to health improvement, addressing physical and behavioral health. Workgroups on Quality, Workforce, Infrastructure, and External Engagement support IHS in implementing its agency-wide strategic plans.

Despite all of the challenges, I am firmly committed to improving quality, safety, and access to health care for American Indians and Alaska Natives, in collaboration with HHS, our partners across Indian Country, and Congress. I appreciate all your efforts in helping us provide the best possible health care services to the people we serve to ensure a healthier future for all American Indians and Alaska Natives.

Thank you and I am happy to answer any questions you may have.



RADM Chris Buchanan

Acting Director

Indian Health Service

Rear Admiral Chris Buchanan, an enrolled member of the Seminole Nation of Oklahoma, is Acting Director of the Indian Health Service (IHS), an agency within the U.S. Department of Health and Human Services. The IHS is the principal federal health care advocate and provider of health care services for American Indians and Alaska Natives. As Acting Director, RADM Buchanan administers a nationwide health care delivery program that is responsible for providing preventive, curative, and community health care to approximately 2.2 million American Indians and Alaska Natives in hospitals, clinics, and other settings throughout the United States.

RADM Buchanan previously served as the IHS Deputy Director, leading and overseeing IHS operations to ensure delivery of quality comprehensive health services. He also previously served in 2016 as Acting Area Director for IHS Great Plains Area, with administrative responsibility for 19 service units serving 130,000 people and 17 Tribes through 7 hospitals, 10 health centers and 2 Urban Indian Health Programs, overseeing a complex health care program during a period of change. Prior to that, he served as Director of the IHS Office of Direct Services and Contracting Tribes.

An environmental health officer in the U.S. Public Health Service Commissioned Corps with more than 20 years of active duty, RADM Buchanan began his IHS career in 1993 serving in various environmental health positions in the Phoenix, Albuquerque, and Oklahoma City Areas of IHS. From 2005 through 2010, he held management positions in the Oklahoma City Area, including serving as the Administrative Officer for Lawton Indian Hospital and the Chief Executive Officer for Haskell Health Center. In 2010, he served as the Administrative Officer of Clinical Services for the Chickasaw Nation's Division of Health in Ada, Oklahoma.

RADM Buchanan has served on several national IHS workgroups and deployed to several natural disaster events. He has received numerous professional awards, including the National Council of Chief Executive Officer's Rookie of the Year. He earned a Bachelor of Science degree in environmental health and a Master of Public Health degree in health policy and administration from the University of North Carolina at Chapel Hill.

January 2017



CAPT Michael Toedt, M.D.
Acting Chief Medical Officer
Indian Health Service

Capt. Michael Toedt, M.D., serves as the Acting Chief Medical Officer of the Indian Health Service. The IHS, an agency within the Department of Health and Human Services, is the principal federal health care provider for American Indians and Alaska Natives.

As the Acting CMO, Dr. Toedt is IHS's lead expert on medical and public health topics, giving technical advice and guidance to the IHS Office of the Director and IHS staff throughout the country on American Indian and Alaska Native health care policies and issues. He provides national leadership for the clinical and community-based health programs of the agency, and serves as the primary liaison and advocate for IHS health professionals.

Dr. Toedt's position of record is Chief Medical Officer for the IHS Nashville Area, where he provided leadership and guidance for the Nashville Area medical services delivery, partnering with 29 Tribes or tribal organizations in 14 states.

In 2014-2015, Dr. Toedt served as the Acting Chief Medical Information Officer for the IHS, leading clinical informatics for the development, deployment, and improvement of the IHS Resource and Patient Management System Electronic Health Record.

Dr. Toedt is responsible for overall patient care policy and program development, implementation, monitoring and evaluation. He provides consultation and technical assistance for evaluating, designing, and implementing health care delivery systems and coordinates with staff regarding health services, clinical guidelines, and planning activities. Dr. Toedt serves as an advocate for quality health care services for Indian people.

Dr. Toedt earned a Doctor of Medicine Degree from the Uniformed Services University of the Health Sciences in Bethesda, Maryland, and a Bachelor of Science in applied physics from the Georgia Institute of Technology in Atlanta, Georgia. He is a fellow of the American Academy of Family Physicians.



Ann Church

Acting Director

Office of Finance and Accounting

Indian Health Service

Ann Church, a member of the Match-E-Be-Nash-She-Wish Band of Pottawatomi Indians (Gun Lake Tribe), is the Acting Director of the Office of Finance and Accounting (OFA) within the Indian Health Service (IHS). The IHS, an agency within the Department of Health and Human Services, is the principal federal health care advocate and provider for American Indians and Alaska Natives.

As the Acting Director of the Office of Finance and Accounting, Ms. Church is responsible for Agency budget formulation, execution, and associated systems and policies. She advises the IHS Director and senior management staff on the Agency's financial activities.

Ms. Church most recently served as the Director, Division of Financial Operations, in the OFA. In that role, she supported Headquarters budget and payment activities, and managed the agency-wide travel program.

Throughout her 16 years of service to the Agency, she performed many functions including support for: previous Headquarters organizational components such as the Office of Management Support's Director, Deputy Director, and Executive Officer; the National Council of Executive Officers; and the IHS Business Plan Workgroup. She has received several IHS Director's Awards and was honored with the Luana Reyes Leadership Award in 2007.

Ms. Church received a bachelor's degree from St. Mary's College of Maryland.



Gary J. Hartz

Director
Office of Environmental Health and Engineering
Indian Health Service

Gary J. Hartz, P.E., retired U.S. Public Health Service (PHS) Rear Admiral, is the Director of the Indian Health Service (IHS) Office of Environmental Health and Engineering (OEHE). The IHS is an agency within the Department of Health and Human Services (HHS) that is the principal federal health care provider and health advocate for American Indian and Alaska Native people. Mr. Hartz oversees health care facilities and staff quarters construction, facility maintenance and operations, and realty. He also has responsibility for a comprehensive environmental health program including institutional environmental health, injury prevention, and sanitation facilities construction services throughout Indian Country.

Mr. Hartz began his career with the IHS in 1971. His first assignment as a PHS Commissioned Corps Officer and Field Engineer was with the IHS Navajo Area in Tohatchi, New Mexico, followed in 1974 with an assignment to the IHS Alaska Area in Ketchikan with responsibilities for sanitation facilities construction throughout Southeast Alaska. In 1977, he transferred to the IHS Headquarters in Rockville, Maryland, where he was subsequently promoted to positions of increasing responsibility within OEHE, including Chief of the Sanitation Facilities Construction Branch, Director for the Division of Environmental Health, and ultimately to his current position of Director, OEHE. He has also been in numerous special assignments such as the Technical Training Director for the Moroccan Peace Corps Volunteer Skill Training Unit, a Self-Governance negotiator, and an agency witness before numerous congressional committees addressing budget and technical issues. He was promoted to Assistant Surgeon General in January 1996.

In August 1998, Mr. Hartz was named Acting Director for the Office of Public Health. The Office of Public Health had responsibilities for a wide range of health activities related to health leadership, policy development, and advocacy for American Indian and Alaska Native public health issues. He managed a staff that assisted the agency on budget formulation and resource allocation regarding the operation and management of IHS direct, tribal, and urban public health programs; program evaluation and assessment; research agenda; and special public health initiatives for the agency.

During the period of the IHS restructuring, Mr. Hartz held the position of Acting IHS Deputy Director from August 2004 to February 2005. He shared the responsibility for management of a national health care delivery program responsible for providing preventive, curative, and community care for approximately 1.8 million American Indians and Alaska Natives.

Mr. Hartz received his bachelor of science degree in civil engineering from the University of North Dakota, Grand Forks, North Dakota. In 1977, he earned a master of science degree in civil engineering: construction engineering and management from Stanford University, Palo Alto, California. He also has completed postgraduate studies at Syracuse University, Syracuse, New York, and continued management development at the Federal Executive Institute and the Senior Managers in Government program at the John F. Kennedy School of Governmer at Harvard University. Mr. Hartz is a registered professional engineer.

In May 2005, he was one of two U.S. representatives to the World Health Organization (WHO) in Geneva, Switzerland, to finalize the Third Edition of the WHO Guidelines for the Safe Use of Wastewater, Excreta, and Greywater. A recipient of numerous PHS and IHS awards and honors, Mr. Hartz has received two Hazardous Duty Awards, two Isolated Hardship Awards, several Unit Citations, the Special Assignment Award, two Outstanding Service Medals, the Meritorious Service Medal, the Surgeon General Award for Exemplary Service, and the Distinguished Service Medal, the highest award of the Public Health Service. In 1986, Mr. Hartz received the HHS Federal Engineer of the Year Award presented by the National Society of Professional Engineers. He has been an active participant and leader in his community, church, and professional organizations.

February 2008

Mr. CALVERT. Thank you for your testimony, Admiral. We are going to recess for probably about a half an hour. We have five votes, and we will come back immediately after the last vote.

We are recessed.

[Recess.]

Mr. CALVERT. The committee will come to order.

We have a hard stop at 3:30 today and two hearings to get through, so I will try to keep things moving. I ask that members consider deferring at least some of their questions for the record so we can keep to our schedule today.

I will start off. Let me see. Which question do I want to ask first? [Laughter.]

GAO HIGH RISK REPORT

Admiral, do you have any concerns about any of the GAO recommendations on this high-risk report?

Admiral BUCHANAN. I would like to explain some of the activities that are related to the GAO risk report. We accept those findings from GAO wholeheartedly. There were some that we did not agree with, but the majority of those we did, and we can provide detailed information related to each specific finding going forward.

The way the GAO identified their reports were basically in five different areas related to oversight, Federal activities, workforce planning. Some of the things that IHS has been doing can be lumped into two big areas as far as quality and PRC activities. Quality, we have been implementing the Quality Framework as the GAO has recommended. We have identified those high-risk areas that we want to focus on, so making——

Mr. CALVERT. Well, since you made that offer to provide the subcommittee with information, we would love to have a written status update on every IHS related recommendation in the GAO High Risk Report. It is important we stay on top of this.

Admiral BUCHANAN. Yes, sir.

[The information follows:]

GAO HIGH RISK REPORT

IHS takes GAO's recommendations very seriously. IHS plans to focus on making audit resolution a key priority in improving the management controls of the IHS, and to sustain those improvements. IHS will continue to work directly with your staff to provide status updates on this topic on an ongoing basis.

Mr. CALVERT. Your 2018 budget proposes no increases for pay costs, medical inflation, population growth in an effort just to maintain current levels of service. Previous budgets have estimated current services costs to be upwards of $200 million. What is the estimated increase necessary to maintain current services in fiscal year 2018?

Admiral BUCHANAN. Great question. I do not have that information right in front of me, but I would be happy to provide that information to the record.

[The information follows:]

MAINTAINING CURRENT SERVICES

Approximately $200 million would cover the costs of medical and non-medical inflation, pay, and population growth.

MAINTENANCE BACKLOG

Mr. CALVERT. Yeah. Well, you got a tough job, do you not?

Maintenance backlog. The 2018 budget proposes a $15 million decrease in the maintenance budget. For the past 2 years, we have provided sufficient maintenance funding to start driving the backlog downward again, even if by a little bit. What is your estimated size of the maintenance backlog?

Admiral BUCHANAN. Thank you for the question. The maintenance backlog, as you were referring to, is the maintenance and improvement area. And we definitely use the maintenance and improvement activities to drive our costs. Those usually are offset by third party collections going forward. Specific information I would defer to, with your permission, Gary Hartz to provide that answer for us.

Mr. CALVERT. Gary.

Mr. HARTZ. Thank you, Mr. Calvert.

Mr. CALVERT. Speak into——

Mr. HARTZ. Thank you, Mr. Calvert. The——

Mr. CALVERT. Please say your name for the record, sir. Thank you.

Mr. HARTZ. My name is Gary Hartz. I am the director of environmental health and engineering for the Indian Health Service, and have served in that position now for a number of years.

Mr. CALVERT. Thank you.

Mr. HARTZ. Thank you for the question. The backlog of essential maintenance alteration and repair currently is right at about $515 million.

Mr. CALVERT. Since you are here, will the maintenance backlog go up or down at the requested funding level for 2018?

Mr. HARTZ. The industry standards pretty much outline that, you know, as you have aging facilities or even new facilities, you are looking at about a 3 to 4 percent increase in that backlog if not adequately addressed.

Mr. CALVERT. So, if it is not adequately addressed, so the backlog will go up.

Mr. HARTZ. That is what the standards pretty much outline, and we compare our facilities and our health centers to that of the industry of the healthcare industry. The answer is affirmative.

Mr. CALVERT. What is the estimated funding level necessary to keep driving the backlog downward? You mentioned 3 to 5 percent. How much money does that equate to?

Mr. HARTZ. That would be the annual amount that I mentioned. When you look at what is needed by the National Research Council, they say that you should be taking a look at your asset inventory value, and that typically should run somewhere between 2 to 4 percent of your asset inventory value.

Mr. CALVERT. What number would that be?

Mr. HARTZ. It is a quite large number, sir.

Mr. CALVERT. What is that?

VOICE. Provide it——

Mr. CALVERT. Yeah, if you could provide that for the record?

Mr. HARTZ. We will absolutely, 10–4.

[The information follows:]

ESTIMATED MAINTENANCE COSTS

The estimated annual maintenance cost to address the necessary repair, preventive maintenance, materials, direct labor and contract costs for the IHS/Tribal plant inventory value of $4.81 billion would be $100–$200 million.

2016 FACILITY NEEDS ASSESSMENT REPORT TO CONGRESS

Mr. CALVERT. The 2016 Facility Needs Assessment Report to Congress states that at the existing replacement rate, a new 2016 facility would not be replaced for 400 years. Please explain that.

Mr. HARTZ. Sure. Based on an appropriation level, and that was submitted in 2016. Based on an appropriation level of $85 million a year, which is what we received in 2016, we were receiving at that point. We actually a got a bump in 2016, but when we did the report it was $85 million.

And if you look at the square footage that the Indian Health Service operates within to deliver healthcare for American Indians and Alaska Natives, both Federal and tribal programs, and you take a look at the cost to build and you run the calculations, sir, it comes out to just a little under 400 years.

Mr. CALVERT. Well, I have a series of questions relating the construction backlog. And I do not want to embarrass anybody, but we need to get these answers. I am going to submit those to you for written response.

But obviously, with the facilities as old as they are, this is a significant problem, along with others. With that, I will recognize Ms. McCollum.

STAFFING

Ms. MCCOLLUM. Thank you, Mr. Chair. We are tracking the same way. You are talking about facilities, and I am going to talk about the people who go in the facilities, and let us talk about staffing.

The Trump Administration has directed all agencies to submit a long-term workforce reduction plan by June 30th, 2017. If you look at the March GAO report of 2016, the report states that IHS informed them that the insufficient workforce was the biggest impediment to ensuring patients' access to timely primary care.

So, are you finding other agencies that are better able to offer salary and benefit packages? Are those agencies recruiting your staff? You know, kind of fill us in. What are the current number of vacancies in the Indian Health Service, and are you having problems with turnover rate?

I have some other follow-up questions, but just on staffing.

Admiral BUCHANAN. Thank you for the question. We have a staff of around 15,000 people. We have approximately 3,000 vacancies. We have a vacancy rate of 20 percent. Some of our high vacancies include, of course, our healthcare providers for sure. Our physicians are at 30 percent.

Ms. MCCOLLUM. We have a physician shortage of 30 percent.

Admiral BUCHANAN. Yes, ma'am.

RECRUITMENT AND RETENTION

Ms. MCCOLLUM. Compared to the VA and other Federal agencies and Federal groups—the DOD offers healthcare, for example—

where are you on the pay scale? Are they competition for you? Are you the same?

Admiral BUCHANAN. That is a great question. Some of the activities we have been doing regarding recruitment and retention, as I mentioned in the Quality Framework, is trying to get more providers into the system, and we have got some creative initiatives going. Some of those that you are referencing would relate to the VA. Under Title 38 we have some of those same authorities that the VA has.

Ms. MCCOLLUM. Given the fact that you have a 20 percent shortage of employees, you have a 30 percent shortage in physicians alone, what has been your response as you are preparing this June 30th report to the Trump Administration? Are you telling the Administration that you do not have problems as far as you have too much workforce, but you have too little workforce? I do not see how you could be submitting a reduction plan to the White House when you have a 20 percent shortage, a 30 percent shortage in physicians. What is the dialogue between you and the White House on this?

Admiral BUCHANAN. That is a great question. You know, this budget is a tough budget for sure, truly tough budget going forward. We had to make tough decisions on this budget. So, you know, we are committed to meeting the mission of the Indian Health Service.

Ms. MCCOLLUM. Okay. I do not mean to put you on the spot to answer that, but one would hope that the White House is open to hearing that not all agencies are the same to do across-the-board workforce reductions.

GAO HIGH RISK REPORT

The GAO report of 2017 highlighted the adverse effects of the inconsistency area office and facility leadership on the oversight of facility operations and supervision of personnel. That goes to the fact that you have a workforce shortage.

For example, the Great Plains area, which is an area where we are really focused on seeing some radical improvement, you were the acting director in 2016. There were four area directors between 2011 and 2016 before you came there. Four different area directors. Seven chief executive officers at the Rosebud Service Agency. Ten executive officers at the Omaha Winnebago Hospital. Three executive officers at Pine Ridge Service Unit.

Can you please tell us what you are trying to do, because you went in there at a time of crisis, to stabilize the leadership, to create an environment where the correct decisions can be made in a timely fashion to turn this around? And, again, how is the workforce shortage affecting your ability to recruit and retain.

I show this as an example to back up why I was making the points before that the Administration has to pay careful attention when they are asking for long-term workforce reductions, especially as to how it will affect the IHS.

Admiral BUCHANAN. Great question, and thank you for that. One of the things that we found in the Great Plains, and specifically in my time, there was leadership, as you mentioned, there was a high turnover going forward. Some of the things that we addressed and

put into place is the Quality Framework, as I mentioned, knowing that we needed organizational capacity and accountability going forward.

And specifically with that priority in the Quality Framework is to recruit and retain qualified staff, provide accountability, identify quality measures to make sure that we are providing it consistently. Some of the items that were identified in GAO and some of the CMS findings include strong governance. And that is one of the things we put in place for accountability and spread that throughout not only the Great Plains area, but throughout IHS.

Ms. MCCOLLUM. Well, Mr. Chair, I have lots of other questions on third party payments and what happens if the Special Diabetes Program does not get authorized, but I will submit them for the record.

Thank you.

PATIENT WAIT TIMES

Mr. CALVERT. Thank you. Thank you, Ms. McCollum. Real quickly before I pass it over to Mr. Cole, does IHS track patient wait times like the Veterans Administration does?

Admiral BUCHANAN. We do track patient wait times at the local level, but we actually have an initiative as related to the Quality Framework. That is one of our patient experience priorities is wait time measurements.

Mr. CALVERT. How do they compare?

Admiral BUCHANAN. I would love to defer that question with your permission to Dr. Toedt.

Mr. CALVERT. How do they compare to the VA, Doctor?

Dr. TOEDT. Thank you for the question. So, the Indian Health Service, respectfully, we do not consider as one broad brush. You know, we have Federal, tribal, and urban clinics. We have hospitals. We have health centers. Urban programs sometimes do not directly see patients, but rather provide care coordination and different levels of access. So, we are not identical to the VA and cannot have a direct comparison.

However, we have been looking at examples from the public and private sector, including DOD and the VA, and we are approaching this to deliver metrics that make sense for our system. One of the ways we are doing that is through a patient experience survey. And we are asking our patients if they are able to get an appointment when they wanted it. We are also asking patients if they have, when they arrive their visit, do they have to wait long for their providers.

Mr. CALVERT. In the interest of time, will you get us a copy of that survey when it is completed, please?

Dr. TOEDT. Yes, sir.

Mr. CALVERT. Thank you.

[The information follows:]

IHS Pilot Patient Experience of Care Survey

Patient Experience of Care Survey

Form Approved
OMB Form No. 0917-0036
Expiration Date:

Thank you for voluntarily participating in the Indian Health Service's patient experience of care survey.

From your perspective as a patient, we ask you to answer questions that will help our quality improvement team understand how we can improve our service to you and others who come to our clinic.

The survey takes only a few minutes. Using the touch screen please select the answer that best describes your experience with the care you received today. We welcome your comments and suggestions of how we can provide better care.

Your name and personal information are protected and won't be connected with your answers.

Background: The survey was based on a survey from Southcentral Foundation, an Alaskan native-owned health care organization. Surveys will not be shared with other entities, including Southcentral.

OMB BURDEN STATEMENT

Public reporting burden for this collection of information is estimated to average 10 minutes per response including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Indian Health Service, Office of Management Services, Division of Regulatory Affairs, 5600 Fishers Lane, Mail Stop 09E70, Rockville, MD 20857, RE: OMB Control No. 0917-0036. Please DO NOT SEND this form to this address.

If you have questions or need assistance, just ask -- our staff is ready to help you.

1. An appointment was available when I needed it.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree
- Not Applicable

Please comment: _____

2. When I arrived for my visit, I did not have to wait too long to be seen by my provider.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree
- Not Applicable

Please comment: _____

3. The clinic staff were courteous.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree
- Not Applicable

Please comment _____

4. I have trust in the clinic staff.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree
- Not Applicable

Please comment: _____

5. The clinic was clean.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Please comment: _____

6. The provider listened carefully

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree
- Not Applicable

Please comment: _____

7. I received the right amount of attention and time from my provider.

- Strongly Agree
- Agree

- Neutral
- Disagree
- Strongly Disagree

Please comment:

8. I was provided with enough information to make decisions

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree
- Not Applicable
- Please comment:

9. I was given the chance to provide input into decisions about my care.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Please comment:

10. My culture and traditions were respected.

- Strongly Agree
- Agree
- Neutral
- Disagree

- Strongly Disagree

Please comment:

11. I would recommend my provider to family and friends.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Please comment:

12. Overall, I am satisfied with my visit.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Please comment:

13. My gender (optional)

- Male
- Female
- Other

14. I am a tribal member (optional)

- Yes
- No

Comments:

Mr. CALVERT. Mr. Cole.

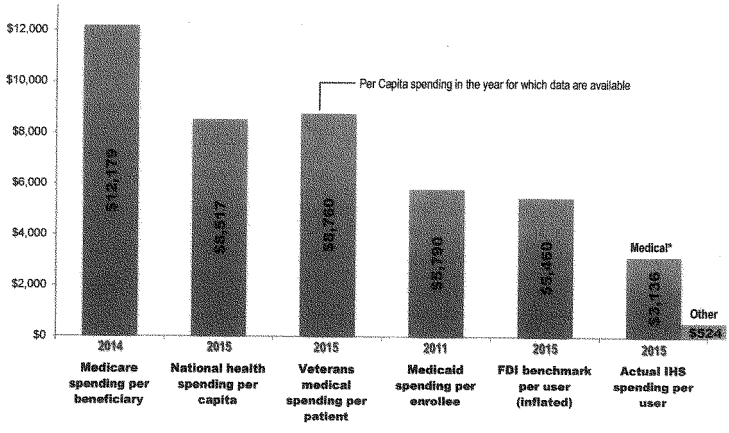
FY 2018 BUDGET REQUEST

Mr. COLE. Thank you very much, Mr. Chairman, and I want to thank witnesses for being here. I certainly do not have any doubt, Admiral, Captain, Ms. Church, about your commitments in this area at all, so any remarks I make are certainly not addressed to any of you. And, frankly, I do not have any doubt about our friend, Secretary Price, either. My friend, the chairman, and I actually visited with him.

I will submit this for the record. I think you already have it, though.

[The information follows:]

2015 IHS Expenditures Per Capita and Other Federal Health Care Expenditures Per Capita



*See page 2 notes on reverse for sources. *Payments by other sources for medical services provided to AIANs outside IHS is unknown.*

12/29/2015

Data Sources and Calculations – Health Care Expenditures Per Capita

1. **$12,179 - 2014 AVERAGE MEDICARE BENEFIT PER ENROLLEE:** Source – 2015 ANNUAL REPORT OF THE BOARDS OF TRUSTEES OF THE FEDERAL HOSPITAL INSURANCE AND FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUNDS; available at https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/ReportsTrustFunds/Downloads/TR2015.pdf in Table II.B1 Medicare Data for 2014, page 11.
2. **$8,517 - PROJECTED 2015 NATIONAL HEALTH CARE EXPENDITURES PER CAPITA:** Source – Table 5 Personal Health Care Expenditures; Aggregate and per Capita Amounts, Percent Distribution and Annual Percent Change by Source of Funds: Calendar Years 2014-2024; available at https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/Proj2014tables.zip
3. **$8,760 – 2015 CURRENT ESTIMATE OBLIGATIONS PER UNIQUE PATIENT:** Source – Volume II – Medical Programs and Information Technology Programs – Congressional Submission, available http://www.va.gov/budget/docs/summary/Fy2016-Volume-II-MedicalProgramsAndInformationTechnology.pdf (page VHA-23).
4. **$5,790 - 2011 MEDICAID SPENDING PER ENROLLEE:** Spending per enrollee calculations includes both state and federal payments to Medicaid. These figures represent the average (mean) level of payments across all Medicaid enrollees, including those receiving full or partial Medicaid benefits, during federal fiscal year 2011, based on date of payment. Available at http://kff.org/medicaid/state-indicator/medicaid-spending-per-enrollee/
5. **$5,460 – FDI BENCHMARK PER IHS USER (Interim Inflated to 2015) :** The ACA expands health care resources potentially available to AIANs. IHS' long standing methodology projecting per-capita resource needs has not yet incorporated these factors due to unavailable data. In the interim, the last benchmark was inflated to 2015 pending future methodological adjustments for ACA effects.
6. **$3,136 - 2014 IHS MEDICAL CARE EXPENDITURES PER USER*:** Source – IHS appropriations for 2015. Appropriations spent for personal health care services plus IHS collections from third parties are totaled and divided by 2015 user counts (1,613,450). IHS spends an additional $524 per person for *OTHER public health, community programs, sanitation and environmental projects, education, and other purposes unrelated to personal medical care. An unknown additional amount of spending occurs outside the IHS system when patients obtain a portion of their medical services elsewhere, e.g. payments by private insurance, Medicare and Medicaid to non-IHS providers for services to Indians who also use the IHS.

Mr. COLE. We showed him, you know, what our Federal expenditures per capita for Native Americans, Medicaid recipients, Medicare recipients, and veterans. And as you can imagine, I mean, spending on Native American health is at the absolute bottom, and not by a little bit, but by a lot. So, this is clearly a place, no matter how hard this committee has worked, and it has on a bipartisan basis over recent years. We have not been able to get anywhere near where we would like to be.

So, a $300 million cut really is not defensible or acceptable. And, you know, whether the Administration knows it or not, this budget reflects that it does not care very much about Indian healthcare.

So, I think part of the root of our problem here is twofold, and the chairman and I have had this discussion. One, because this is an old healthcare system, long pre-dating Medicare and Medicaid. I mean, most of our medical things are taken out of mandatory funding, and this committee, hard as it tries, has limited amounts of dollars. And so, you know, one of the things we need to look at long term is, frankly, getting out of the discretionary business and funding Native American healthcare the way everybody else's healthcare is funded.

And the second thing, if we cannot do that, and, again, the chairman and I have visited about this, this is not a very big pot of money for this committee. It is about $31 billion, if I recall, $30, $31 billion, and with a range of responsibilities.

At least over at Labor-H, we have got $160 plus billion, at least right now. And, you know, it would be a lot easier in something that large to honestly make the kind of significant strides that I think we need to make here.

So, I appreciate, and I really do because, again, you guys have devoted your life to this. And I admire the service, I really do, because I do not think we have given you anywhere near the resources to do the job at hand. If we are going to redo Indian facilities once every 400 years, that expresses a great deal of optimism about the future of the United States when we can see that far ahead. [Laughter.]

But, so I guess that is the silver lining in that statement.

We do have, too, as you know, tremendous variation. This committee through the CODEL a number of years ago. I know Mr. Simpson was on it, and my good friend, Ms. McCollum was on it, and we saw what was really a first world healthcare system that the Chickasaws have because they put a lot of their own money in it. And then we went to some of these facilities that later were listed in the Great Plains. We were at Rosebud, and we were at Pine Ridge.

And so, I mean, the care difference, you know, was just dramatic, and the difference was nothing wrong with the people in those two places. They just did not have anywhere near the resources they needed. And obviously, in the remote locations, it is very difficult to get personnel to come and stay there.

How you administer a system that diverse with that different a capability, frankly, at the tribal level is an interesting question. But the bottom line is the Chickasaws are doing a lot more because they can, but they should not have to. This is a treaty obligation.

I am not a lawyer, but when I look at numbers like this, if you could not take the United States government to court, which the Indians have done before on contract services, and win, I would not be surprised because we certainly have not kept up our end of the obligations here.

So, I do not really have any questions for you because I do not think they are fair to put you in that position. And I do admire, you know, all of you and your fellows, who I think, again, we have let you down. You have not let us down.

But the Administration needs to take sight of this, and they are now in the responsible quarter. And beginning this challenge by cutting the available resources, absolutely unacceptable. I mean, it will be over my dead body. I am not look for efficiencies here.

But we are going to do everything we can to try and reverse these numbers, or I will, and then I think beyond that, we are going to just have to find a better way. And I would invite the Administration in all seriousness to sit down and let us explore that better way, because I do not think this committee, no matter how hard it works with the amount of money it has, can ever get us to where we need to be.

So, we need to think of some sort of structural change that will put the appropriate amount of resources here. And, you know, forcing you guys to come here and either beg for nickels and dimes or defend what I think what are indefensible cuts I think is not the right way to go. There has got to be a better policy solution than we have stumbled onto here.

And fortunately, this committee has the leadership and the will on a bipartisan basis to try and think through those issues, and, you know, my commitment is to continue to work on this. But, again, the message I would deliver back to the folks at OMB, because I suppose who dreamed this up, is I would like some of you guys to come to Pine Ridge and to come to Rosebud, and go look at some of the conditions that American Indians are living in in places like that, and then tell me how you could defend this, and I do not think they can.

This is one of those cases where have got a bunch of number crunchers, and that is great. We all need number crunchers. No offense, Ms. Church. I did not mean that directed at you obviously. [Laughter.]

But, you know, they just do not have any connection with the real world, they really do not, or they would not present a budget like this. You do. You are our number cruncher, you know. [Laughter.]

But just, again, I apologize honestly that you were put in this situation that you had to come here and defend this because I know you would all want a more robust budget, and a budget that was adequate to the challenges that you legitimately have.

And this is a population that now lives 4 and a half years less than the average American, some places over 20 years less, Indian men, white men. I think, in Montana that is the number. Higher rates of disease than any other part of our population, you know, more challenged in every other way. And to think we are going to sit here and cut this is just, I mean, honestly, I very much hope Congress does not ever do anything like that.

I mean, we have got a bad enough record over the course of 240 years. This committee has done what it can under bipartisan leadership in the last few years to try and reverse that, which I am very proud of this committee and the members on both sides of the aisle, the chairmen we have had on both sides of the aisle, two of which are sitting right next to me now. And we can do better than this.

So, I admire your bravery for being here and your professionalism. I hold you all in very high esteem. But I can tell you, whoever came up with this budget I do not hold in high esteem, and will do everything I can to make sure it does not stand.

With that, I will yield back.

Mr. CALVERT. Thank you, Mr. Cole. I appreciate it.

Next, Ms. Pingree.

OPIOID EPIDEMIC

Ms. PINGREE. Thank you, Mr. Chair, and I know the chair has asked us to limit our questions, and I can submit most of mine for the record.

Frankly, I do not think I can improve on my colleagues here today on both sides of the aisle and their huge concerns about this budget, and the difficulties under which you have to operate. The idea that we would be making cuts to an already underserved population is really unthinkable.

The only thing I will highlight in the mix of things that just do not look good in here is no more resources to deal with the opioid epidemic. We already know how challenging that is in States throughout the country, and it is even more challenging in Indian Country. I know that the tribes in my State have told us of very long wait times. In the State of Maine, you have to go to North Carolina to get inpatient treatment. I mean, that is just impossible, and it is very hard to come back if you do get to inpatient and then reintegrate into your community and try to make sure that you can stay off of opioids.

I noticed in the budget justification here, which is just an unthinkable number, it says that there has been a 454 percent increase in drug-related deaths since they started counting in 1979. That is just an unfathomable number, and obviously we should be doing much more here.

I will submit my questions for the record and add that in as, you know, another important consideration, and echo everyone's appreciation for the work you do, and hope that we can change the numbers in this budget.

Thank you.

Mr. CALVERT. I thank the gentlelady. Mr. Simpson.

FY 2018 BUDGET REQUEST

Mr. SIMPSON. Thanks, Mr. Chairman. Since we just got the budget yesterday, I have not had a lot of time to go through the budget and the justification. I do not know whose book that is, but I want one because I want to sit down and be able to look at what the justifications for some of these things are.

And let me tell you, frankly, I could not have said it better than my good friend Mr. Cole, so I will not try. But the Administration's

budget is just in general terms disappointing, especially after all the work we have done on this committee over the last several years to try to make sure we address Indian health services, that we get them the care that they need.

And we have done it, frankly, at great expense for a lot of other programs within this budget. You know, the backlog maintenance that is growing in a lot of areas, we have said that is not as important as Indian healthcare, and a lot of the other programs. To see this Administration kind of retreat on that is obviously disappointing to us.

I am not one who believes that just throwing more money at something solves the problem. If you have got better ways of delivering services to our Native American brothers and sisters, I am all for that. But even if you could deliver the resources that we currently appropriate in the most efficient manner that could possibly be used, we are still way behind. Regardless of how we do it, we do need more resources.

And ultimately the President makes recommendations. That is his job. And it is our Constitutional responsibility to do the appropriations. And I am sure this committee will look at the overall budget and look through the justifications of what has been proposed, and will come up with a budget that continues to move us forward.

I feel confident in Chairman Calvert—it is all on his back——

[Laughter.]

Mr. SIMPSON [continuing]. That we will move forward in advancing, that which we have tried to do for some time. The other thing we have discovered over the years as we have looked at this, Indian Health Service was our highest priority because if you do not have your health, you do not have anything.

But there are so many other problems in Indian Country, whether it is Indian education, whether it is law enforcement in Indian Country, we have to address these issues. So, we were kind of hoping that we were moving ahead on Indian Health Service so that we could also concentrate on Indian education, which we did in the last budget.

We look forward to working with you. And, again, it is not a criticism of any of you, not even of the bean counters. I mean, I love you, and you do a great job. [Laughter.]

But we look forward to working with you to try to improve healthcare in Indian Country across this country. Thank you.

Mr. CALVERT. Thank you, Mr. Simpson. Mr. Kilmer.

BACKLOG IN SANITATION FACILITIES

Mr. KILMER. Thanks, Mr. Chair, and thanks for being with us. We sat through a couple of days of testimony with tribal leaders from around the Nation. One of the issues that came up a number of times was the significant backlog in sanitation facilities. I guess that is part of the reason I was surprised to see a proposed cut of 25 percent for construction of sanitation facilities. I think the Department has identified a backlog of 2,800 projects that would cost a total of $2.8 billion, primarily dealing with sewer systems and safe drinking water.

I have got one specific question, and I will submit it for the record. There is a sewer system in our district, located on the Ho Tribe's reservation, that was approved in 2013, and the Department only just now issued an RFP. I would like to get some understanding of what caused the delay and whether these proposed cuts would further delay something that is already very long overdue.

FY 2018 BUDGET REQUEST

Mr. KILMER. In general, do you feel like this budget actually makes progress on meeting those needs of a lot of tribes who have a lot of very significant needs when it comes to safe drinking water and sewage treatment?

Admiral BUCHANAN. The budget, again, really a tough, tough budget. We have consulted with the tribes. We understand their concerns for sure going forward. None of the cuts that were identified were easy to make, but you have my commitment to continue to move forward on the mission with the Indian Health Service.

Mr. KILMER. Thanks. In the interest of time, I will yield back, but I will submit additional questions about the Ho Tribe's project for the record. Thanks.

Admiral BUCHANAN. Thank you.

Mr. CALVERT. Thank you. Mr. Joyce.

Mr. JOYCE. Thank you, Mr. Chairman. I understand my question was already addressed by Ms. McCollum. But I will echo the sentiments of the chairman, Chairman Simpson, and Mr. Cole about the need for us to do better for you.

Thank you.

Mr. CALVERT. I thank the gentleman. I just want to make one final comment. This is the beginning of a process. We all respect all three of you. You are doing the best you can under these circumstances. We will do our best to make some changes in this budget proposal obviously and to improve the situation in Indian Country. That is our mandate, and that is our intent.

Ms. MCCOLLUM. Mr. Chair?

Mr. CALVERT. Yes, Ms. McCollum.

Ms. MCCOLLUM. Before you close this off, I want to say, the chairman and I asked some pretty tough questions, and as you said, it is a pretty tough budget. But we have to put them out publicly to send a signal to the White House of our displeasure. But I think Mr. Cole was right in saying our displeasure is not directed at the fine work that you do as Federal employees working for the Indian Health Services.

Thank you, Mr. Chair.

Mr. CALVERT. Thank you. This concludes our hearing on the fiscal year 2018 budget for Indian Health Service. Again, I want to thank you all for your testimony today and your efforts to lead the Indian Health Service during a time of great change and obviously even greater challenges.

This hearing is now adjourned. We will move right into our next hearing with the Government Accountability Office and a closer look at tribal programs under our jurisdiction that GAO has recently added to the biannual high-risk report.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
FY 2018 Budget Hearing: Indian Health Service
May 24, 2017

Questions for the Record – Acting Director of the Indian Health Service

Questions from Mr. Calvert:

GAO High Risk Report

Calvert Q1: Please start by taking a few moments to respond to the IHS having been recently added to the GAO High Risk List.

Answer: IHS acknowledges the circumstances and GAO findings regarding oversight of quality and patient wait times that resulted in placement on the GAO High Risk List. Both of these topics are receiving substantial attention and effort for improvement. IHS is expanding the Headquarters' focus on quality to include agency-wide coordinated improvement strategies to address findings from the two reports. Under Headquarters direction, working groups of the Quality Framework Steering Committee are making dramatic progress in setting agency standards for patient wait times (Primary Care and Emergency Department), standardizing the assessment of patient experience and generating local improvement projects, developing a quality dashboard representing accountability for quality and safety improvement activities, and implementing a credentialing software system to accelerate and enhance the health professional credentialing process while also creating portability of credentials.

Calvert Q2: Does IHS have concerns about any of the GAO recommendations?

Answer: The IHS appreciates GAO's partnership in raising issues and providing recommendations. IHS has always prioritized health care services to American Indian and Alaska Natives (AI/ANs) above all else. Access to care (reported as patient wait times) is a crucial component of health care delivery. IHS health care facilities devote significant resources and time to improving patient wait times through innovative methods while constrained by staffing deficits, an increasingly competitive recruitment environment, communications challenges for patients in remote locations with limited infrastructure, and patient transportation limitations. While patient wait times have not been uniformly reported to IHS Headquarters in the past, IHS Service Units have reported on patient wait times to their Area Offices and have participated in the IHS Improving Patient Care (IPC) program. Staff turnover and staffing deficits are the greatest challenges to improving wait times. For example, a primary care clinic designed to support 8,000 patients would require at least 4 health practitioners (empaneled with 2,000 patients each, which is high for a population with a high chronic disease prevalence), but would be hard pressed to meet this population's needs with only 2 practitioners (subsequent empanelment of 4,000 patients each), which is a common scenario in IHS facilities. We continue focusing on improving wait times, but the root causes related to staffing and recruitment under current operating parameters remain challenges for the agency.

Quality of care to our AI/AN patients is vitally important to optimize our effectiveness when patients access care. Despite the challenges stated above for wait times when and where possible, highly motivated individuals and teams find innovative ways to work on quality improvement activities in different care environments, to the extent they are able. These activities are reported to their Area Offices and also may be reported to the IPC program.

Calvert Q3: Please provide the subcommittee with a written status update on the implementation of every IHS-related recommendation in the GAO High Risk Report.

Answer: IHS takes GAO's recommendations very seriously. IHS plans to focus on making audit resolution a key priority in improving the management controls of the IHS, and to sustain those improvements. IHS will continue to work directly with your staff to provide status updates on this topic on an ongoing basis.

Current Services

The 2018 budget proposes no increases for pay costs, medical inflation, and population growth in an effort just to maintain current levels of service. Previous budgets have estimated current services costs to be upwards of $200 million.

Calvert Q4: What is the estimated increase necessary to maintain current services in fiscal year 2018?

Answer: Approximately $200 million would cover the costs of medical and non-medical inflation, pay, and population growth.

Construction Backlog

The 2016 Facilities' Needs Assessment Report to Congress states that, "At the existing replacement rate, a new 2016 facility would not be replaced for 400 years."

Calvert Q5: Please explain.

Answer: There are 14 million square feet of existing healthcare delivery space. The report assumes: 30 percent of Health Care Facilities Construction (HCFC) appropriations would be used for replacing facilities and 70 percent for constructing new space; appropriations would be adjusted for inflation; the HCFC appropriations in FY 2016 was $85 million. The estimated 2016 healthcare facility replacement cost was $770 per square foot based upon the IHS Facilities Budget Estimating System (FBES) which is built upon construction industry standards for healthcare. Consequently, 14 million ft^2/[($85 million/year)(.3)/$770/ft^2] = 422 years.

Calvert Q6: How does the 2018 budget begin to deal with this problem?

Answer: The FY 2018 Budget prioritizes funding for direct health care services, but includes $100 million to continue progress on the Health Care Facilities Construction priority list. The

Budget includes funds for the Alamo Health Center in New Mexico, the Rapid City Health Center in South Dakota, and the Dilkon Alternative Rural Health Center in Arizona.

Calvert Q7: What is the estimated funding level necessary to start driving this replacement age downward?

Answer: The number of years depends on the funding amount appropriated. The current estimate to complete funding of all the facilities on the priority list is $2.552 billion. The following helps to put the needed appropriations in perspective:

Annual Appropriations Amount	Years to Complete Funding
$100M	25.5
$200M	12.8
$250M	10.2
$300M	8.5
$350M	7.2
$400M	6.4

Calvert Q8: What is the nationwide average replacement age of hospitals and clinics?

Answer: The average age of U.S. hospitals is about 11 years old compared to IHS hospitals which average 40 years of age. We do not have a reliable average age for U.S. clinics. Over half of the IHS clinics are greater than 30 years old.

Calvert Q9: How old is the construction list and how many facilities are on it?

Answer: The current priority list is 24 years old and began with 27 facilities. There are 12 facilities remaining on the list. Four facilities have received funding to begin the design or construction and eight are pending funds.

Calvert Q10: What is the estimated cost to finish the list?

Answer: The current estimated cost to complete all facilities on the priority list is $2.552 billion.

Calvert Q11: Once the list is finished, how will IHS prioritize facilities for the next list?

Answer: In 2007, a new methodology was developed at the direction of Congress. The new methodology, which was vetted through tribal consultation, is expected to be implemented when the last few healthcare facilities on the current list are funded. Congress 'grandfathered' the existing facilities to be funded and then commence the new priority system. The new priority system will run more frequently by maintaining a list that would expect to be funded in 3-5 years.

Calvert Q12: In determining priorities for construction, does IHS take into account location and size of the user population, and proximity to other facilities both inside and outside the IHS system—including public and private hospitals?

Answer: Yes, this is standard practice for IHS. The IHS does take into account location, user population, and proximity to other health care facilities (both IHS and non-IHS). Proximity to other healthcare facilities, such as hospitals, generally limits the IHS healthcare facility to an ambulatory clinic.

Maintenance Backlog

The 2018 budget proposes a $15 million decrease in the maintenance budget. For the past two years we've provided sufficient maintenance funding to start driving the backlog downward again.

Calvert Q13: What is the estimated size of the maintenance backlog?

Answer: The backlog of essential maintenance, alteration, and repair of Federal and Tribal healthcare facilities is over $515 million.

Calvert Q14: Will the maintenance backlog go up or down at the requested funding level for 2018?

Answer: Based on the funding level, and in some cases augmented with collections to address the greatest program needs, the backlog of essential maintenance, alteration, and repair is estimated to increase by 3-5 percent.

Calvert Q15: What is the estimated funding level necessary to keep driving the backlog downward?

Answer: The estimated amount necessary to continue progress in addressing the backlog of essential maintenance, alteration, and repair of Federal and Tribal healthcare facilities is $100 to $200 million.

Patient Wait Times

Calvert Q16: Does IHS track patient wait times like the Veterans Administration does? If not, why not, and, if so, how do the wait times compare?

Answer: IHS monitors patient wait times for primary care appointments at the Service Unit level with reporting to the respective Area Office. This allows and empowers the Service Unit to act on wait times data locally, deciding on appropriate improvement activities for their facility that will be supportable and sustainable within their local constraints. There are many complex contributing factors to wait times within the IHS. In late April, a day-long driver diagram (performance improvement process) session was held to identify primary and secondary contributing factors that must be addressed to solve this complex issue. Some contributing

factors were staff availability, operating hours, and insufficient exam room space in facilities constructed decades ago. Demand has overwhelmed supply as facilities have not grown over time to keep pace with expanding population, especially the population of patients with complex chronic diseases. In addition, the driver diagram defined patient and family-level primary and secondary drivers, such as transportation to the health center and work schedules, which can and do affect appointment preference, which at times can imply an appointment delay when in fact the delay is patient generated. The driver diagram discussions continued through May and resulted in a draft policy including standards. The policy will be finalized by the end of July 2017.

When the Patient Wait Times Workgroup (PWTW) conducted research in December 2016 and January 2017 on what Service Units and facilities in the 12 Areas (including those that participated in the Improving Patient Care (IPC) program) were doing to improve wait times, which included actions, activities and programs (i.e., facilities provided details on what they were doing, when they started their programs, described the outcomes, effectiveness, and barriers) it was evident that many facilities have been working on improving appointment wait times and office visit cycle-times. The PWTW realized that if we were to set Agency-wide operational standards it could negatively impact facilities that had policies, procedures and operations that were working. The PWTW is now working with the IPC program to provide a change package to assist facilities as they make plans to achieve the national standards.

Great Plains

The 2017 budget includes $29 million to prop up facilities having lost or are about to lose their accreditation—most of which are in the Great Plains Area.

Calvert Q17: Does the 2018 budget propose to continue this funding at $29 million, and, if not, what will happen to these facilities?

Answer: The FY 2018 Budget proposes $2 million for accreditation emergencies, the same level as FY 2016 Enacted. The IHS will continue to monitor and prioritize funding needs, including those for Great Plains Area hospitals, to ensure resources are used in the most effective manner for providing access to quality health care.

Calvert Q18: The GAO has criticized IHS Headquarters for not sufficiently overseeing the quality of care at facilities within the IHS system. Does IHS agree, and, if so, what steps are being taken at headquarters to strengthen oversight?

Answer: The IHS appreciates GAO's input and have taken actions to respond to their recommendations in this area. The IHS has designated an Acting Deputy Director for Quality Health Care to provide national leadership and guidance for quality assurance, quality improvement, and patient safety activities across the agency. A quality performance accountability dashboard for use at the enterprise, Area, and facility levels, is nearing completion by a working group of the Quality Framework Steering Committee to aid in monitoring of quality assurance and quality improvement performance. Launch of the dashboard is expected in summer 2017.

Questions from Mr. Simpson:

Centralized Credentialing

Access to oral health care is an ongoing problem in Indian Country. Getting an appointment to see an IHS dentist can take months. I know that the American Dental Association has worked to get volunteer dentists to Indian country to help. However, the credentialing process is onerous and discourages volunteers. Congress has urged the IHS to make the temporary credentialing process faster and easier.

Simpson Q1: What needs to occur to accomplish that and what can this Committee do to help?

Answer: IHS recently procured an electronic credentialing software system for use across IHS Direct Service healthcare facilities for credentialing, privileging, and performance evaluations of IHS practitioners. This system will standardize and streamline the credentialing and privileging process while also improving quality, reliability, and portability across IHS. This system will also allow electronic submissions and verifications that are expected to accelerate the process, resulting in more rapid onboarding of practitioners, including volunteers. Credentialing services using the new system will continue to be performed at Service Units and/or Area Offices to align with CMS Conditions of Participation and external accreditation standards for governance of hospitals and ambulatory care facilities. Credentialing and privileging practitioners is vital to assuring their qualifications before providing patient care, even if providing services for a limited duration.

Recruitment and Retention

Loan repayment has proven to be the best recruitment tool that the IHS has for hiring dentists, nurses and physicians. There is currently an 18% vacancy rate for dentists.

Simpson Q2: Considering this need and the proven track record of loan repayment, why is the Administration proposing cutting the loan repayment program by $5M for 2018?

Answer: The loan repayment program is an effective recruitment and retention tool. In order to prioritize direct health care services, the loan repayment program will scale back on new awards and primarily focus on continuation of existing awards.

Simpson Q3: The President's budget states that the proposed IHS funding 2018 level for loan repayment "will maintain funding for current scholarship and loan payments." Does that cut off funding for new hires?

Answer: No, this does not cut off funding for new hires. IHS will continue recruiting clinicians and maximize alternative funding options for new hires such as the National Health Service Corps Loan Repayment and Scholarship program.

Simpson Q4: The Committee last year directed the Service to restore $800,000 to the Direct Operations account to hire dentists in top IHS positions. Has that transfer been completed?

Answer: The transfer of $800,000 from Dental Health to Direct Operations for dental positions in Headquarters is being completed as part of the FY 2017 enacted budget.

Special Diabetes Program

Simpson Q5: What are the Administration's plans for the Special Diabetes Program in the fiscal year 2018 budget request and what would the Administration like to see in the reauthorization of the program?

Answer: The President's FY 2018 Budget proposes $150 million for the Special Diabetes Program for Indians, the same level as FY 2016 Enacted. The IHS looks forward to working with Congress to further the work of this important program.

Questions from Ms. McCollum:

Overview of the Indian Health Service

Admiral Buchanan, the mission of the Indian Health Service is to partner with American Indians and Alaska Natives to raise the physical, mental, social and spiritual health to the highest level. The statistics on lower life expectancy, prevalence for diabetes, obesity and other chronic illnesses in the American Indian and Alaska Native population are sobering.

McCollum Q1: As Acting Director of the Indian Health Service, what impact will the $300 million budget cut have on meeting the health care needs of American Indians and Alaska Natives? In other words, what work will IHS have to forgo because of the cut?

Answer: The Budget reflects the Administration's high priority commitment to Indian Country, protecting direct health care investments and reducing IHS's overall program level by only 0.9 percent when compared to the Annualized Continuing Resolution, in the context of an 18 percent reduction within the overall HHS discretionary budget. Therefore, difficult decisions at the Department and across the federal government were required to ensure fiscal responsibility and long-term sustainability. The IHS remains dedicated to the mission and will continue to prioritize funding for direct health care services.

McCollum Q2: How are you working with other agencies to provide a comprehensive approach for wellness and reduce risk factors associated with developing obesity, diabetes, and chronic illnesses? And, can you describe your approach to ensuring adequate education, housing, nutrition, and health services?

Answer: The IHS Health Promotion/Disease Prevention (HP/DP) program implements prevention activities to address nutrition issues, physical inactivity, commercial tobacco use and exposure, and local health priorities, which include obesity and heart disease. To support this effort, the IHS HP/DP program works with federal and non-federal agencies to build on community assets and strengths. IHS partners with other agencies by participating in committees/workgroups, such as:

- The HHS Healthy Weight, Nutrition and Physical Activity Work Group to address health promotion and disease prevention approaches in improving the health of the Nation, including AI/AN communities.
- The CDC Interagency Committee on Smoking and Health and the HHS Tobacco Cessation Workgroup to support smoking cessation efforts among AI/AN people.
- The Healthy People 2020 Federal Interagency Workgroup
- The Just Move It and Move for Wellness campaign to encourage people of all ages to engage in physical activity.

Nutrition professionals working in IHS, along with Tribal and Urban partners, promote healthful eating approaches through medical nutrition therapy and nutrition education in clinic, hospital, and community settings. Quality nutrition care is individualized and focuses on cultural food preferences, assessing access to nutritious foods, and connecting people to available food resources when needed.

McCollum Q3: Will the requested level of funding allow you to continue to provide grants for innovative programs like Together Raising Awareness for Indian Life (TRAIL) program, which utilizes Native Boys and Girls Clubs to promote healthy lifestyles, obesity prevention, and self-esteem?

Answer: TRAIL funding currently enables 63 Native Boys and Girls Clubs to provide this innovative obesity prevention program. More than 154,000 American Indian and Alaska Native youth have participated in the program since 2003. The FY 2018 Budget includes $1.25 million for the TRAIL program.

Great Plains Crisis

This Subcommittee has been monitoring the challenges to keep the Omaha/Winnebago, Rosebud, and Pine Ridge hospitals in the Great Plains Area operating and certified by the Centers for Medicare and Medicaid Services (CMS).

McCollum Q4: Having served as the Acting Director of the Great Plains Area, you have an informed perspective on these challenges. Can you outline the current challenges at each of these hospitals and share your thoughts on what is impeding their resolution?

Answer: The IHS is deeply committed to quality health care for American Indians and Alaska Natives, and we take the issues occurring in the Great Plains Area very seriously. The biggest challenge for these facilities is recruiting and retaining health care professionals and leadership in remote and isolated locations. IHS is maximizing the use of available recruitment and retention tools such as: a global recruitment effort that focuses on critical health care positions and improves efficiency through a single vacancy announcement for a position title open at multiple IHS facilities; priority access to expedited commissioning of new Commissioned Corps officers through a partnership with the Office of the Surgeon General; and other available incentives including loan repayment, recruitment/retention/relocation incentive pays, flexible schedules, and Title 38 authorities for competitive salaries. Unfortunately, these locations lack housing, schools, shopping, and other conveniences that might help attract employees and their families. While IHS cannot change these socio-economic factors, a pilot initiative is under consideration that would develop a pool of staff that are based in a larger metropolitan area and then institute rotations to the remote sites.

IHS is also focusing on efforts to strengthen leadership and federal oversight in these facilities. Expertise from across the IHS and HHS are rotating through positions to cover critical vacancies and mentor existing staff. Leadership development and succession planning have been also strengthened as the agency intensifies efforts for consistent federal oversight, including oversight of health care contractors necessary in each of these facilities to ensure continuity of care. Improvements to the governing boards for these facilities—such as implementation of agency-wide standards for board membership, meeting frequency, and agenda topics—have also played a significant role in strengthening leadership, accountability, quality, and communication.

IHS is committed to maximizing resources and working in partnership with Tribes, HHS, and sister agencies such as CMS to resolve the serious issues at these facilities. In particular, IHS is continuing to enhance open lines of communication with Tribes to strengthen collaborative efforts and ensure a coordinated approach that best meets the needs of those we serve.

McCollum Q5: Do you feel that the current accountability method employed by IHS is working? Why wouldn't it be better to have headquarters develop agency-wide standards and perform regular oversight?

Answer: IHS recognizes and agrees with GAO and OIG findings concerning oversight and accountability. IHS also recognizes the need to provide consistent federal oversight and management control standards in place with the need to be responsive to the diverse populations served. Governance is most responsive when it involves the community served. IHS is working on a host of accountability measures and agency-wide standards to drive accountability, consistency, and improve the quality of care as integral components of Headquarters oversight. A system-wide dashboard of performance accountability metrics, for use at the enterprise (including Headquarters), Area, and facility levels, is nearing completion by this workgroup. Launch of the dashboard is expected in summer 2017. This dashboard will be reviewed regularly to assess performance against agency standards.

McCollum Q6: Within the past year, CMS has included IHS in the Hospital Improvement and Innovation Networks. Has this resulted in any improvement in reducing adverse events or hospital readmissions?

Answer: IHS hospitals have participated in the Premier Inc. Hospital Engagement Network 2.0 and Hospital Improvement and Innovation Network over the past year. As a result, hospital staff are participating in topic-specific collaboratives and receiving monthly webinars on related topics, in addition to receiving coaching on quality improvement methods. Data for 2016 shows that IHS hospitals decreased their readmission rates below the CMS goal. Early 2017 data shows no reportable hospital complications occurring among those hospitals reporting.

McCollum Q7: What benefits do you anticipate from the one-year contract IHS awarded to the Joint Commission for accreditation, technical assistance and training to strengthen Great Plains quality and patient safety?

Answer: The one-year Joint Commission contract for technical assistance and training has yielded significant improvements at Rapid City, Pine Ridge, Rosebud, and Omaha-Winnebago hospitals in the areas of quality assurance, patient rights, grievance processes, environment of care, life safety, performance evaluation, and infection control. Staff at all of these hospitals have experienced significant turnover in many of these critical areas which has resulted in slowing of progress until new permanent hires are in place. Our aging facilities have received much needed attention and improvements resulting from Joint Commission's gap analyses and technical assistance with remediation and resolution. Customized training has been provided on Emergency Medical Treatment and Labor Act (EMTALA) and Quality Assurance/Performance Improvement (QAPI). Access to online support resources for CMS Conditions of Participation compliance has also been provided to all of the hospitals. Joint Commission Resources has

become a valued partner in raising the level of quality and safety at the IHS Great Plains Area hospitals.

Quality Framework and Office of Quality Health Care

IHS developed a Quality Framework to improve patient experience and outcomes, strengthen organizational capacity, and ensure delivery of reliably, high quality health care. There is also a plan to establish an Office of Quality Health Care at headquarters to develop national policy and oversight of critical quality improvement strategies and ensure their success and accountability.

McCollum Q8: What is the status of the implementation of the Quality Framework?

Answer: The IHS 2016-2017 Quality Framework[1] was developed in the first half of 2016, underwent Tribal Consultation, and then was published in November 2016. Work Groups have been established for specific topics: Patient Wait Times, Patient Experience of Care, Performance Accountability Metrics, and Credentialing (software acquisition and policy update). Additional activities have included standardized guidance on governing body processes, a staffing proposal and functional statement for an Office of Quality, assessment of adverse event reporting system replacement versus upgrade, Service Unit and Area Office training on the Just Culture model, quarterly quality webinars, monthly networking webinars of all quality managers, and creation of a Listserv for all quality managers. Substantial progress is being made on implementation of the Quality Framework.

McCollum Q9: Has the Office of Quality Health Care been established and staffed? If not, when do you anticipate this happening? Has the hiring freeze impacted this initiative?

Answer: The IHS is reviewing the establishment of a proposed new Office of Quality Health Care within IHS Headquarters to ensure it will be effective in improving oversight and address the efficiencies needed for agency reform. The proposed office is still under review and is not impacted by the prior hiring freeze.

Purchased Referred Care Allocation Methodology

In its February 2017 report, GAO states that the allocation methodology IHS is using to distribute Purchased/Referred Care (PRC) funding is not equitable.

McCollum Q10: What is the origin of this methodology and can you discuss any steps you are taking to improve it?

Answer: The PRC program receives base funds that recur annually to maintain and sustain baseline services. When program expansion funds are appropriated by Congress above the base funding level for PRC, a PRC allocation formula is triggered that is intended to reflect the health care needs of American Indian and Alaska Native populations that are eligible for PRC and not exclusively the sub-set of PRC eligible persons for which referrals were actually approved and

[1] https://www.ihs.gov/newsroom/includes/themes/newihstheme/display_objects/documents/IHS_2016-2017_QualityFramework.PDF

paid during a given period of time. This allocation methodology was developed in 2001 through extensive Tribal consultation.

The IHS Director's Workgroup on Improving PRC includes Federal and Tribal members and is charged with addressing critical PRC issues to improve the program. The Workgroup meets at least annually and makes recommendations to the IHS Director on the PRC allocation formula. In 2015, the PRC Workgroup reinforced their recommendation to keep the existing formula unchanged. The Workgroup will continue to re-evaluate the formula and any future changes will undergo tribal consultation.

McCollum Q11: We heard testimony last week requesting a review of the PRC distribution formula to address location as well as readjusting the Tier system. Does IHS have any plans in FY 2018 to review these factors?

Answer: We take concerns about the PRC formula seriously and are discussing this issue with Tribes.

McCollum Q12: There is already more demand for Purchased/Referred Care funding than resources to accommodate. What analysis have you done on the impact of reducing these funds by $15 million in FY 2018?

Answer: The FY 2018 President's Budget requests $914 million for the Purchased/Referred Care program, which is the same level as FY 2016 Enacted and $15 million below FY 2017 Enacted. A $15 million reduction to the PRC program would decrease the amount of purchased services by approximately: 600 inpatient admissions; 12,100 outpatient visits; and 740 patient transportations.

Third Party Payments and Medicare Coverage

McCollum Q13: What information has IHS collected on how many more Native Americans and Alaska Natives have obtained expanded or new coverage under the Patient Protection and Affordable Care Act? Will you submit that information to the Committee?

Answer: Regarding your question about AI/AN enrollment numbers through the health insurance marketplace, the Office of the Assistant Secretary for Planning and Evaluation, in its Issue Brief titled, "Health Insurance Marketplaces 2016 Open Enrollment Period: Final Enrollment Report,"[2] indicated that between the time period from November 1, 2015 – February 1, 2016, i.e., Marketplace Open Enrollment; 29,211 Self-Reported American Indians and Alaska Natives used the HealthCare.gov platform.

The IHS does not have detailed information on Marketplace enrollment as all private insurance coverage is entered in the patient database as "private insurance."

[2] https://aspe.hhs.gov/pdf-report/health-insurance-marketplaces-2016-open-enrollment-period-final-enrollment-report

For the number of patients who registered for health insurance (Medicare, Medicaid, and private insurance), please see the table below titled, "IHS User Population in FY 2016." These individuals would have enrolled or re-enrolled in order to have insurance coverage in FY 2016. Individuals may have multiple sources of coverage. However, the number in each category should be unduplicated. Reflected in the rightmost column is the percent change in coverage between FY 2012 and FY 2016.

IHS User Population with Third Party Health Insurance Coverage[1]				
	FY 2012	FY 2016	Increase/ Decrease	% Change
Medicaid Only	463,739	491,679	+27,940	+6.02%
Medicaid with other form(s) of Insurance Coverage	158,200	186,132	+27,932	+17.6%
Medicare Part A Only	6,921	7,443	+522	+7.5%
Medicare Part A with other form(s) of Insurance Coverage	14,514	10,187	-4,327	-30%
Medicare Part B Only	600	517	-83	-13.8%
Medicare Part B with other form(s) of Insurance Coverage	4,629	4,130	-499	-10.8%
Medicare Parts A and B Only	38,109	38,470	+361	+1%
Medicare Parts A and B with other form(s) of Insurance Coverage	72,493	81,241	+8,748	+12%
Private Insurance Only	372,703	373,319	+616	+0.1%
Total Number of Individuals with Health Insurance Coverage	**1,131,908**	**1,193,118**	**+61,210**	**+5%**
Total Number of Individuals with No Health Insurance Coverage	**482,913**	**429,152**	**-53,761**	**-11%**

[1] This information does not separate out individuals with VA Health Benefits Coverage only or in combination with other forms of coverage.

McCollum Q14: How has the increased ACA enrollment affected revenue streams that IHS facilities rely on?

Answer: The IHS saw a 21% increase in total Medicaid reimbursements from FY 2012 to FY 2016 (approximately $666.7M to $807.6M, respectively). The IHS saw a 28% increase in total reimbursements from private insurers, including Marketplace plans, from FY 2012 to FY 2016 (approximately $85.4M to $109.3M, respectively). The IHS saw an 81% increase in

total reimbursements from Veterans Affairs from FY 2013 to FY 2016 (approximately $341,000 to $28M, respectively).

Third Party Collections (Medicare, Medicaid, Private Insurance, and VA)

Third Party Collections (Dollars in Thousands)						Difference between FY 2012and FY 2016	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Amount	Percentage
Medicare	$201,973	$215,647	$225,165	$247,692	$248,638	+$46,665	+23%
Medicaid	$666,709	$719,792	$737,744	$791,201	$807,605	+$140,896	+21%
Total Medicare & Medicaid	**$868,682**	**$935,439**	**$962,909**	**$1,038,893**	**$1,056,243**	**+$187,561**	**+22%**
Private Insurance	$85,370	$85,303	$90,246	$104,272	$109,272	+$23,902	+28%
VA Reimbursements		**$341**	**$6,622**	**$7,530**	**$28,062**	**+$28,062**	**+81%**
Total Third Party Collections	**$954,052**	**$1,021,083**	**$1,059,777**	**$1,150,695**	**$1,193,577**	**+$239,525**	**+25%**

Special Diabetes Program for Indians

According to the January 2017 Center for Disease Control and Prevention (CDC) Vital Signs report, new cases of diabetes-related kidney failure have decreased dramatically (54 percent) among American Indian/Alaska Native adults. However, there is more work to be done on decreasing the prevalence of type-2 diabetes in youth.

McCollum Q15: The authorization for the Special Diabetes Program for Indians expires on September 30, 2017. With 330 diabetes education, treatment, and prevention programs in 35 states, what are you hearing from the authorizing committees about reauthorizing this program?

Answer: The Special Diabetes Program for Indians (SDPI) is one of the highest priorities for IHS. IHS appreciates that Congress has recognized the success of the program and has supported SDPI since its inception in 1997. The FY 2018 President's Budget requests $150 million for SDPI. The IHS looks forward to working with Congress to further the work of this important program.

Urban Indian Health Program

According to the latest census data, seven out of ten American Indians and Alaska Natives live in urban centers. Many of these individuals are, or descendants of, individuals encouraged by the Federal government to move to urban centers during the termination and relocation era of the 1950s and 1960s, and are thus entitled to receive vital culturally appropriate health services from Indian organizations, just as they would receive services from IHS-run and tribally-run facilities if they lived on or near a reservation. Despite the large number of eligible urban patients, the

budget for the Urban Indian Health program has historically been approximately 1% of the IHS budget, and the FY 2018 Budget request includes a $3 million (6%) reduction.

McCollum Q16: Has funding for the Urban Indian Health program kept pace with health care inflation over the last ten years?

Answer: The Urban Indian Health budget has received increases for inflation in four out of the last ten years. Receipt of inflation increases in these four years allowed urban Indian organizations (UIOs) to keep better pace with the rising costs of providing care in maintaining their ability to fund services.

McCollum Q17: Knowing the challenges in providing adequate health care in urban areas, how does IHS justify requesting a reduction in funding for the Urban Indian Health program when demand already outpaces need?

Answer: The Budget reflects the Administration's high priority commitment to Indian Country, protecting direct health care investments. While this budget required hard choices, the IHS remains committed to providing quality health care to American Indians and Alaska Natives.

McCollum Q18: Indian health services are provided through facilities managed by IHS, by Tribes and Tribal organizations under the authorities of the Indian Self-Determination and Education Assistance Act (ISDEAA), and through contracts and grants awarded to urban Indian organizations authorized by the Indian Health Care Improvement Act. Is their parity for all these facilities in the application of malpractice coverage by the Federal Torts Claim Act? If not, why is there a disparity? Would authorizing language be necessary to remedy any problem?

Answer: Because of the lack of statutory authority, urban Indian organizations (UIOs) do not enjoy malpractice coverage under the FTCA and thus there is no parity. FTCA coverage is extended to Tribes and Tribal Organizations carrying out agreements under the ISDEAA, per a provision of that statute. 25 U.S.C. §§ 5321(d), 5396(a). IHS awards contracts and grants to UIOs under the IHCIA, 25 U.S.C. §§ 1651-1660h, which provides no authority to extend FTCA coverage to UIOs. Instead, UIOs must use resources that could be utilized for services to urban Indian patients to purchase malpractice insurance whith those resources. Authorizing language would be necessary to extend FTCA coverage to UIOs and to mandate that all medical malpractice claims and judgments would be paid from the Department of Treasury's Judgement Fund. The expansion of FTCA coverage would be limited to services provided to urban Indians who are eligible for services under the IHCIA and would not cover services to other individuals, which would need to be covered by malpractice insurance maintained by the UIO.

Memorandum of Understanding with the Department of Veterans Affairs

In October 2010, the Indian Health Service entered into a memorandum of understanding (MOU) with the Department of Veterans Affairs (DVA) regarding reimbursement for direct health care services. This MOU outlined a plan for enhanced coordination, collaboration, and resource-sharing and was to facilitate greater innovation at the local level between IHS, tribal, urban, and VA programs. In January 2017, this agreement was extended until June 30, 2019.

McCollum Q19: Has this MOU been implemented with respect to Urban Indian Health Programs?

Answer: The IHS-VA Reimbursement Agreement does not address reimbursement to urban Indian organizations.

McCollum Q20: Are Urban Indian Health Programs being reimbursed by the DVA to the extent to which IHS and tribal facilities are being reimbursed?

Answer: No, without a reimbursement agreement this is not possible. Urban Indian organizations (UIOs) are not eligible to be reimbursed by the VA under the Indian Health Care Improvement Act (IHCIA), because they are not mentioned in Section 405(c) of the IHCIA. However, UIOs may still be eligible to be reimbursed by VA under the VA Choice Act.

McCollum Q21: What needs to be done to ensure the MOU is fully implemented?

Answer: With respect to Urban Indian health programs, the IHS-VA Reimbursement Agreement does not address reimbursement to urban Indian organizations. Therefore, a model VA-Urban Indian Organization (UIO) Reimbursement Agreement could be drafted based on existing VA or IHS authority, such as the VA Choice Act, followed by conferrance with UIOs under the IHS Urban Confer Policy and VA-UIO negotiations, leading to the establishment of reimbursement agreements. Another option may be to amend Section 405(c) of the IHCIA to specifically authorize VA to reimburse UIOs, bringing them parity with IHS and Tribal governments.

Questions from Mr. Kilmer:

Funding for construction of sanitation facilities

IHS estimates there is a backlog of more than 2,800 identified sanitation facilities construction projects across Indian Country and that it will cost around $2.8 billion to provide all American Indians and Alaska Natives (AI/AN) with safe drinking water and adequate sewerage systems in their homes.

Kilmer Q1: The budget proposal cuts funding for sanitation facilities construction by 25%. How will this reduction impact the ability of IHS to begin meaningfully addressing this backlog?

Answer: The proposed FY 2018 Budget will address approximately 2.5 percent of the total need identified.

Kilmer Q2: In 2013, the IHS approved a new sewer system to the lower village in 2013, and has just issued an RFP on the project (https://www.fbo.gov/spg/HHS/IHS/IHS-Seattle/17-102-SOL-00009/listing.html). Why has it taken so long to get to the contracting stage, and what is the anticipated timeline for project completion?

Answer: Projects listed in the IHS Sanitation Deficiency System identify the deficiency and the cost to correct that deficiency. Once funded, staff generate the project documents, which include a Project Summary and Memorandum Of Agreement with the Tribe. After the project documents are signed, an engineer is assigned and begins the project development, which includes: engineering design, soil testing, surveying, preparing plans and specifications, and other construction contract documents. This project is being managed from the Port Angeles Field Office which is staffed by one engineer who is handling a significant workload and must prioritize projects and emergency situations. When such emergencies arise IHS must reschedule work in the best interests of public safety. Bids for the project were due by June 9, 2017. Contingent on successful bids, weather conditions, etc., the project construction is estimated to take approximately 6 months, and completion is anticipated by the end of the year.

Kilmer Q3: The Hoh lower village sewer project does not address the need for sewer access at the Tribe's new upland parcel or the need for potable water to the new parcel. How does IHS plan to address these outstanding needs?

Answer: The Hoh Tribe, like some other Northwest Coastal Tribes, is planning to move communities close to the shoreline further inland due to concerns about Tsunami inundation and in general rising ocean water elevations and flooding. The Hoh Tribe's project addressing these concerns revolves around the Hoh Indian Tribe Safe Homelands Act. The project is in the planning stage and IHS has been in contact with the Tribe as the project has developed. IHS keeps in regular contact with the Tribe on such community developments and is prepared to assist in the provision of sanitation facilities to non-HUD residential homes.

IHS Budget Formulary

The Committee understand that the IHS budget formulary is calculated based on an incomplete AI/AN population number which is further compounding the underfunding of IHS and is disproportionately impacting some portions of the AI/AN population.

Kilmer Q4: Why isn't the IHS using a complete data for the entire AI/AN population in the US?

Answer: The IHS uses AI/AN population estimates based on the user population and service population (see definitions below). IHS does not have data on individuals that do not access IHS, Tribal, and Urban Indian program facilities or for AI/ANs that are potentially ineligible for IHS services.

The *IHS user population* is defined as the number of Indian registrants by county or IHS service unit, residing within a service delivery area with at least one face-to-face, direct or contract, inpatient stay, ambulatory care visit, or dental visit during the prior three fiscal years. The service delivery area is called a "Purchased Referred Care Delivery Area," and only users who live inside one can be counted as a user. This definition was arrived at following Tribal consultation as approved by the "Tribal and Indian Health Service User Population Work Group II" as reflected in its final report issued January 15, 1988. IHS releases the user population tables annually.

The *IHS service population* is based on the 2000 census bridged-race file and consists of AI/ANs identified to be eligible for IHS services by county or IHS service unit. Those AI/ANs eligible are estimated by counting AI/AN who reside in geographic areas in which IHS has responsibilities ("on or near" reservations) and is comprised of approximately 58 percent of all AI/AN residing in the U.S. These Indian people may or may not use IHS health services. A new service population based on the 2010 census bridged-race file is expected in 2017.

The AI/AN census population produced by the Census bureau is fundamentally different than the IHS service population and is based on self-identification or self-reporting of race by an individual on the census questionnaire. The 2000 census allowed individuals to identify or report more than one race.

WEDNESDAY, MAY 24, 2017.

OVERSIGHT HEARING—HIGH RISK AMERICAN INDIAN AND ALASKA NATIVE PROGRAMS (EDUCATION, HEALTHCARE, ENERGY)

WITNESSES

MELISSA EMREY-ARRAS, DIRECTOR, EDUCATION, WORKFORCE, AND INCOME SECURITY TEAM, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

KATHLEEN KING, DIRECTOR, HEALTH CARE TEAM, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

FRANK RUSCO, DIRECTOR, NATURAL RESOURCES AND ENVIRONMENT TEAM, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT [presiding]. Good afternoon, and welcome to this oversight hearing on programs within the subcommittee's jurisdiction that the Government Accountability Office recently added to its list of highest risk programs across the Federal government.

Since 1990, the GAO High Risk List has highlighted those government programs most in need of attention from Congress and the executive branch. The High Risk List differs from most GAO reports because once a program is put on that list, it has to earn its way off. Some programs have been on the list since its inception, leading some to draw the comparison to the 1977 Eagles hit Hotel California, where you can check out anytime you like, but you can never leave. [Laughter.]

However, since 1990, 23 other programs have earned their way off the list, and so doing that have turned into models of how government should work, and saving billions of dollars along the way. Today we will talk about three more programs I expect to soon follow in those footsteps.

Since 2011, the GAO has published 14 reports pertaining to education, energy, and healthcare programs that serve federally recognized Indian tribes and their members. Those reports contain 41 recommendations for improvements. Thirty-nine recommendations are still open. Failure to implement these recommendations has literally put people's health and safety at risk, which is precisely why these programs have been added.

For example, the GAO discovered that the Department of Interior has failed to conduct annual health and safety inspections and make repairs at many of the 185 elementary and secondary schools under its purview. Also, for example, the GAO found that the Indian Health Service provides inadequate oversight of its hospitals, and is unable to ensure that patients receive quality care. At a few locations, the situation has gotten so bad that the Centers of Medi-

care and Medicaid Services has cited the hospitals for putting patient health and safety in imminent jeopardy.

This subcommittee has stepped up its efforts in recent years to improve the situation in Indian Country, particularly in the very areas we hear about today. To some, the addition of these programs on the High Risk List may seem like a setback. But I see this is an opportunity not only to raise awareness and support throughout Congress, but also to challenge this subcommittee and the new Administration to provide the resources and the oversight to get these programs back on track, and the GAO has provided the roadmap to get there.

Now, some of our colleagues in Congress have argued against funding programs with significant management problems. I certainly can sympathize, and in some cases even agree. But in other cases, management problems are a function of limiting funding. We all know that it takes money to hire and retain good people. The programs we will hear about today are challenged by both poor management and limited funding. Teasing these apart so that we can chart a responsible path forward is the challenge before us today.

We are joined today by three members of the GAO leadership team who will testify about their important work.

First up will be Melissa Emrey-Arras, director of Education Workforce and Income Security, who will discuss education. Next, we will hear from Frank Russo—Rusco I should say—director of National Resources and Environment, who will discuss the BIA energy program. And last, but not least, welcome Kathleen King, director of Health Care, to talk about the Indian Health Service.

We will hear opening statements from each of you before turning to questions and discussion with members of this committee. Before we begin, though, I would like to first ask our distinguished ranking minority member, Ms. McCollum for any opening remarks she may wish to make.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you, Mr. Chairman, and I would like to join you in welcoming the panel to the subcommittee this afternoon, and fully would like to acknowledge your remarks and agree with them.

It is essential that the Federal government meet its trust responsibilities to Native American Indians, and oversight of Indian programs is a very important piece to ensuring that these commitments are appropriately met. I am very pleased that the GAO has been closely investigating the numerous challenges, as the chair put it, facing the delivery of healthcare and education, especially by the Bureau of Indian Education and the Indian Health Services, who we just heard from.

The management issues and lack of accountability are reoccurring themes, and GAO has really helped to document the need for reform. This critical need was amplified in February when GAO added the Federal management of Indian programs to its High Risk List, something that was appropriate and long overdue, in my opinion.

Just last week, this committee held two days of tribal public witness hearings. We listened and learned about the unthinkable hardships in Indian Country, and we also heard the message loud and clear. More work is needed to be done to improve healthcare and education services.

But it is very unfortunate that this Administration has put forward a budget that cuts Indian programs. Indian Health Service is cut by $300 million, and the Bureau of Indian Affairs by $372 million. These cuts, in my opinion, are cruel and they are unnecessary, and, if enacted, would jeopardize the health and wellness of our Indian brothers and sisters.

So, today's hearing, Mr. Chair, is very timely, and I think the GAO will continue to be an important resource and partner as we carry out our oversight role. The findings from your investigations that we are going to hear from help both agencies that this committee works with, and it will help the committee to start fixing broken programs, or should I say broken promises. I look forward to discussing the findings today.

Thank you, Mr. Chair, for the courtesy of an opening statement.

Mr. CALVERT. Thank you. We are going to recognize Ms. Emrey-Arras. Welcome back to the subcommittee, and thanks again for being here today. You are recognized for 5 minutes to give your testimony.

OPENING REMARKS OF MS. EMREY-ARRAS

Ms. EMREY-ARRAS. Thank you, Chairman Calvert, Ranking Member McCollum, and members of the subcommittee. Thank you for inviting me here today to discuss a new area we added to our High Risk List this year, improving Federal management programs that serve tribes and their members. We added this area to our High Risk List this past February in response to serious problems in Federal management and oversight of Indian education, energy, and healthcare programs, which were highlighted in several of our prior reports.

There are nearly 40 recommendations from these prior reports that have not been implemented. Overall, our High Risk Program has served to identify and help resolve serious weaknesses in areas that involve substantial resources and provide critical services to the public.

In order for this area to be removed from our High Risk List, which is our ultimate goal here, Interior and HHS need to show improvement on five key elements, and we have a star here that demonstrates the five separate areas. Those are leadership commitment, having capacity to resolve risk, having an action plan, doing monitoring, and demonstrating progress.

Since this is a new area, it does not have a star created yet for it. However, in our next High Risk Report in 2019, we will have a star specific to this new area, which will show the actual status at that point in time and whether or not any progress has been made.

I will now highlight some of the concerns we have with Indian education.

In our High Risk Report, we identified serious weaknesses in BIE's oversight of school spending. For example, in 2014 we found

that BIE did not have written procedures and risk criteria to ensure that schools use Federal funds to educate students. Further, we found that BIE staff lacked expertise and training to effectively oversee school spending. As a result, we found several instances of misused funds, including over $1 million for one school that was improperly transferred to offshore accounts.

We also identified unsafe school conditions in our High Risk Report. Specifically, in 2016, we found that deteriorating facilities and equipment contributed to unsafe conditions at BIE schools. At one school, we found seven boilers that failed inspection because of safety hazards, such as elevated levels of carbon monoxide and a natural gas leak. And you can see the failed inspection tag there. Though they endangered student safety, most of the boilers were not repaired until 8 months after the inspection.

In addition to our prior work, we also have two new reports for this subcommittee that are being released today that raise new concerns about safety inspections and school construction. In terms of safety inspections, we found that no office routinely monitors the quality of inspection reports, and we found that 28 of 50 inspection reports we looked at were incomplete, inaccurate, or unclear.

For example, we found reports in which inspectors did not inspect all of the buildings. In one of the reports we reviewed, an inspector noted that he did not inspect a dorm because he did not have the key. The head of the safety office told us that this is not a valid reason for not inspecting a building. We also found cases of inspectors incorrectly giving school officials a year to fix broken fire alarms instead of the required 24 hours. Additionally, inspectors submitted nearly a third of all inspection reports to schools late after Indian Affairs' required 30-day timeframe. Some reports were more than 4 months late.

In response to our new findings, we are recommending today that Interior monitor the quality and timeliness of school inspection reports.

In a separate report also being released today for this subcommittee, we found significant problems with the school construction process. Specifically, we found that Interior has not consistently used accountability measures to ensure that construction projects are completed on time, within budget, and meet school needs.

We found that of 49 recent projects, 16 were 3 or more years late, one was almost 10 years late, 10 were 20 percent or more over budget. Interior does not always use accountability measures, such as warranties, to have builders replace defective parts because project managers do not always understand how to use these measures. So, the warranty provisions may be in the contracts, but they are not being employed.

As a result, we are recommending today that Interior develop guidance to help staff learn how to use accountability measures in school construction projects. We plan to monitor Interior's efforts to address both our prior recommendations and the 12 new recommendations in today's reports.

Thank you.

[The statement of the U.S. Government Accountability Office follows:]

United States Government Accountability Office



Testimony

Before the Subcommittee on Interior, Environment, and Related Agencies, Committee on Appropriations, House of Representatives

For Release on Delivery
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HIGH RISK

Actions Needed to Address Serious Weaknesses in Federal Management of Programs Serving Indian Tribes

Statement of Melissa Emrey-Arras, Director, Education, Workforce, and Income Security

Frank Rusco, Director, Natural Resources and Environment

Kathleen M. King, Director, Health Care

GAO-17-589T

May 24, 2017

GAO Highlights

Highlights of GAO-17-589T, a testimony before the Subcommittee on Interior, Environment, and Related Agencies, Committee on Appropriations, House of Representatives

HIGH RISK

Actions Needed to Address Serious Weaknesses in Federal Management of Programs Serving Indian Tribes

Why GAO Did This Study

GAO's High-Risk Series identifies federal program areas needing attention from Congress and the executive branch. GAO added federal management of programs that serve Indian tribes and their members to its 2017 biennial update of high-risk areas in response to serious problems in management and oversight by Interior and HHS.

This testimony primarily summarizes the findings and recommendations from GAO's prior reports on the federal management and oversight of Indian education, energy resources, and health care, which are discussed in GAO's February 2017 High-Risk report. To conduct this work, GAO reviewed relevant federal laws, regulations, and policies; reviewed and analyzed federal data; and interviewed tribal, federal, and industry officials, among others.

GAO uses five criteria to assess an agency's progress in addressing high-risk areas: (1) leadership commitment, (2) agency capacity, (3) an action plan, (4) monitoring efforts, and (5) demonstrated progress.

What GAO Recommends

As discussed in the February 2017 High-Risk Report, Interior and HHS have not implemented 39 of GAO's recommendations on management and oversight of federal programs for Indian tribes on education, energy, and health care. Sustained focus by Interior and HHS in implementing GAO's recommendations and continued oversight by Congress are essential to achieving progress in these areas.

View GAO-17-589T. For more information, contact Melissa Emrey-Arras at (617) 788-0534 or emreyarrasm@gao.gov; Frank Rusco at (202) 512-3841 or ruscof@gao.gov; or Kathleen King at (202) 512-7114 or kingk@gao.gov.

What GAO Found

As discussed in GAO's 2017 High Risk report, GAO has identified numerous weaknesses in how the Department of the Interior (Interior) and the Department of Health and Human Services (HHS) manage programs serving Indian tribes. Specifically, these weaknesses were related to Interior's Bureau of Indian Education (BIE) and Bureau of Indian Affairs (BIA) in overseeing education services and managing Indian energy resources, and HHS' Indian Health Service (IHS) in administering health care services.

- **Education.** GAO found serious weaknesses in BIE's oversight of school spending and identified unsafe school conditions. For example, in 2014 GAO reported that BIE did not have written procedures and risk criteria to ensure that schools use federal funds to educate students. Further, GAO found that BIE staff lacked expertise and training to effectively oversee school spending. As a result, GAO found several instances of misused funds, including $1.7 million for one school that was improperly transferred to off-shore accounts. In 2016, GAO also reported that deteriorating facilities and equipment contributed to unsafe conditions at BIE schools. At one school, GAO found seven boilers that failed inspection because of safety hazards, such as elevated levels of carbon monoxide and a natural gas leak. Though they endangered student safety, most of the boilers were not repaired until 8 months after inspection. GAO made 11 recommendations related to Indian education issues that remain unimplemented.
- **Energy resource management.** GAO found that BIA had inefficiently managed Indian energy resources and the energy development process. For example, in June 2015 GAO reported that although BIA's review and approval are required before Indian energy resources can be developed, BIA does not have a process or the data needed to track its review and response times. According to a tribal official, BIA's review of some energy-related documents took as long as 8 years, and during that time the tribe estimates it lost more than $95 million in revenues. GAO recommended, among other things, that BIA develop a process to track its review and response times of energy-related documents. Interior stated that it will develop such a process by September 30, 2018. GAO has made 13 additional recommendations related to Indian energy development that remain unimplemented.
- **Health care.** GAO has found that IHS provides inadequate oversight of its federally operated health care facilities and of its Purchase Referred Care program (PRC). For example, in 2016 and 2017, GAO reported that IHS provided limited and inconsistent oversight of the timeliness and quality of care provided in its federally operated facilities, and as a result, could not ensure that patients received timely, quality care. GAO reported that, according to IHS officials, access to timely primary care at some facilities was hindered by outdated medical and telecommunications equipment, as well as an insufficient workforce. GAO also found that IHS had taken few steps to evaluate variations in the level of funds it allocated for the PRC program and concluded that IHS could not equitably allocate funds to meet the health care needs of Indians. GAO made 14 recommendations on Indian health care that remain unimplemented.

under which services are provided to tribes and their members. This would be consistent with the expressed view of Congress as to the federal government's trust responsibilities, and strengthen confidence in the performance and accountability of our federal government. In light of this unique trust responsibility and concerns about the federal government ineffectively administering Indian education and health care programs and mismanaging Indian energy resources, we added these programs as a high-risk area because they uniquely affect tribal nations and their members.

In this context, our testimony today will discuss the findings and recommendations from our prior reports on the federal management and oversight of Indian education, health care, and energy resource development, which are summarized in our February 2017 High-Risk report.[2] In particular, we will highlight key actions that Interior and HHS can take to help overcome challenges associated with federal management and oversight of programs in these areas.

Our testimony draws on findings from multiple reports we have issued in recent years, as well as updates we have received from Interior and HHS on our prior recommendations. To conduct our prior issued work, we reviewed relevant federal laws, regulations, and policies; reviewed and analyzed federal data; and interviewed tribal, federal, and industry officials, among others. More detailed information on our scope and methodology can be found in each of the cited reports.[3]

Our remarks on Indian education also draw on findings from two reports being released today on oversight and accountability for BIE school safety and school construction projects.[4] To conduct our work on BIE school safety, we reviewed Interior's safety program evaluations; a nongeneralizable sample of 50 randomly selected fiscal year 2016 BIE school inspection reports; BIA regional documentation of employee appraisals; and performance management practices in four BIA regions

[2]GAO, *High-Risk Series: Progress on Many High-Risk Areas, While Substantial Efforts Needed on Others*, GAO-17-317 (Washington, D.C.: Feb. 15, 2017).

[3]For a list of related reports, see GAO-17-317

[4]GAO, *Indian Affairs: Further Actions Needed to Improve Oversight and Accountability for School Safety Inspections*, GAO-17-421 (Washington, D.C.: May 24, 2017); GAO, *Indian Affairs: Actions Needed to Better Manage Indian School Construction Projects*, GAO-17-447 (Washington, D.C.: May 24, 2017).

selected for geographic diversity and a range of safety inspection results. To conduct our work on BIE school construction, we assessed agency data on the cost and timeliness of 49 school replacement projects completed from fiscal years 2003 to 2016 and reviewed contract and grant files for 10 recently completed or ongoing projects. We also assessed Indian Affairs' practices against its policies, design standards, and federal laws and regulations.

We conducted the work on which this testimony is based in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions.

Background

The High-Risk Program

In 1990, GAO began a program to report on government operations that we identified as "high risk." Since then, generally coinciding with the start of each new Congress, we have reported on the status of progress addressing previously identified high-risk areas and have updated the High-Risk List to add new high-risk areas. Our most recent high-risk update in February 2017 identified 34 high-risk areas.[5]

Overall, our high-risk program has served to identify and help resolve serious weaknesses in areas that involve substantial resources and provide critical services to the public. Since the program began, the federal government has taken high-risk problems seriously and has made long-needed progress toward correcting them. In a number of cases, progress has been sufficient for us to remove the high-risk designation.

To determine which federal government programs and functions should be designated high risk, we use our guidance document, *Determining Performance and Accountability Challenges and High Risks*.[6] In making this determination, we consider whether the program or function is of

[5]GAO-17-317.

[6]GAO, *Determining Performance and Accountability Challenges and High Risks*, GAO-01-159SP (Washington, D.C.: November 2000).

national significance or is key to the performance and accountability of the federal government.

Further, we consider qualitative factors, such as whether the risk involves public health or safety, service delivery, national security, national defense, economic growth, privacy or citizens' rights, or could result in significantly impaired service, program failure, injury or loss of life, or significantly reduced economy, efficiency, or effectiveness. In addition, we consider the exposure to loss in monetary or other quantitative terms, including financial risk in areas such as the value of major assets being impaired; revenue sources not being realized; major agency assets being lost, stolen, damaged, wasted, or underutilized; potential for, or evidence of improper payments; and the presence of contingencies or potential liabilities. Before making a high-risk designation, we also consider corrective measures planned or under way to resolve weaknesses and the status and effectiveness of these actions.

Our experience has shown that the key elements needed to make progress in high-risk areas are top-level attention by the administration and agency leaders grounded in the five criteria for removal from the High-Risk List, as well as any needed congressional action.[7] The five criteria for removal that we identified in November 2000 are as follows:

- **Leadership Commitment.** Demonstrated strong commitment and top leadership support.
- **Capacity.** The agency has the capacity (i.e., people and resources) to resolve the risk(s).
- **Action Plan.** A corrective action plan exists that defines the root cause, solutions, and provides for substantially completing corrective measures, including steps necessary to implement solutions we recommended.
- **Monitoring.** A program has been instituted to monitor and independently validate the effectiveness and sustainability of corrective measures.
- **Demonstrated Progress.** Ability to demonstrate progress in implementing corrective measures and in resolving the high-risk area.

[7]GAO-01-159SP.

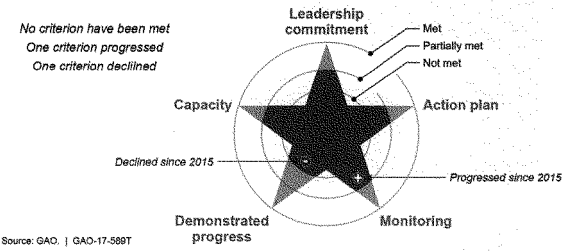
The five criteria form a road map for efforts to improve and ultimately address high-risk issues. Addressing some of the criteria leads to progress, while satisfying all of the criteria is central to removal from the list.

In each of our high-risk updates, for more than a decade, we have assessed progress to address the five criteria for removing a high-risk area from the list. In our 2015 update, we added clarity and specificity to our assessments by rating each high-risk area's progress on the criteria and used the following definitions:

- **Met.** Actions have been taken that meet the criterion. There are no significant actions that need to be taken to further address this criterion.
- **Partially Met.** Some, but not all, actions necessary to meet the criterion have been taken.
- **Not Met.** Few, if any, actions toward meeting the criterion have been taken.

Figure 1 shows a visual representation of varying degrees of progress in each of the five criteria for a high-risk area.

Figure 1: High-Risk Progress Criteria Ratings



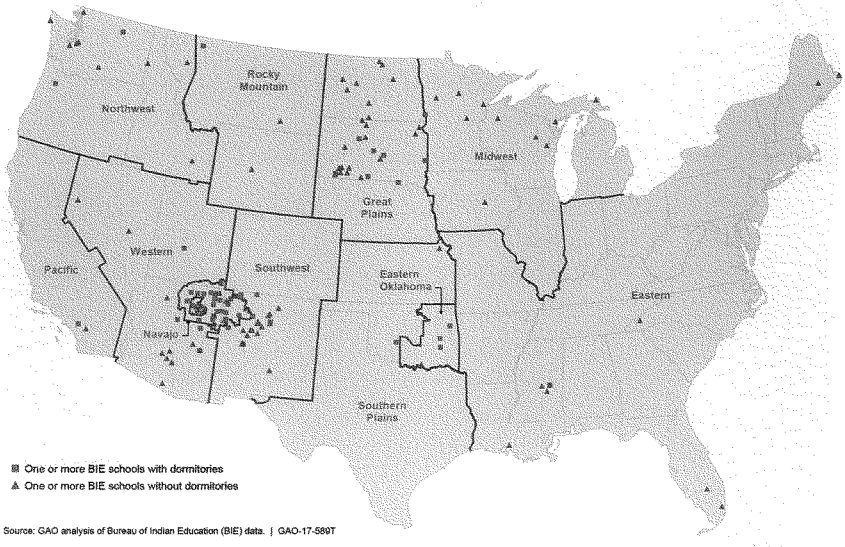
Source: GAO. | GAO-17-589T

Note: Each point of the star represents one of the five criteria for removal from the High-Risk List and each ring represents one of the three designations: not met, partially met, or met. An unshaded point at the innermost ring means that the criterion has not been met, a partially shaded point at the middle ring means that the criterion has been partially met, and a fully shaded point at the outermost ring means that the criterion has been met.

Indian Education

Indian Affairs, through BIE, is responsible for providing quality education opportunities to Indian students and oversees 185 elementary and secondary schools that serve approximately 41,000 students on or near Indian reservations in 23 states, often in rural areas and small towns (see fig. 2).

Figure 2: Bureau of Indian Education (BIE) Schools and Dormitories by Bureau of Indian Affairs Region



Source: GAO analysis of Bureau of Indian Education (BIE) data. | GAO-17-589T

About two-thirds of BIE schools are operated by tribes, primarily through federal grants, and about one-third are operated directly by BIE. BIE's Indian education programs originate from the federal government's trust responsibility to Indian tribes. It is the policy of the United States to fulfill this trust responsibility for educating Indian children by working with tribes to ensure that education programs are of the highest quality and that children are provided a safe and healthy environment in which to learn.

Students attending BIE schools generally must be members of federally recognized Indian tribes, or descendants of members of such tribes, and reside on or near federal Indian reservations. All BIE schools—both tribally- and BIE-operated—receive almost all of their operational funding from federal sources, namely, Interior and the Department of Education, totaling about $1.2 billion in 2016. Indian Affairs considers many BIE schools to be in poor condition.

BIE is primarily responsible for its schools' educational functions, while their administrative functions—such as safety, facilities, and property management—are divided mainly between two other Indian Affairs' offices: BIA and the Office of the Deputy Assistant Secretary of Management. However, we have identified long-standing personnel issues, such as frequent turnover of leadership in these offices that have hampered efforts to improve Indian education over the years. For example, in September 2013, we reported that from 2000 through 2013 there were repeated changes in the tenure of acting and permanent assistant secretaries of Indian Affairs, with the tenure ranging from 16 days to 3 years.[8] During this period, there was also frequent turnover in acting and permanent directors of BIE. Since that time, leadership turnover has continued in these offices. For example, in March 2016 Interior's Inspector General found that the BIE director had violated federal hiring practices, and he was removed from his position.[9]

Indian Energy Resources

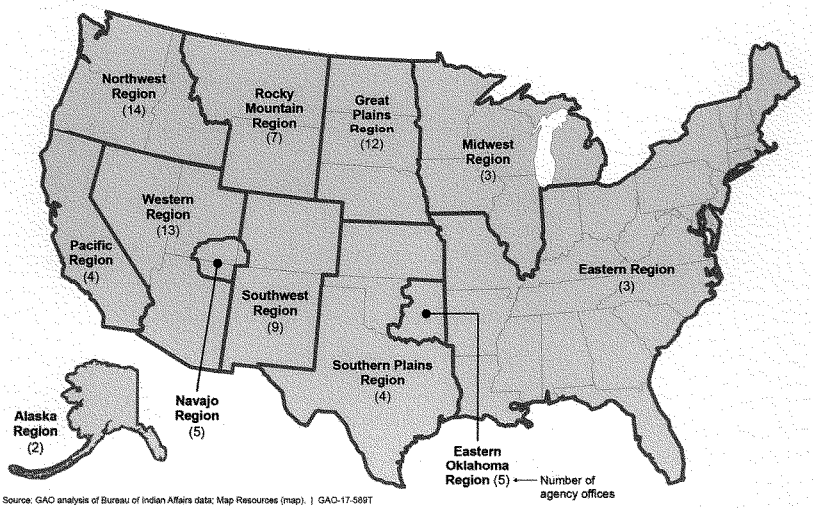
Considerable energy resources, including domestic mineral resources such as oil, gas, and coal, and resources with significant potential for renewable energy development, including wind, solar, hydroelectric power, geothermal, and biomass, exist throughout Indian country. Tribal nations may seek opportunities to use these resources as an option to create economic benefits that provide revenue for government operations and social service programs, create high-quality jobs, and offset power costs by increasing access to reliable and affordable energy for tribal buildings and individual homes. While tribes and their members determine how to use their energy resources, if the resources are held in trust or restricted status, BIA—through its 12 regional offices, 85 agency

[8]GAO, *Indian Affairs: Bureau of Indian Education Needs to Improve Oversight of School Spending*, GAO-15-121 (Washington, D.C.: Nov. 13, 2014).

[9]U.S. Department of the Interior, Office of Inspector General, *Investigative Report of Improper Hiring at the Bureau of Indian Education*, (Washington, D.C.: March 30, 2016).

offices, and other supporting offices—generally must review and approve leases, permits, and other documents required for development (see fig. 3).[10]

Figure 3: Bureau of Indian Affairs (BIA) Regions and Number of Agency Offices



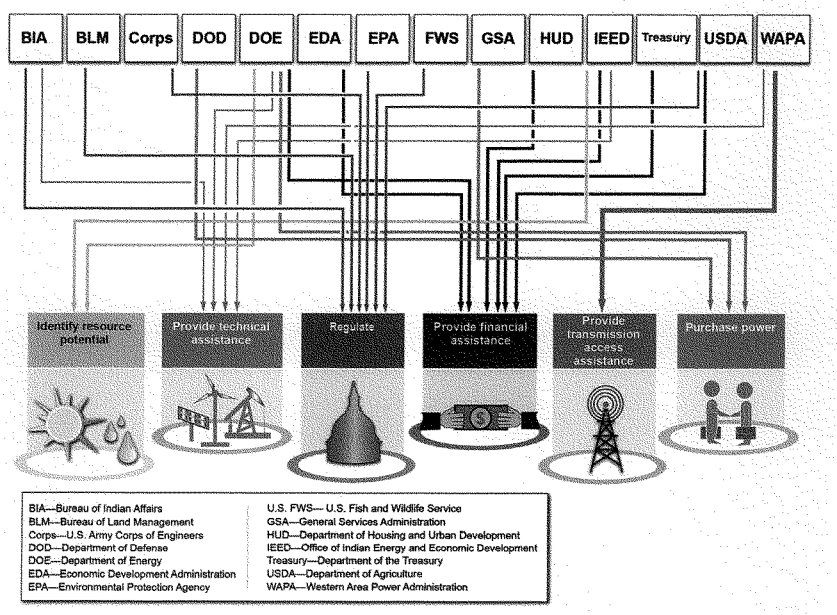
Source: GAO analysis of Bureau of Indian Affairs data; Map Resources (map). | GAO-17-589T

BIA's management of Indian energy resources and oversight of development is to be conducted pursuant to federal law, in a manner that is consistent with the federal government's fiduciary trust responsibility to federally recognized Indian tribes and their members. In addition to BIA, the development of Indian energy resources can be a complex process

[10]Trust resources are held by the U.S. government for the beneficial interest of the tribe or a member, and restricted resources are owned by the tribe or a member but subject to restrictions on their sale or transfer. Trust and restricted resources generally cannot be leased without approval of the Secretary of the Interior, who has generally delegated this authority to BIA.

involving a range of additional stakeholders, including federal, tribal, and state agencies. For example, the Bureau of Land Management issues drilling permits to operators developing Indian oil and gas resources after receiving BIA concurrence to approve the permits. The Environmental Protection Agency issues permits for air emissions that may be required for some oil and gas development. Interior's Fish and Wildlife Service issues permits for incidental deaths of certain wildlife species, which may be affected by certain wind projects. If energy development affects navigable waters, the U.S. Army Corps of Engineers may need to issue a permit. The specific role of federal agencies can vary on the basis of multiple factors, such as the type of resource, location of development, scale of development, ownership of the resource, and Indian tribe involved. Figure 4 shows various roles federal agencies may have in the development of Indian energy resources.

Figure 4: Various Roles of Federal Agencies in the Development of Indian Energy Resources



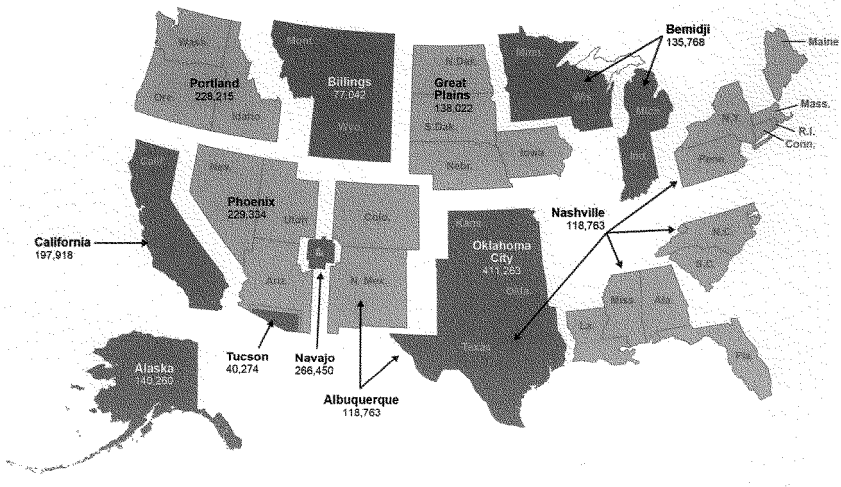
Source: GAO analysis of federal documentation. | GAO-17-589T

In 2014, in response to tribal requests for increased coordination and efficient management of their resources from the numerous federal regulatory agencies involved with Indian energy development, Interior took initial steps to form a new office, the Indian Energy Service Center (Service Center)—with BIA as the lead agency. According to Interior's fiscal year 2016 budget justification, the Service Center is intended to, among other things, help expedite the leasing and permitting processes associated with Indian energy development.

Indian Health Care

The Indian Health Service (IHS), an agency within HHS, is charged with providing health care to approximately 2.2 million Indians. IHS oversees its health care facilities through a decentralized system of area offices, which are led by area directors and located in 12 geographic areas. (See fig. 5 for a U.S. map showing the IHS patient population by area). Nine of these 12 IHS areas have federally operated IHS facilities—Albuquerque, Bemidji, Billings, Great Plains, Nashville, Navajo, Oklahoma City, Phoenix, and Portland.[11]

Figure 5: Indian Health Service (IHS) Patient Population by Area, Calendar Year 2014



Source: Indian Health Service. | GAO-17-589T

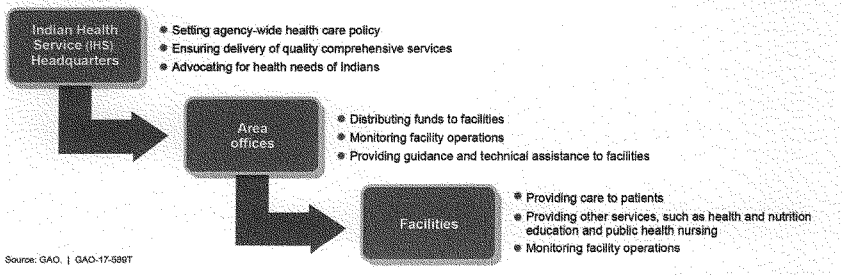
Note: The Albuquerque, Nashville, and Oklahoma City area offices oversee facilities in Texas.

[11]The Alaska, California, and Tucson areas do not have any federally operated IHS facilities.

In fiscal year 2016, IHS allocated about $1.9 billion for health services provided by federally and tribally operated hospitals, health centers, and health stations. Federally operated facilities provide mostly primary and emergency care, in addition to some ancillary or specialty services. The federally operated system consists of 26 hospitals, 56 health centers, and 32 health stations. IHS hospitals range in size from 4 to 133 beds.

According to IHS, the headquarters office is responsible for setting health care policy, ensuring the delivery of quality comprehensive health services, and advocating for the health needs and concerns of Indians. The IHS area offices are responsible for distributing funds to the facilities in their areas, monitoring their operation, and providing guidance and technical assistance. (See fig. 6).

Figure 6: Health Care Responsibilities of Indian Health Service (IHS) Headquarters, Area Offices, and Federally Operated Facilities



Source: GAO. | GAO-17-589T

When services are not available at federally operated or tribally operated facilities, IHS may, in some cases, pay for services provided through external providers through its Purchased/Referred Care (PRC) program. IHS facilities and their associated PRC programs are located in 12 geographic areas, each overseen by an IHS office led by an area director. The PRC program is funded through annual appropriations and must operate within the limits of available appropriated funds. To be eligible for PRC services, recipients must generally meet several criteria, including being a member or descendant of a federally recognized tribe or having close social and economic ties with the tribe, and living within a Tribal Contract Health Services Area. Although funding available for the PRC program has recently increased, we have reported that the program is

unable to pay for all eligible services, and that these gaps in services sometimes delay diagnoses and treatments, which can exacerbate the severity of a patient's condition and necessitate more intensive treatment.[12]

The Patient Protection and Affordable Care Act (PPACA) expanded or created new health care coverage options that may benefit Indians, including a state option to expand Medicaid eligibility to individuals with incomes at or below 138 percent of the federal poverty level (FPL), federal premium tax credits for individuals obtaining insurance through health insurance exchanges with incomes between 100 and 400 percent of the FPL, and cost sharing exemptions for Indians who are members of federally recognized tribes with incomes at or below 300 percent of the FPL who purchase insurance through the exchanges.[13] In September 2013, we estimated that PPACA's new coverage options may allow hundreds of thousands of Indians to obtain health care benefits for which they were not previously eligible, assuming all states expanded their Medicaid programs.[14] We reported that, if Indians enroll in one of these options and choose to receive care through IHS, increased revenue from third party payers such as Medicaid could free up IHS resources and help alleviate pressure on IHS's budget.

[12]GAO, *Indian Health Service: Health Care Services Are Not Always Available to Native Americans*, GAO-05-789 (Washington, D.C.: Aug. 31, 2005).

[13]See Pub. L. No. 111-148, 124 Stat. 119 (Mar. 23, 2010), as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, 124 Stat. 1029 (Mar. 30, 2010).

[14]GAO, *Indian Health Service: Most American Indians and Alaska Natives Potentially Eligible for Expanded Health Coverage, but Action Needed to Increase Enrollment*, GAO-13-553 (Washington, D.C.: Sep. 5, 2013).

Serious Weaknesses with Federal Agencies' Management and Oversight of Programs Serving Tribes and Their Members

We have found that Interior and HHS have ineffectively administered and implemented Indian education and health care programs and mismanaged Indian energy resources in the following broad areas: (1) oversight of federal activities; (2) collaboration and communication; (3) federal workforce planning; (4) equipment, technology, and infrastructure; and (5) federal agencies' data. Although the agencies have taken some actions to address the recommendations we have made related to Indian programs, as of our February 2017 High-Risk update, there were 39 that have yet to be fully addressed.

Indian Education

Inadequate oversight of federal activities

We have identified weaknesses in how Indian Affairs oversees school safety and construction and in how it monitors the way schools use federal funds. In a March 2016 report, we found that Indian Affairs had not taken actions to ensure that its BIA regional offices annually inspect the safety and health of all BIE school campuses, as required, or that the information it collected through inspections was complete and accurate, and we recommended that it take such actions.[15] Specifically, we found that Indian Affairs did not conduct annual inspections at about 1 in 3 BIE schools from fiscal years 2012 through 2015. Further, 4 out of 10 regions did not conduct any inspections during this period. We also found that Indian Affairs did not systematically evaluate the thoroughness of the school safety inspections it conducted or monitor the extent to which inspection procedures varied within and across regions. We concluded that it did not monitor whether safety inspectors in each of its regions are consistently following appropriate procedures and guidance and as a result inspections in different regions may continue to vary in completeness and miss important safety and health deficiencies at schools that could pose dangers to students and staff.

In response to our findings and recommendations in September 2016, Indian Affairs provided documentation that it had conducted fiscal year 2016 annual safety inspections at all BIE schools. In 2016, agency officials also reported on changes they had made to managing the

[15]GAO, *Indian Affairs: Key Actions Needed to Ensure Safety and Health at Indian School Facilities*, GAO-16-313 (Washington, D.C.: Mar. 10, 2016).

performance of personnel responsible for overseeing and conducting school safety inspections. However, as of April 2017, the agency had not provided documentation that the inspection information that its safety personnel collect and report to BIE schools is complete and accurate. In addition, our findings from one of the two reports on Indian education that are being released today point to continued problems with Indian Affairs' oversight of safety inspections at BIE schools.[16] In particular, we found that BIA employees responsible for providing safety inspection reports to schools were not held accountable for late reports despite the agency's requirement and a new employee performance standard on submitting all reports within 30 days of an inspection. We found that some reports were submitted more than 4 months after an inspection. We will continue to monitor the agency's efforts in this area.

In February 2015, we also testified that Indian Affairs did not consistently oversee some BIE school construction projects.[17] For example, we found that at one BIE school Indian Affairs managed a $3.5 million project to replace roofs, but the new roofs had leaked continually since they were installed, causing mold and ceiling damage in classrooms, according to agency documents. At another school, Indian Affairs funded construction of a $1.5 million building for school bus maintenance and bus storage, but the size of the building did not allow a large school bus to fit on the lift when the exterior door was closed (see fig. 7).[18]

[16]GAO-17-421

[17]GAO, *Indian Affairs: Preliminary Results Show Continued Challenges to the Oversight and Support of Education Facilities*, GAO-15-389T (Washington, D.C.: Feb. 27, 2015).

[18]As a result, staff at the school were required to maintain or repair a large bus with the door open, which is not practical in the cold South Dakota winters.

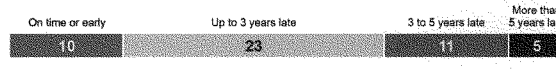
Figure 7: Exterior and Interior of Recently-Constructed School Bus Maintenance Building Where Door Does Not Close When a Large School Bus Is On Hydraulic Lift



Source: GAO. | GAO-17-589T

Further, our findings from the second report on Indian education being released today indicate that Indian Affairs has not consistently used accountability measures or conducted sufficient oversight to ensure that BIE school construction projects were completed on time, within budget, and met schools' needs.[19] For instance, of the 49 school construction projects we reviewed that had been completed from fiscal years 2003 to 2016, 16 were 3 or more years behind schedule and 1 was nearly 10 years behind schedule (see fig. 8).

Figure 8: Timeliness of Indian Affairs' School Replacement Projects Completed, Fiscal Years 2003 - 2016



Source: GAO analysis of Indian Affairs' annual submissions to the President's budget. | GAO-17-589T

In a November 2014 report, we also identified serious weaknesses in Indian Affairs' oversight of school expenditures.[20] For example, we

[19]GAO-17-447.

[20]GAO-15-121.

reported that BIE does not have written oversight procedures and risk criteria for ensuring schools use funds provided by Interior for their intended purpose of providing BIE students a quality education. As a result of Indian Affairs' lack of oversight, we identified several instances of funds being misused, including $1.7 million for a school that were improperly transferred to off-shore accounts. Our report contained several recommendations that, if implemented, could help BIE accurately track and oversee BIE school expenditures to ensure that federal funds are being used for their intended purposes. Specifically, we recommended that Interior develop both written procedures and a risk-based approach to monitor school expenditures. In response to our recommendations in May 2016, Indian Affairs' officials said they were in the process of establishing a new Office of Financial Accountability within BIE that, among other duties, would oversee school expenditures. They noted they were planning to hire auditors and grants management specialists who would be responsible for developing written procedures to oversee school expenditures. In April 2017, agency officials also reported that they had filled the BIE Deputy Director for School Operations position. In addition, they noted that newly hired personnel were being trained in risk assessment and fraud prevention policy. However, the agency did not provide documentation that it had developed and implemented written procedures and risk criteria to ensure accountability of BIE school expenditures as we recommended. Further, it reported that the target date for fully implementing our recommendations was October 1, 2018. Therefore, we will continue to monitor the agency's efforts to implement these recommendations.

Limited federal workforce planning

We have found limited workforce planning in several key areas related to BIE schools. Specifically, in a February 2015 testimony, we noted that the capacity of Indian Affairs and BIE school staff to address school facility needs is limited due to gaps in expertise, steady declines in staffing levels, and limited institutional knowledge.[21]

In November 2014 we reported that the lack of financial expertise and training, among other things, hindered BIE administrators' effectiveness in overseeing school expenditures.[22] For example, although BIE line office administrators made key decisions about schools' single audit report findings—such as whether funds are being spent appropriately—they

[21]GAO-15-389T.

[22]GAO-15-121.

were not auditors or accountants. Additionally, the administrators responsible for the three BIE offices we visited said they did not have the financial expertise to understand the content of single audits. We recommended that the agency develop a comprehensive workforce plan to ensure that BIE has an adequate number of staff with the requisite knowledge and skills to effectively oversee BIE school expenditures. Interior agreed to implement this recommendation, but as of April 2017, it had not provided documentation that it had done so.

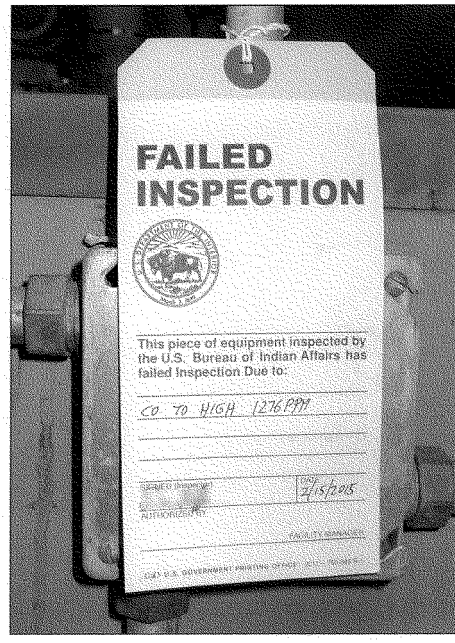
In September 2013, we reported that Indian Affairs could not ensure that staffing levels at Indian Affairs' regional offices were adjusted to meet the needs of BIE schools in regions with varying numbers of schools—ranging from 2 to 65—because it had not updated its strategic workforce plan.[23] We recommended that Indian Affairs revise its strategic workforce plan to ensure that its employees who provide administrative support to BIE are placed in the appropriate offices to ensure that regions with a large number of schools have sufficient support. Indian Affairs agreed to implement this recommendation. In September 2016, Interior provided us with a revised workforce plan for Indian Affairs. However, this plan did not include information about the workforce needs of the Indian Affairs offices that provide administrative support to BIE and its schools and therefore did not address our recommendation. As of April 2017, we had not received any further updates from Indian Affairs. We will continue to monitor its efforts in this area.

Outdated and deteriorating equipment, technology, and infrastructure

Aging BIE school facilities and equipment have contributed to degraded and unsafe conditions for students and staff. In a March 2016 report, we found one school with 7 boilers that failed inspection because of multiple high-risk safety deficiencies, including elevated levels of carbon monoxide and a natural gas leak (see fig. 9).

[23]GAO, *Indian Affairs: Better Management and Accountability Needed to Improve Indian Education*, GAO-13-774 (Washington, D.C.: Sept. 24, 2013).

Figure 9: Failed Boiler Inspection Tag in a Bureau of Indian Education (BIE) School Classroom Building



Source: GAO | GAO-17-589T

Four of the boilers were located in a student dormitory, and three were located in classroom buildings. All but one of the boilers were about 50 years old. Although the poor condition of the boilers posed an imminent danger to the safety of students and staff, most of the boilers were not repaired until about 8 months after failing their inspection, prolonging safety risks to students and staff.

In February 2015, we also testified that BIE schools faced a variety of challenges associated with their facilities, such as aging buildings and problems that result from years of deferred maintenance.[24] For example, at one school built in 1959 we observed extensive cracks in concrete block walls and supports, which a BIA official said had resulted from a shifting foundation.

Incomplete and inaccurate data

A lack of internal controls and other weaknesses hinder Indian Affairs' ability to collect complete and accurate information on the physical conditions of BIE schools. In addition to our March 2016 findings on Indian Affairs' lack of sound safety inspection information on BIE school facilities, as discussed above, in February 2015 we also testified on problems with the quality of data on overall BIE school conditions. These issues included inconsistent data entry by schools and insufficient quality controls, which made it difficult to determine the actual number of schools in poor condition and undermined Indian Affairs' ability to effectively track and address problems at school facilities.[25]

Open Recommendations on Indian Education

When we issued our February 2017 High-Risk update, we had made 13 recommendations to Indian Affairs regarding improvements needed in the management of BIE schools, of which 11 recommendations remain unaddressed. Specifically,

- To help ensure that BIE schools provide safe and healthy facilities for students and staff, we made 4 recommendations, including that Indian Affairs ensure the inspection information it collects on BIE schools is complete and accurate; develop a plan to build schools' capacity to promptly address safety and health deficiencies; and consistently monitor whether BIE schools have established required safety committees.
- To help ensure that BIE conducts more effective oversight of school spending, we made 4 recommendations, including that Indian Affairs develop a workforce plan to ensure that BIE has the staff to effectively oversee school spending; put in place written procedures and a risk-based approach to guide BIE in overseeing school spending; and improve information sharing to support the oversight of BIE school spending.

[24]GAO-15-389T.

[25]GAO-15-389T.

- To help ensure that Indian Affairs improves how it manages Indian education, we made 5 recommendations of which 3 remain open, including that Indian Affairs develop a strategic plan for BIE that includes goals and performance measures for how its offices are fulfilling their responsibilities to provide BIE with support; revise Indian Affairs' strategic workforce plan to ensure that BIA regional offices have an appropriate number of staff with the right skills to support BIE schools in their regions; and develop and implement decision-making procedures for BIE to improve accountability for BIE schools.

Indian Energy Resources

Inadequate oversight of federal activities

We reported in June 2015 that BIA's review and approval is required to develop Indian energy resources, including the approval of leases, right-of-way (ROW) agreements, and appraisals.[26] However, BIA does not have a documented process or the data needed to track its review and response times—such as data on the date documents are received, the date the review is considered complete by the agency, and the date documents are approved or denied.

Stakeholders we interviewed and literature we reviewed suggested that BIA's review and approval can be a lengthy process and increase development costs and project development times, resulting in missed development opportunities, lost revenue, and jeopardized viability of projects.[27] For example, in 2014, the Acting Chairman for the Southern Ute Indian Tribe reported that BIA's review of some of its energy-related documents took as long as 8 years. Specifically, as of April 30, 2014, the tribe had been waiting for at least 5 years for BIA to review 81 pipeline ROW agreements—11 of these 81 ROW agreements had been under review for 8 years. According to the tribal official, had these ROW agreements been approved in a timely manner, the tribe would have received revenue through various sources, including tribal permitting fees,

[26]GAO, *Indian Energy Development: Poor Management by BIA Has Hindered Energy Development on Indian Lands*, GAO-15-502 (Washington, D.C.: June 8, 2015).

[27]See, for example, Hearing on the Indian Tribal Energy and Self-Determination Act Amendments (S. 2132), 113th Cong. (April 30, 2014). Statement of the Honorable James M. Olguin, Acting Chairman, Southern Ute Indian Tribal Council on behalf of the Southern Ute Indian Tribe; and Prepared statement of Hon. Nathan Small, Chairman, Fort Hall Business Council, Shoshone-Bannock Tribes. Strengthening Self-Sufficiency: Overcoming Barriers to Economic Development in Native Communities, Field Hearing Before the Committee on Indian Affairs, United States Senate 112th Cong. 1st sess. (Aug. 17, 2011).

oil and gas severance taxes, and royalties. The tribal official noted that, during the period of delay, prices for natural gas rose to an historic high but had since declined. Therefore, the official reported that much of the estimated $95 million in lost revenue would never be recovered by the tribe.

In another example from our June 2015 report, one lease for a proposed utility-scale wind project took BIA more than 3 years to review and approve and according to a tribal official, the lease was only reviewed and approved after multiple calls and letters from the tribe to BIA headquarters. According to a tribal official, the long review time contributed to uncertainty about the continued viability of the project because data used to support the economic feasibility and environmental impact of the project became too old to accurately reflect current conditions.

In our June 2015 report, we recommended that Interior direct BIA to develop a documented process to track its review and response times. In response, Interior stated it has taken initial steps to develop a documented process to track its review and response times for oil and gas leases and estimates it will have a fully documented process by September 30, 2018. However, it did not indicate whether it intends to track and monitor the review of other energy-related documents that must be approved before development can occur. Without comprehensively tracking and monitoring its review process, BIA cannot ensure that documents are moving forward in a timely manner, and lengthy review times may continue to contribute to lost revenue and missed development opportunities for Indian tribes.

Moreover, in a June 2016 report, we found that BIA took steps to improve its process for reviewing revenue-sharing agreements, but it still had not established a systematic mechanism for monitoring or tracking.[28] With respect to revenue sharing agreements, we recommended, among other things, that BIA develop a systematic mechanism for tracking these agreements through the review and approval process. Interior concurred with this recommendation and stated that BIA will develop such a mechanism, however in the meantime it would use a centralized tracking spreadsheet.

[28] *GAO, Indian Energy Development: Interior Could Do More to Improve Its Process for Approving Revenue-Sharing Agreement,* GAO-16-553 (Washington, D.C.: June 13, 2016).

Ineffective collaboration and limited communication

In June 2015, we reported that the added complexity of the federal regulatory process, which can include multiple regulatory agencies, prevents many developers from pursuing Indian energy resources for development.[29] Subsequently, in November 2016 we reported that Interior had recognized the need for collaboration in the regulatory process and described the creation of the Service Center as a center point of collaboration for permitting that will break down barriers between federal agencies.[30] We found that BIA had taken steps to form a Service Center that was intended to, among other things, help expedite the permitting process associated with Indian energy development. We reported that the Service Center had the potential to increase collaboration between BIA and BLM on some permitting requirements associated with oil and gas development. However, we found that BIA did not coordinate with other key regulatory agencies, including Interior's Fish and Wildlife Service, the U.S. Army Corps of Engineers, and the Environmental Protection Agency. As a result, the Service Center was neither functioning as the central point for collaborating with all federal regulatory partners generally involved in energy development, nor did it serve as a single point of contact for permitting requirements. Without serving in these capacities, we concluded that the Service Center was limited in its ability to improve efficiencies in the federal regulatory process. We also found that in forming the Service Center, BIA did not involve key stakeholders, such as the Department of Energy (DOE)—an agency with significant energy expertise—and BIA employees from agency offices. By not involving key stakeholders, BIA was missing an opportunity to incorporate their expertise into its efforts.

In our November 2016 report, we recommended that BIA include other regulatory agencies in the Service Center so that it can act as a single point of contact or a lead agency to coordinate and navigate the regulatory process. We also recommended that BIA establish formal agreements with key stakeholders, such as DOE, that identify the role of each stakeholder, and establish a process for seeking and obtaining input from key stakeholders, such as BIA employees, on the Service Center's activities. Interior agreed with our recommendations and stated it will implement Memoranda of Understanding to include the Corps, FWS, and

[29]GAO-15-502.

[30]GAO, *Indian Energy Development: Additional Actions by Federal Agencies Are Needed to Overcome Factors Hindering Development*, GAO-17-43 (Washington, D.C.: Nov. 10, 2016).

EPA that defines roles and responsibilities of each agency by December 31, 2017.

In 2005, Congress provided an option for tribes to enter into an agreement with the Secretary of the Interior that allows tribes, at their discretion, to enter into leases, business agreements, and rights-of-way agreements for energy resource development on tribal lands without review and approval by the Secretary. However, in a June 2015 report, we found that uncertainties about Interior's regulations for implementing this option had contributed to deterring tribes from pursuing such agreements. We therefore recommended that Interior provide clarifying guidance.[31] In response to our recommendation, Interior stated it will provide additional energy development-specific guidance on provisions of tribal energy resource agreement regulations tribes have identified as unclear by September 30, 2018.

Limited federal workforce planning

In our June 2015 report, we found that BIA's long-standing workforce challenges, such as inadequate staff resources and staff at some offices without the skills needed to effectively review energy-related documents, were factors hindering Indian energy development.[32] Further, in November 2016, we found BIA had high vacancy rates at some agency offices and that the agency had not conducted key workforce planning activities, such as identifying the key workforce skills needed to achieve agency goals and assessing any skill gaps.[33] We concluded that these workforce issues contributed to BIA's management shortcomings that have hindered Indian energy development; and until BIA undertakes necessary workforce planning activities, it cannot ensure that it has a workforce with the right skills, appropriately aligned to meet the agency's goals and tribal priorities. We recommended that BIA assess critical skills and competencies needed to fulfill its responsibilities related to energy development and identify potential gaps. We also recommended BIA establish a documented process for assessing BIA's workforce composition at agency offices taking into account BIA's mission, goals, and tribal priorities. Interior agreed with our recommendations and stated it is taking steps to implement them by September 30, 2017.

[31]GAO-15-502.

[32]GAO-15-502.

[33]GAO-17-43.

Outdated and deteriorating equipment, technology, and infrastructure

In June 2015, we found that BIA does not have the necessary geographic information system (GIS) mapping data for identifying who owns and uses resources, such as existing leases. Interior guidance states that efficient management of oil and gas resources relies, in part, on GIS mapping technology because it allows managers to easily identify resources available for lease and where leases are in effect.[34] According to a BIA official, without GIS data, the process of identifying transactions, such as leases and access agreements for Indian land and resources, can take significant time and staff resources to search paper records stored in multiple locations. We recommended BIA should take steps to improve its GIS capabilities to ensure it can verify ownership in a timely manner. In response, Interior stated it will enhance mapping capabilities by developing a national dataset composed of all Indian land tracts and boundaries in the next 4 years.

Incomplete and inaccurate data

In June 2015, we found that BIA did not have the data it needs to verify who owns some Indian oil and gas resources or identify where leases are in effect.[35] In some cases, BIA cannot verify ownership because federal cadastral surveys—the means by which land is defined, divided, traced, and recorded—cannot be found or are outdated. We concluded that the ability to account for Indian resources would assist BIA in fulfilling its federal trust responsibility, and determining ownership was a necessary step for BIA to approve leases and other energy-related documents. We recommended that Interior direct BIA to identify land survey needs. In response, Interior stated it will develop a data collection tool to identify the extent of its survey needs in fiscal year 2016. As of April 2017, Interior had not provided information on the status of its efforts to develop a data collection tool.

Open Recommendations on Indian Energy Development

When we issued our February 2017 High-Risk update, we had made 14 recommendations to BIA regarding actions needed to help develop Indian energy resources. All 14 recommendations remain open. Specifically,

- To help ensure BIA can verify ownership in a timely manner and identify resources available for development, we made 2 recommendations, including that Interior take steps to improve its geographic information system mapping capabilities.

[34]GAO-15-502.

[35]GAO-15-502.

- To help ensure BIA's review process is efficient and transparent, we made 2 recommendations, including that Interior take steps to develop a documented process to track review and response times for energy-related documents that must be approved before tribes can develop energy resources.
- To help improve clarity of tribal energy resource agreement regulations, we recommended BIA provide additional guidance to tribes on provisions that tribes have identified to Interior as unclear.
- To help ensure that BIA's effort to streamline the review and approval process for revenue-sharing agreements achieves its objectives, we made 3 recommendations, including that Interior establish time frames for the review and approval of Indian revenue-sharing agreements for oil and gas, and establish a system for tracking and monitoring the review and approval process to determine whether time frames are met.
- To help improve efficiencies in the federal regulatory process, we made 4 recommendations, including that BIA take steps to coordinate with other regulatory agencies so the Indian Energy Service Center can serve as a single point of contact or lead agency to navigate the regulatory process.
- To help ensure that it has a workforce with the right skills that are appropriately aligned to meet the agency's goals and tribal priorities, we made 2 recommendations, including that BIA establish a documented process for assessing BIA's workforce composition at agency offices.

Indian Health Care

Inadequate oversight of federal activities

IHS provides inadequate oversight of health care, both of its federally operated facilities and through the PRC program. In January 2017, we reported that IHS provided limited and inconsistent oversight of the quality of care provided in its federally operated facilities.[36] As a result, the agency cannot ensure that patients receive quality care. IHS has recently finalized a quality framework designed to address these deficiencies and improve its oversight. We recommended that, as part of implementing the quality framework, IHS ensure that agency-wide standards for the quality of care provided in its federally operated facilities are developed, and that

[36]GAO, *Indian Health Service: Actions Needed to Improve Oversight of Quality Care*, GAO-17-181 (Washington, D.C.: Jan. 9, 2017).

facility performance in meeting these standards is systematically monitored over time. HHS agreed with our recommendation and cited steps it already has underway to improve the quality of care in IHS's federally-operated facilities. HHS described the development of the IHS Quality Framework and Implementation Plan released in November 2016. However, as of April 2017, IHS had not developed agency-wide standards for the quality of care provided in its federally operated facilities.

In March 2016, we reported that IHS had not set any agency-wide standards for patient wait times at IHS federally operated facilities, including how long it should take to schedule an appointment and complete an office visit.[37] According to tribal representatives, patients reported difficulty scheduling primary care visits because of extended wait times. For example, one facility reported that new patients may wait 6 weeks for an initial exam with a family medicine physician, and new patients in internal medicine may wait 3 to 4 months for an initial exam.

We found that IHS has delegated this responsibility to its area offices and has not conducted any systematic, agency-wide oversight of the timeliness of primary care. We concluded that, without these standards, IHS cannot know whether it is providing sufficient primary care to meet the needs of its patients. We recommended that IHS develop and communicate specific agency-wide standards for patient wait times in federally operated facilities, monitor patient wait times, and take corrective actions when standards are not met. HHS stated that it agreed with the need to improve patient wait times at IHS federally-operated facilities to ensure that primary care is available and accessible to Indians. In response to our recommendation, HHS described its plan to establish an Office of Quality Health Care at IHS Headquarters to provide for national policy and oversight of critical quality improvement strategies and ensure their success and accountability. As of April 2017, IHS has not established the Office of Quality Health Care and has not developed agency-wide standards for patient wait times in federally operated facilities.

In June 2012, we found that IHS had taken few steps to evaluate variations in the funds it allocates for the Contract Health Services

[37] GAO, *Indian Health Service: Actions Needed to Improve Oversight of Patient Wait Times*, GAO-16-333 (Washington, D.C.: Mar. 29, 2016).

program (now called PRC), which varied from $299 to $801 per capita across the 12 IHS geographic areas in fiscal year 2010.[38] IHS did not know the origin of the base funding formula, which, according to IHS officials, had existed since the 1930s and accounted for 82 percent of the funds allocated to the area offices in fiscal year 2010. Annual adjustments for population growth and inflation were made as a percentage of base funding and are the same across all areas. Additional program increases were not large enough to alter funding variations because these additional increases had been a relatively small proportion of PRC funds that area offices received. Because IHS continued to use this methodology, we concluded that it could not equitably allocate funds to meet the health care needs of Indians. In order to ensure IHS equitably allocates PRC funds, we recommended that Congress consider requiring IHS to develop and use a new method to allocate funds to account for variations across areas. Legislation introduced in the House and reported out of committee in 2016 would have addressed this issue by requiring the agency to establish regulations to develop and implement a revised PRC distribution formula taking into account certain factors that may vary across areas. Also, a House Report partially addressed this issue by directing the agency to allocate an increased funding increment resulting from Interior's 2017 regular appropriation, H.R. 5538, pursuant to a specified allocation formula that may vary across areas. However, neither bill became law.

Ineffective collaboration and limited communication

In a June 2012 report, we found that IHS does not require its area offices to inform IHS headquarters if they distribute program increase funds to local PRC programs using different criteria than the PRC allocation formula suggested by headquarters.[39] As a result, we concluded that IHS may be unaware of additional funding variation across areas. We recommended that IHS develop written policies and procedures to require area offices to notify IHS when they diverge from the formula for allocating funds to PRC programs. HHS concurred with this recommendation and noted that guidance requiring area offices to report these changes to IHS headquarters would be added to the PRC manual, but it did not specify a date for doing so. As of April 2017, IHS had not added this guidance to the manual.

[38]GAO, *Indian Health Service: Action Needed to Ensure Equitable Allocation of Resources for the Contract Health Services Program*, GAO-12-446 (Washington, D.C.: June 15, 2012).

[39]GAO-12-446

Limited federal workforce planning

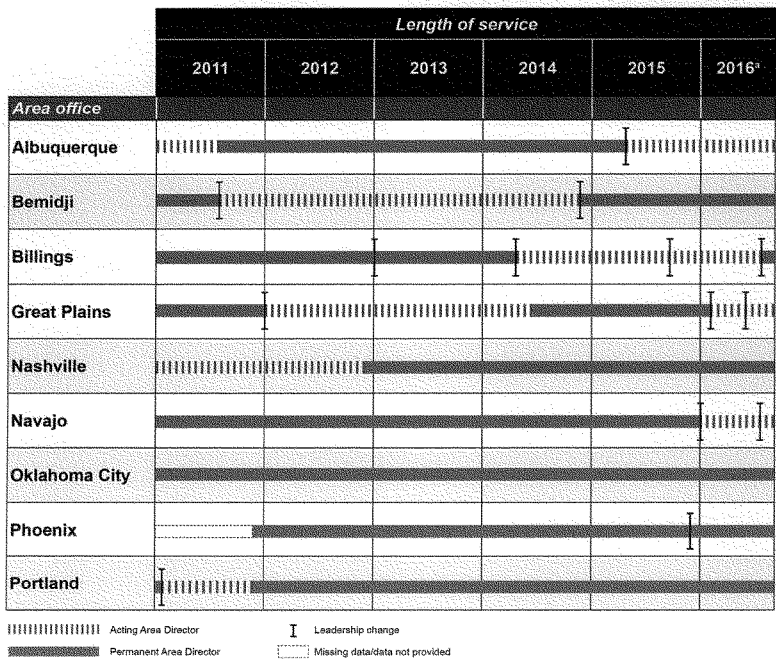
In a March 2016 report, we reported that, according to IHS officials, an insufficient workforce was the biggest impediment to ensuring patients could access timely primary care.[40] According to IHS's 2016 budget justification, there were over 1,550 vacancies for health care professionals throughout IHS's health care system including: physicians, dentists, nurses, pharmacists, physician assistants, and nurse practitioners. According to IHS officials, staffing vacancies had created obstacles for facilities working to provide primary care.

In January 2017, we found that inconsistencies in IHS's oversight of quality of care provided in its federally operated facilities were exacerbated by significant turnover in area leadership. [41] Officials from four of the nine area offices in our review reported that they had at least three area directors in the past 5 years. (See fig. 10).

[40]GAO-16-333

[41]GAO-17-181

Figure 10: Reported Indian Health Service (IHS) Area Director Turnover, January 2011 through July 2016



Source: GAO analysis of Indian Health Service (IHS) data. | GAO-17-589T

Note: This figure reflects the number of positions held for a designated time period. One individual could be counted multiple times if that individual held both acting and permanent positions for different non-adjacent time periods. In four areas—Albuquerque, Great Plains, Nashville, and Portland—an acting director transitioned to a permanent position. In these situations, we counted this as one area director.

[a]Area officials reported information through July 2016.

In September 2013, we found that IHS did not have an effective plan to ensure that sufficient staff would be in place to assist with increased enrollment and third party billing under expanded Medicaid or the exchanges beginning in 2014 under PPACA.[42] We concluded that without a plan, IHS may not be able to ensure that a sufficient number of staff were available to assist with enrollment and to process increased third-party payments. We recommended that IHS realign current resources and personnel to increase capacity to assist with these efforts. HHS neither agreed nor disagreed with our recommendation, and as of April 2017, IHS had not implemented it.

In December 2013, we reported that, according to local PRC program officials, insufficient staffing for the PRC program affected their ability to issue timely purchase orders for health care services approved by the program.[43] IHS's staffing standards model established a staffing ratio based on the annual number of purchase orders authorized for health services at a facility, and some PRC program officials noted that their number of staff was below these standards, contributing to delays in determining eligibility for the program and processing payments to providers. We recommended that IHS use available PRC funds to pay for PRC program staff. HHS disagreed with this recommendation, stating its intent to use PRC funds to pay only for services, not staff, since PRC funding was not sufficient to pay for all needed services. We acknowledged the difficult challenges and choices faced by PRC programs when program funds are not available to pay for all needed services. However, we maintained that without using funds to pay for staff, some PRC programs would continue to have staffing levels below IHS's staffing standards model, which contributes to delays in administering the program. As of April 2017, IHS had not implemented this recommendation.

Outdated and deteriorating equipment, technology, and infrastructure

In March 2016, we reported that, according to IHS officials, access to timely primary care at some health care facilities serving Indian communities is hindered by outdated medical and telecommunications

[42]GAO-13-553.

[43]GAO, *Indian Health Service: Opportunities May Exist to Improve the Contract Health Services Program*, GAO-14-57 (Washington, D.C.: Dec. 11, 2013).

equipment, such as analog mammography machines and telephones with an insufficient number of lines for scheduling patient appointments.[44]

Incomplete and inaccurate data

In a June 2012 report, we found that IHS officials do not believe that its PRC program data are complete or that areas collect these data in the same manner.[45] We concluded that, without accurate data, IHS cannot know if the proportion of actual PRC users is consistent across areas. We made three recommendations to improve the accuracy of the PRC data for future allocations, including using actual counts of PRC users, using variation in levels of available hospital services in the funding formula, and, as mentioned above, requiring area offices to notify headquarters when they diverge from the formula for allocating funds to PRC programs. HHS did not concur with our recommendation to use actual counts of PRC users, rather than all IHS users, in any formula for allocating PRC funds that relies on the number of active users, stating that IHS's combined count of all users is intended to reflect the health care needs of PRC users. HHS concurred with our recommendation that IHS use variations in levels of available hospital services to allocate PRC funds. As of April 2017, IHS had not implemented these recommendations.

In December 2013, we reported that one of the measures IHS uses to assess the time it takes to approve and process payments to providers in the PRC program did not provide a clear picture of timeliness because it combines data for two different types of PRC services.[46] We recommended that IHS take steps to improve its ability to measure timeliness by modifying its claims data system to distinguish between two types of referrals and establish separate timeframe targets for each type. HHS concurred with this recommendation, but as April 2017, IHS had not implemented it.

Open Recommendations on Indian Health Care

When we issued our February 2017 High-Risk update, we had made 14 recommendations to HHS regarding improvements needed in the management of IHS facilities, all 14 of which remain unaddressed. Although IHS has taken several actions in response to our recommendations, such as improving the data collected for the PRC

[44]GAO-16-333

[45]GAO-12-446

[46]GAO-14-57

program and adopting Medicare-like rates for non-hospital services, additional steps are needed. Specifically,

- To help ensure that Indian people receive quality health care, we recommended that the Secretary of HHS direct the Director of IHS to take the following two actions: (1) as part of implementing IHS's quality framework, ensure that agency-wide standards for the quality of care provided in its federally operated facilities are developed and systematically monitor facility performance in meeting these standards over time; and (2) develop contingency and succession plans for replacing key personnel, including area directors.
- To help ensure that timely primary care is available and accessible to Indians, we recommended that IHS: (1) develop and communicate specific agency-wide standards for wait times in federally-operated facilities, and (2) monitor patient wait times in federally-operated facilities and ensure that corrective actions are taken when standards are not met.
- To help ensure that IHS has meaningful information on the timeliness with which it issues purchase orders authorizing payment under the PRC program, and to improve the timeliness of payments to providers, we recommended that IHS: (1) modify its claims payment system to separately track IHS referrals and self-referrals, revise the Government Performance and Results Act measures for the PRC program so that it distinguishes between these two types of referrals, and establish separate timeframe targets for these referral types; and (2) better align PRC staffing levels and workloads by revising its current practices, where available, used to pay for PRC program staff. In addition, as HHS and IHS monitor the effect that new coverage options available under PPACA have on PRC funds, we recommended that IHS concurrently develop potential options to streamline requirements for program eligibility.
- To help ensure successful outreach efforts regarding PPACA coverage expansions, we recommended that IHS realign current resources and personnel to increase capacity to deal with enrollment in Medicaid and the exchanges and prepare for increased billing to these payers.
- If payments for physician and other nonhospital services are capped, we recommended that IHS monitor patient access to these services.
- To help ensure a more equitable allocation of funds per capita across areas, we recommended that Congress consider requiring IHS to develop and use a new method for allocating PRC funds. To make

IHS's allocation of PRC program funds more equitable, we recommended that IHS (1) develop written policies and procedures to require area offices to notify IHS when changes are made to the allocation of funds to PRC programs; (2) use actual counts of PRC users in any formula allocating PRC funds that relies on the number of active users; and (3) use variations in levels of available hospital services, rather than just the existence of a qualifying hospital, in any formula for allocating PRC funds that contain a hospital access component.

- To develop more accurate data for estimating the funds needed for the PRC program and improve IHS oversight, we recommended that IHS develop a written policy documenting how it evaluates need for the PRC program, and disseminate it to area offices so they understand how unfunded services data are used to estimate overall program needs. We also recommended that IHS develop written guidance for PRC programs outlining a process to use when funds are depleted but recipients continue to need services.

In conclusion, although Interior and HHS have taken some actions to address the recommendations we have made related to Indian programs, as of our February 2017 High-Risk update, there were 39 recommendations that have not been fully resolved. We plan to continue monitoring the agencies' efforts to address these open recommendations. To this end, we have ongoing work focusing on accountability for safe schools and school construction and tribal control of energy delivery, management, and resource development.

In order for these areas to be removed from our High-Risk List, Interior and HHS need to show improvement on the 5 key elements described earlier: leadership commitment, capacity, action plan, monitoring, and demonstrated progress. These five criteria form a road map for agencies' efforts to improve and ultimately address high-risk issues.

We also believe that it is vital for Congress to maintain its focus on improving the effectiveness with which federal agencies meet their responsibilities to serve tribes and their members. We look forward to continuing our work with this committee in overseeing Indian Affairs, including BIA and BIE, and IHS to ensure that they are operating in the most effective and efficient manner, consistent with the federal government's trust responsibilities, and working toward improving services to tribes and their members.

Chairman Calvert, Ranking Member McCollum, and Members of the Subcommittee, this completes our prepared statement. We would be pleased to respond to any questions that you may have.

GAO Contacts and Staff Acknowledgments

If you or your staff have any questions about education issues in this testimony or the related reports, please contact Melissa Emrey-Arras at (617) 788-0534 or emreyarrasm@gao.gov. For questions about energy resource development, please contact Frank Rusco at (202) 512-3841 or ruscof@gao.gov. For questions about health care, please contact Kathleen King at (202) 512-7114 or kingk@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. Key contributors to this statement and the related report include Elizabeth Sirois (Assistant Director), Edward Bodine (Analyst-in-Charge), James Bennett, Richard Burkard, David Chrisinger, Kelly DeMots, Jyoti Gupta, Christine Kehr, Lara Laufer, James Rebbe, William Reinsberg, Lisa Rogers, Jay Spaan, and Emily Wilson.

MELISSA EMREY-ARRAS—Director, Government Accountability Office (GAO)

Melissa Emrey-Arras is a Director in GAO's Education, Workforce and Income Security team. She oversees GAO's Indian education work, and also leads national studies on higher education issues. Before joining GAO in 2001, she worked at a private sector consulting company and conducted program evaluations for state and local governments. She also worked for a number of years in non-profit agencies serving children and families. Ms. Emrey-Arras received a master's degree in public policy from Harvard's Kennedy School of Government, where she was awarded the Manuel C. Carballo prize for graduate research. She holds a bachelor's degree from Swarthmore College.

BIO for Frank Rusco

Frank Rusco is a Director in GAO's Natural Resources and Environment team, leading work on a broad spectrum of energy issues, including federal management of energy development on public and tribal lands; DOE's energy, R&D and loan programs; the oversight of the Nuclear Regulatory Commission and the Federal Energy Regulatory Commission; and government-wide energy programs and activities. Before coming to GAO, Mr. Rusco owned a small construction company. Mr. Rusco holds both a master's degree and Ph.D. in economics from the University of Washington in Seattle.

Kathleen M. King is a Director of the Health Care Team at the U.S. Government Accountability Office, where she is responsible for leading various studies of the health care system, specializing in Medicare management and program integrity. She has more than 30 years' experience in health policy and administration. She was previously Vice President of Health Policy at the National Academy of Social Insurance, Vice President of the Washington Business Group on Health and, before that, she was the Executive Associate Administrator at the Health Care Financing Administration, now known as the Centers for Medicare & Medicaid Services. She has also been a professional staff member at the Senate Committee on Finance, a health policy specialist at the Congressional Research Service, a budget analyst at the Indiana State Budget Agency, and a research associate for the Ohio Legislative Services Commission. Ms. King received her M.A. in Government and Politics from the University of Maryland.

Mr. CALVERT. Thank you.
Next, Mr. Rusco.

OPENING REMARKS OF MR. FRANK RUSCO

Mr. RUSCO. Thank you, Chairman Calvert, Ranking Member McCollum, and members of the subcommittee. I am also grateful to be here today to discuss BIA's management of its responsibilities regarding energy development on tribal and Indian lands.

As you know, the United States has recognized the sovereign status of tribes, and currently recognizes 567 tribes as distinct independent political communities that possess certain powers of sovereignty and self-government. In 2016, Congress founded an Indian Trust Asset Reform Act that through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a unique trust responsibility to protect and support Indian tribes and Indians.

These fiduciary responsibilities reflect commitments made in treaties and agreements under which Indians surrendered claims to vast tracts of land to the benefit of the people of the United States. This history has established enduring and enforceable Federal obligations to which our national honor has been committed.

So, I raise that just because I think context is important here. And I am going to say a lot of things about the performance of the BIA in meeting its fiduciary responsibilities, and it is not meeting its fiduciary responsibilities very well. But I believe this context is essential in our work to keep an eye on that, that the high-risk area is about what the agencies are doing. And our efforts are to improve what the agencies do with the money they have. And having listened to the statements of the committee members in the last hearing, I understand that that is not the whole story. But I want that context to be reflected in the work we do.

I have two handouts that I want to talk about just briefly, and one of them is in the hearing statement—this one is—and the other one is not.

So, you know, there are a lot of energy resources on Indian and tribal lands, and so the first handout, that is a map of the United States of the lower 48. And it shows shale oil and gas resources and then where they intersect with tribal lands. And there are more than 20 tribes that have oil and gas resources, just shale oil and gas resources, on their lands, and several of them have coal.

And in addition, something that is not on the map is that more than 200 tribes have the capacity needed to create utility scale renewable power generation. And, you know, this is important because, you know, Federal funding is scarce, and it always has been and always will be. And tribes that have made improvements often have done that by developing some kind of economic base, and these opportunities represent that.

And so, when I talk about how the agencies are not doing their jobs effectively enough to help tribes that choose to develop these resources, that is what is at stake, the tribes' ability to develop their own resources, their own economic base in order to actually take over some of the responsibilities. And when they do, they can do a better job perhaps.

So, tribes and their members can determine how to use their energy resources, but many of those resources are held in trust or a restricted status. And because of that, BIA must review and approve leases, permits, and other documents required for development.

We found many deficiencies in BIA's management of Indian resources in several areas. And before I get into a couple of examples, I will say that we put the Interior's management of oil and gas development on Federal lands on the High Risk List in 2011 because there were many of the same deficiencies we found.

And we have seen since then a lot of progress. Interior has made a great deal of progress in resolving a lot of those recommendations that got them on the High Risk List, and I would like to talk about some of those in this hearing because those are things that if the Agency does these things, they can solve some of the problems, and they are not all related to the budget. Well, they are related to budget.

Let me be specific. One of the biggest problems is a lack of the staff with the right skills in the right place at the right time to review permits and environmental assessments, or do environmental assessments, and to do the kinds of permitting, evaluation, and realty to figure out who owns what resources. And we find that all over on Federal lands.

So, BLM has struggled with having the right staff with the right training. And the problem is they are competing for some of these positions with industry, so they are out there trying to hire petroleum engineers, and industry is going to pay $100,000 more a year. So, what do you do, and how do you fix that?

Well, you know, government employment is not private employment. There are some benefits, so you have to do the best you can with those. And Interior, since we put them on the High Risk List, has gone to OPM, and they have gotten special authority to pay more for key areas, like petroleum engineers or natural resource experts, who otherwise would not go and live at some small regional town with a small regional office because, you know, where would their kids go to school? Where would their spouse find employment?

But they have gone and they have gotten extra pay authority. They have used the tools. They did that through OPM. They also went to Congress and they asked for money to pay for more staff, and they got that for offshore staff, and they got some extra appropriations. They use that effectively. They hired more people, and they closed some of those gaps.

And when they did that, we said, all right, you are showing leadership commitment. You are doing the things you can do. You are asking Congress for help when you need it, and so they are making progress on their star. And so, I have every reason to believe that BIA, with the right leadership commitment, could do some of the same things.

So, I will not take up a huge amount of time with examples that we found, but I want to talk about one thing in particular, and that is in response to tribal requests for increased coordination across agencies. And if you look at the second handout, you can see there are 14 agencies and 22 activities that are related to energy. And

that does not even include all the State agencies and bodies you have to deal with when you want to develop energy. And then, there is the tribal government.

So, it is immensely more complex than even doing this on Federal lands, which is more complex than doing it on private or State lands. And from a regulatory basis, it is a mess. And Interior has taken some steps, initial steps, to form a new office, the Indian Energy Service Center. This is a great idea. It is a great idea because where there is a complex regulatory framework, you really need experts in a centralized area who can resolve problems and give good advice to people who are trying to get things done. And I will give you an example.

The Federal Energy Regulatory Commission is the final permitting authority for interstate pipelines. And sometimes, depending on where you are going and what things you are crossing, whether you are crossing parks or water, navigable waters or whatever, you might be dealing with 13 other agencies. And FERC is a one-stop clearinghouse for information on how to get through that regulatory process.

So, if you are going to build a pipeline, you go to FERC first. You do a pre-application. They tell you you need to go here, you need to do environmental assessments here, you need to go over here, you need to check with the Fish and Wildlife Service. And not only that, but FERC coordinates with those agencies to make sure that that those things are getting done. And in Indian Country, an application can come to one of those resource agencies, and people, they just sit on it, and it takes forever to get things going.

So, this Indian Energy Service Center, if it is done correctly, could provide some of the solution. But the problem is when they set it up, they did not set it up to try to include all the agencies that are involved. So, we recommended that they do coordinate with those, and they have taken steps to start to build some relationships and agreements.

The last thing I will say about that, and then I will conclude my statement, is that to fully staff that body will, as they envision it with 48 FTEs, would take about twice what their appropriation has been in the last couple years, and they have asked for twice what they got. And so, it does not mean that they cannot do good with what they have, but I think to get the most out of it, they are going to keep asking to fill these spots. And, you know, what happens after that is none of my business. [Laughter.]

And I am happy to answer any questions. Thank you.

Mr. CALVERT. Thank you. Thank you for your testimony.

Ms. King.

OPENING REMARKS OF MS. KATHLEEN KING

Ms. KING. Chairman Calvert, Representative McCollum, thank you so much for inviting me to be here today to talk about our work on the Indian Health Care Service. And much of what I was going to say has already been said by you and members of the committee. [Laughter.]

So, I am going to abbreviate my remarks and just focus on a few key things.

Since 2011, we have issued 7 reports on IHS. We made a number of recommendations. Some of them have been implemented, but most have not. And we have 14 outstanding recommendations.

Our reports have found serious shortcomings in the quality of care rendered at IHS facilities and a lack of oversight. What IHS does is devolve a lot of responsibilities down to the area offices without national standards, and there is not a feedback loop coming back to headquarters for them to know what is going on.

So, they do not know what is going on with quality of care, and they also do not have any standards or way of knowing what is going on with regard to patient wait times for primary care. We think that is a serious shortcoming, and that they should have national standards, and they should have a way of knowing what is going on out in the field.

We have also done some work on the PRC program and found some shortcomings there as well. There is a formula, a base formula for the PRC program that dates back to the 1930s. No one can tell us the origin of this formula, but it results in a lot of disparities across the areas ranging from when we did our work to a low of $299 per capita to $801 per capita. This is inequitable because IHS could not say to us that there were differences among the areas in terms of health needs.

We made a matter to Congress some years ago saying that Congress should direct the IHS to develop a more equitable formula for the PRC program, and legislation was introduced on that, but not enacted.

IHS did adopt another one of our recommendations which we thought was very significant. Under the PRC program, it used to be that they paid physicians and other non-hospital providers what they charged. In some cases, they negotiated contracts or had discounted rates, but in most places they were paying what physicians charge, and that is not typical in the health insurance industry. We made a recommendation that they reduce the payments to the same as Medicare paid, and they did adopt that, and as part of that, we estimated that they would save $32 million. So, that was a positive step.

We have also made a number of recommendations to improve the management of the PRC program and to encourage IHS to expand their outreach efforts to get people enrolled in other third party insurance, such as Medicaid, because when people enroll in that insurance, two good things can happen for IHS. One, if they seek care at an IHS facility, IHS can bill for that revenue and keep it, and that enhances their PRC revenue. Or if someone takes their Medicaid or other insurance and goes elsewhere and gets care, that reduces the demand on IHS. So, that is another important step.

With that, I think I will stop because I know you will have questions for us.

Mr. CALVERT. Thank you for all your testimony. It is obviously extremely concerning what is going on out in Indian Country. We will have a number of questions for the record, but I will lead off with a couple of questions that seem to be appropriate.

GAO HIGH RISK REPORT: TRIBAL PROGRAMS

I think I will start with you, Melissa. What changed from 2015 to 2017 that prompted GAO to add tribal programs the list?

Ms. EMREY-ARRAS. I think the number of reports that we had during that timeframe and the significance of those findings really caused concerns for us, and made us realize that this was really a high-risk issue. And it did not help that there were so many open recommendations that had not been resolved.

Mr. CALVERT. How frequently does GAO meet with the agencies to monitor progress?

Ms. EMREY-ARRAS. We talk with the agencies regularly about their recommendations and the like. I would say at a minimum, at least every 6 months, but it is frequently quite often more than that. We often talk with them in the course of our ongoing studies as well.

Mr. CALVERT. Okay.

Mr. RUSCO. And in addition to that, being on the High Risk List means that that there will be a meeting with OMB, the Secretary of the Interior, the deputy secretaries, and all the assistant secretaries of the relevant bureaus. And in that meeting, we will talk about where they are in high risk, and they will talk about what they are doing to get off it, and OMB will be there to try to add some accountability. So, that also happens.

ASSISTANCE TO AGENCIES

Mr. CALVERT. When asked, does GAO provide any help? Do you provide any help if some of these agencies ask for help?

Mr. RUSCO. Well, so we provide our recommendations, and we will clarify what we mean if asked. But we cannot really tell them in detail how to resolve problems, and then still come back later and audit them and say whether they are doing a good job. [Laughter.]

So, we are careful about that. [Laughter.]

Mr. CALVERT. You know, you have got a couple of these charts up. There is one that looked like——

Ms. MCCOLLUM. It is a nightmare.

Mr. CALVERT. It looks like Obamacare, does it not? [Laughter.]

No, I am just kidding.

Ms. MCCOLLUM. Well, the ACA works. [Laughter.]

Mr. CALVERT. But anyway, this extremely complicated chart. How do you explain that? There has to be some efficiencies that can be found. So, you do not give any advice, but where do they go? I mean, this has got to be cleaned up. So, who do they work with to do that?

Mr. RUSCO. You know, this is a case where I think there are two things. We need to look further into that, you know, and see where there might be efficiencies, and specifically where coordination could resolve a problem, or where there is maybe multiple agencies doing something.

But I will give you one example. There are two Indian energy loan guarantee programs, and one is in Interior, and one is in DOE. DOE's has never been funded, but Interior's is funded. DOE has loan programs. They have all the expertise to run loan pro-

grams. And we have not looked at the Interior's loan programs, but I have looked at DOE's loan program since their inception in 2005, and it took them forever to get up to speed. And when they finally did, they have a solid group of professionals who can evaluate loans and make them, but that took years to do.

And so, one of the things that we would look at is do you really need two Indian energy loan guarantee programs, or could you use the resources from one and save some money that then that money could go to increasing the amount of loans, because, you know, honestly, the annual amount in the Indian Energy Loan Guarantee Program, that would fund one large energy project. And so, you know, you could use all the money you can get.

And so, we have not looked at that, so that is not a recommendation, but that is the kind of place we would look. We would look for that sort of efficiency.

OFFSHORE ACCOUNTS

Mr. CALVERT. This goes to management, and that goes to leadership and finding somebody maybe outside to look at this entire process and improve upon it. One last question. $1 million dollars to an offshore account? Explain that.

Ms. EMREY-ARRAS. Sure. It actually happened in 11 separate transactions, and it went to three Asian countries, but primarily Indonesia. And they were not able to recover the money.

Mr. CALVERT. And who did this?

Ms. EMREY-ARRAS. The thought was that it might have been some kind of hacking or cyber, you know, crime. However, the bank accused the school of not having properly secure computers to do these transactions, and so the account was compromised.

Mr. CALVERT. So, nobody——

Ms. EMREY-ARRAS. Nobody was held, yeah. So, nobody was arrested. In the end, the money was not returned. And we have a concern because there is limited funding, as we have been talking about, and you want to make sure that the funding that is provided goes to schools and it is not diverted. And because of that, we made recommendations to better oversee school spending to guard against those kinds of problems.

Actually, in 2014 we made recommendations to have basic written procedures to oversee school funding to make sure it is being spent appropriately, and that has yet to happen.

Mr. CALVERT. Wow.

Mr. JOYCE. Mr. Chairman?

Mr. CALVERT. Yes?

Mr. JOYCE. Could you yield for a second?

Mr. CALVERT. Sure.

RECOVERY OF FUNDS

Mr. JOYCE. Does not the FBI or other law enforcement agencies assist you in the recovery of such funds? I mean, if it was taken from a bank account, obviously it had to be transferred to some other account.

Ms. EMREY-ARRAS. The FBI was brought in by the Interior's IG office to look into this, but they were not able to identify the individuals or obtain the money in the end.

VOICE. So, it could have been an outside job.

Mr. CALVERT. Amazing. Ms. McCollum.

STAFFING AND TRAINING

Ms. MCCOLLUM. Thank you very much for your testimony, and thank you for working with the agencies because I think the Indian programs within the Department of Interior, these are people who get up every morning and want to do the best job that they can. One of the challenges that is becoming very apparent, besides facility maintenance and backlog, is staffing. I am just going to roll a couple things out, and then have you all respond.

So, one of the things that became very clear in one of the reports that we received on the inspection for schools is the BIA might have one person who works on this in the Agency. They have hundreds and hundreds and hundreds of miles to cover, and they have multiple hats to wear. And they really have not gone to school to become a really good inspector of buildings, but then that becomes their job. Or we have things that are contracted out, but we do not have the personnel in place to do a double check of what is happening with the contractor.

To your point about warranties, I worked in the private sector for years. I worked for a major retailer, and I dealt with carpet warranties and furniture warranties. And I will tell you, it is a full-time job, and you have to be on it 24/7. Here again, if you do not have the school maintenance person in Indian Country really knowing how to deal with some of these warranty issues, they can be very difficult to resolve. Some of this is staffing and some is training, so that I would point out in education a little bit.

Staffing and training and what you were saying about energy, Mr. Rusco, which is trying to get people to stay and be retained in the Agency, as well as understanding all the quagmire from who to report to who. It would seem to me that there are State models out there. You mentioned FERC. There are models out there that Indian Country can look at, or work with, or sit down and have a roundtable with the agencies on how to streamline and move forward. Having timely inspections, and permits, and everything are very, very important.

But there are some things that are going to be going on in the EPA budget regarding permits and timely inspections. I am going to follow up to see if there is something I should be watching in that budget. They are in Indian Country as well, and I am kind of concerned about their permitting.

Ms. King, I am going to end with this. This Administration has given a directive to Indian Health Services, and Indian Affairs and Education, and all the rest of the Agencies to reduce staffing. They have huge gaps, holes, not enough positions filled in Indian Health Service, and problems retaining and recruiting people. Is part of your recommendations to beef up and get the right people doing the right kind of staffing and figure out how to retain them? Because I, quite frankly, think I need to write a letter to the White House saying, in this particular area, to ask people to be doing a workforce reduction is pound foolish.

Ms. KING. During the course of our work, IHS has told us that not having the right staff is one of the key impediments to quality

of care and access to timely primary care. Some of our work really documented the change in leadership in the area offices and in key positions. We also have some ongoing work now where we are looking at staffing issues. And we hope to have some constructive advice that comes out of that, creative solutions or things that they can do. But certainly having the staff, especially the medical staff, in these facilities is important.

Ms. EMREY-ARRAS. I would add on the education front, we have similar concerns in terms of workforce planning. We have two outstanding recommendations regarding workforce planning to make sure that they have the right staff in the right locations to do the work. We had people telling us that they were not accountants, they did not know how to review single audits, and yet that was their job. So, that was a concern of ours.

In terms of the training issue that you brought up and inspections, in the report that is released today we found that 33 out of 39 staff with safety responsibilities did not complete required training. So, they are not even doing the training that is provided by the Agency and required by the Agency.

Ms. MCCOLLUM. But for how many of those individuals was that not their only job? That is part of my point here. If there are Federal employees not doing their job, they need to be held accountable to it. But sometimes we are asking the same Federal employee, whether it is in Indian Health or Indian Education, to do multiple jobs. We are asking these people to perform superhumanly. Is that part of your report, too?

Ms. EMREY-ARRAS. That does cover individuals who may have responsibilities in addition to safety issues.

Mr. RUSCO. With respect to the energy side, there are other examples of agencies doing more with less by being creative. So, BLM has repeatedly, because of the boom and bust nature of oil and gas, they have repeatedly been sort of mis-staffed in regional offices. So, when the shale boom came, all of sudden they do not have anybody in North Dakota. They have tons of people in Wyoming. Shale gas just drove coal-bed methane gas out of business, and so all of a sudden Wyoming has people in BLM offices with nothing to do. North Dakota does not have people, and they have all these permits and all these inspections to do.

And so, they implemented a pilot program to try to move people into hotspots and take care of business, and we have not looked at that closely enough. When we looked at it, and it was a very successful pilot. They should continue that, and I think BIA can learn from that. But we have not looked specifically at BIA to see how well, that centralized model works where you have people that can go for a specific time and take care of a workload problem. But I think that is a very promising potential.

Ms. MCCOLLUM. Thank you, Mr. Chair.

Mr. CALVERT. Thank you. Mr. Simpson.

BUREAU OF INDIAN EDUCATION: SAFETY CONCERNS

Mr. SIMPSON. Thank you. Could you put the star back up? I know it is there somewhere.

Ms. MCCOLLUM. You do not want the yellow tag?

Mr. SIMPSON. No, I think I have seen the yellow tag. Did they use that school for the 8 months that they had the yellow tags up?

Ms. EMREY-ARRAS. Yes, and there were students involved.

Ms. MCCOLLUM. They probably should have been red tagged.

LEADERSHIP

Mr. SIMPSON. That is amazing. As I read your report last night, and I did read all of it. That was an amazing accomplishment I think. [Laughter.]

The one thing that came to my mind as I read in all three of these areas, and it seemed like there was one common theme of this star and this leadership commitment. And if you look at the incredible turnover within these agencies, whether it is at the local level, mid-local level, even in Washington, D.C., has anybody looked at why is there such a huge turnover in these programs of leadership, and how do you keep a leadership commitment that is continually turning over?

Ms. EMREY-ARRAS. In terms of BIE issues, we have reported on the significant turnover and cited that as a management challenge. As many of you know, the prior director of BIE was removed from his position last year due to ethics concerns.

Mr. RUSCO. So, Interior faced this when they were put on the High Risk List for oil and gas management and Federal lands. We think that they have largely solved that leadership issue with one Bureau's exception, but they did it by institutionalizing the ownership, so, of the issues. So, they said, all right, this is your position. You own these issues. You own the recommendations. And once that is institutionalized and that is part of your job description, if you have turnover, that is still part of your job description.

And it will not solve everything. It will not solve bad acting. But if you get somebody who has got a job and here is a description, and it is written into it that this is what you do, then I think that is how they have dealt with it. And they have a lot of turnover, too, but they have been making great progress.

Mr. SIMPSON. Go ahead.

Ms. KING. With respect to IHS, I think they have been without permanent leadership for about 2 years. They had an acting director, I believe, for about the last year of the Obama Administration, and there are no, as we saw today, no permanent people in place yet in this Administration. So, that is a long time with temporary leadership.

And the other thing that we saw in the area offices, when there was a problem when one area, they moved people around to go to that area to fix the problem there, to fix the crisis. But it results in a big churn among the area offices.

STAFFING: TURNOVER

Mr. SIMPSON. Have we have gone out and asked people that left why they left, what is driving them to leave that field and go into something else? What is the cause of the turnover? I mean, we have talked on this committee with people who worked in or ran IHS, just to give background information, and the stories we have heard from people that used to work there years ago. Has anybody gone out and done that?

Ms. KING. I have not.

Mr. RUSCO. No.

Ms. EMREY-ARRAS. No.

Mr. SIMPSON. Well, it would be interesting to find out what it is. But, you know, my wife often makes recommendations of things that I should do that I do not think are in my best interest. [Laughter.]

Sometimes agencies might look at you and say that you are the data geeks and all that kind of stuff, and so you make all these recommendations. Do they ever look at you and say, that is neat on paper, but it is not the real world that we live in and try to deal with every day, consequently we are not going to implement that, and that is why 39 out of the 41, or whatever it is, recommendations have not been implemented. How do you work that out between agencies to try to implement your recommendations?

Mr. RUSCO. Well so, we try very hard not to make recommendations that we have not got really good ideas are implementable. And we do that by getting past the leadership and onto the ground and find out. Like, you know, a lot of our recommendations come from the Agency. We talk to them. They tell us what is wrong. It is amazing how much they admit when you go out in the field and talk to people.

They know where their problems are, and they are trying to solve them, too, but it gets back to the leadership issue, and so, it goes all the way to the Secretary of Interior. If the Secretary of Interior does not put in the budget I need more resources for Indian programs, well then, where do you go? I mean, obviously it is up to OMB, too, right? You know how it works a lot better than I do.

Mr. SIMPSON. Unfortunately, yeah.

Mr. RUSCO. And so, but that leadership has to come from the top. It has to go down to the bureaus, and then the bureaus have to institutionalize the ownership of the problem, and then you have got a commitment. And that is when you can see progress, at least in my experience.

CONGRESSIONAL ACTION

Mr. SIMPSON. Well, if that leadership is not coming from the top or has not come from the top, and I am not trying to point fingers at anybody. But if it does not come from the top, what can this committee do? Can we write into legislation, into our bill some of these recommendations and require the agencies to do some of those things that need to be done?

Ms. EMREY-ARRAS. Yes.

Mr. SIMPSON. Would you recommend that we do some of those things that maybe are the harder ones to get done or that get more resistance?

Ms. EMREY-ARRAS. Yes. I think simple things, like having written procedures to oversee school spending, should be done immediately, not languish for years.

Ms. KING. I think things like hearings, too, are helpful because what I find is that in our areas, occasionally IHS has disagreed with us and said, nope, we are not going to implement that recommendation. But more frequently they agree, but they do not do it.

INDIAN LOAN GUARANTEE PROGRAM

Mr. SIMPSON. One more thing. Since I chair the Energy and Water Appropriations committee, we will look at the possibility of including the Indian Loan Guarantee Program under the direction of the DOE Loan Guarantee Program. I know that Secretary Moniz recommended some of that in the last budget, and we just did not feel we had the money to do it or did not feel confident of what they were trying to do. So, but I think that is a valid recommendation.

MEDICARE RATES

Here is one thing I will say, though. And, Kathleen, you mentioned that one of the recommendations that had just been implemented by one of the programs was that they pay the Medicare rate to doctors instead of the rate that doctors were charging. Has anybody followed that up to see what the accessibility to doctors has been? Has that decreased accessibility?

And the reason I ask that, I was a dentist in the real world, and while I am not talking about Medicare, I will tell you that if somebody said we are only going to pay the Medicaid rate, which is what dentists usually deal with, if I only operated on Medicaid patients, I would be out of business to cover the costs.

Ms. KING. We actually——

Mr. SIMPSON. So, I mean, you have to look at accessibility, too.

Ms. KING. We actually did some sounding out on that before we made that recommendation, and we asked a number of providers what do you think about this. And, some people said, IHS should have done this a long time ago. The rates that are being paid are too high.

But we did make a recommendation to IHS to follow up and make sure that access is maintained because that is an important aspect.

Mr. SIMPSON. Thank you.

Mr. CALVERT. Thank you. Ms. Pingree.

BUREAU OF INDIAN EDUCATION: CONSTRUCTION

Ms. PINGREE. Thank you, Mr. Chair. Thank you very much for the work you have been doing and for your testimony. It has been very educational and much appreciated to hear the work that you are doing. And I am sure where we can yield some improvements, it will be good.

I do not have a lot of questions or comments to make. Certainly some of the concerns about Indian Health and Indian Education have been problems in our State. We do not have a drop of energy besides wind in our State. That is not on your list.

I will just add that in terms of education we have been concerned about the role that the BIA plays in the Bureau of Indian Education. We have one facility in the pipeline in our State, and the Committee has been very helpful with that, the Beatrice Rafferty school, which is a Passamaquoddy school. It has taken us 3 years to get from the design stage to the construction stage, and it still does not look like there will be a groundbreaking until 2019.

In any other circumstance in school construction, it would not look like that. Every time there has been a hitch, we have followed up and tried to figure it out. It has been bureaucratic, intractable. It just does not make any sense. Even when there are, differences in the rules or everything else, you are just thinking, does everybody put a roadblock everywhere they can to keep this from happening? This is a school that was funded, but, funding delays cost money. Little glitches all of a sudden result in more money because somebody interprets one thing one way.

You look like you might have a comment.

Ms. EMREY-ARRAS. I would just say that the report that we are releasing today does get to that issue of construction delays. And one of the things that we heard repeatedly was that Interior was not providing enough technical assistance and oversight to tribes on construction projects, and that they were not responding in a timely way to requests, which was resulting in extensive delays.

Ms. PINGREE. So, we will look forward to reading the report, but that was what we have experienced from observing this process.

As with most schools, and everyone on this Committee knows it better than me, these are already schools generally that are condemned, that have, unhealthy conditions, uninspected boilers, mold, all kinds of other problems already. When it takes long delays, you have got students locked in places that they should not be, and teachers trying to teach under inadequate situations. Communities feeling really bad about the situation, which leads to all the kinds of health complications, and, suicide rates and all kinds of other things when you are compounding problems, especially starting with kids.

So, thank you for your work. Thank you, Mr. Chair.

Mr. CALVERT. Thank you. Mr. Joyce.

BUREAU OF INDIAN EDUCATION: CONSTRUCTION DELAYS

Mr. JOYCE. Thank you, Mr. Chairman. And then following along those lines, it seems like there was an 8-month interval between the initial finding of the problem and anything being done. Can you explain why there was such a delay?

Ms. EMREY-ARRAS. I do not know why there was a delay, but this is not unusual. There are frequently issues where hazards are identified and they are not remediated. And in our prior work, we found that it was so extensive that it was not uncommon to have the next year's inspection find the same problems as in the previous year's inspection.

We did make a recommendation for Interior to provide assistance to schools to be able to actually fix the problems and help them build capacity so that they know how to do that. But that recommendation remains unimplemented.

Mr. JOYCE. The funding exists for it. There is just a failure to do so at the local or at that one individual level. Is this occurring in other schools?

Ms. EMREY-ARRAS. It is occurring at multiple schools in terms of identified problems that have not been fixed and remain for years. And in terms of the issues there, I think one of the issues is having staff at the school level who know how to read an inspection report, who know what to do to correct the problem. You may have jani-

torial staff, for example, responsible, and they may not know exactly what to do in terms of certain repairs. And we think it is critical that Interior provide that technical assistance to schools so that they can address safety concerns versus having concerns repeat from year to year, or last 8 months in this situation.

Mr. CALVERT. If the gentleman would yield.

Mr. JOYCE. Absolutely.

BUREAU OF INDIAN EDUCATION: SAFETY CONCERNS

Mr. CALVERT. When something like that occurs where you have a boiler which obviously if it has a malfunction could blow up and kill a number of people, why was that school not immediately closed until that problem was fixed? Do they not have the authority to close that school, or does anybody not have the common sense to understand that?

Ms. EMREY-ARRAS. We had the same concern. It was unfathomable to us that that boiler remained in that condition with those gas leaks while students and staff were in the area.

Ms. MCCOLLUM. Mr. Chair?

Mr. CALVERT. Yes?

Ms. MCCOLLUM. Was that the yellow tag school? Because usually there is a big difference between a yellow tag and a red tag. I am not trying to pretend to be a plumber or a pipefitter here, but I have dealt with this a little bit in real life. We can see that is a yellow tag.

Usually with the yellow tag you get told, okay, we are not going to shut you down. It is not immediate, but you have to get it repaired within X number of hours. They have a responsibility, the plumbing company. Maybe all States are not created equal—maybe it gets into State jurisdiction to be back in 48 or 24 hours to make sure that it is correct. But in other words, a yellow tag means we can fix this. It can be fixed properly. It will be fixed expeditiously.

If this is the school we were just discussing, it seems to me whoever put the yellow tag on it put the wrong color on it, and the school should have been closed.

Ms. EMREY-ARRAS. That is possible. You can see that the sign says, I think, that the carbon monoxide is too high on the tag. I mean, that is another issue in terms of the inspections is that they are not always done in in an accurate way as evidenced by some of our findings in terms of broken fire alarms and the like. People were told that they had a year to fix things when they should have been fixed within 24 hours. So, there is often an issue in terms of the directions that are provided by the inspector.

Ms. MCCOLLUM. But it is not the school that puts that tag on it or the janitor. Usually that is somebody whose license is on the line.

Ms. EMREY-ARRAS. That is an outside inspector. That is correct.

Mr. CALVERT. Mr. Joyce.

Mr. JOYCE. I am sorry, but I do not find it humorous. On top of the explosion factor, on top of the carbon monoxide factor, people are going to die. And so, I do not get the disconnect between you write a report that says these things need to be fixed and nothing happens. There has to be some other agency or somebody who is

going to step in, because you are putting all these kids' lives at risk.

Ms. EMREY-ARRAS. We have a similar concern. We think that things need to change. We have made recommendations, and that is partly why we have put this issue on the High Risk List.

Mr. JOYCE. Again, it is a list. There has to be some type of, I do not care who the local authorities are. If you have a theft of a million dollars, it is a theft of a million dollars. 25 years as a prosecutor, that galls me, and the fact that you put in things like this. I used to represent school districts. You put in something like this, and nobody does anything about it? This cannot go on.

Mr. CALVERT. Well, they did not have anything to do with the crime.

Mr. JOYCE. Well, I appreciate that, but they find people who are doing this. Where is this disconnect? We have to find out where it is and fix it. I am sorry.

Ms. EMREY-ARRAS. We share your concern.

Mr. CALVERT. We have a hard stop here at 3:30, and it is 3:35. I certainly appreciate this panel. I have some additional questions I will be submitting to you.

Ms. KING. We will be happy to answer them.

Mr. CALVERT. We certainly appreciate your coming today.

Ms. KING. Thank you for having us.

Mr. CALVERT. We appreciate your testimony and your truthful answers. We are adjourned.

Mr. RUSCO. Thank you all.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Oversight Hearing: High Risk Programs for American Indians and Alaska Natives
Education, Health Care, Energy
May 24, 2017

Questions for the Record – U.S. Government Accountability Office (GAO)

Questions from Mr. Calvert:

High Risk Report

Please explain the High Risk Report process, for instance:

Calvert Q1: What changed from 2015 to 2017 that prompted GAO to add tribal programs to the list?

Answer: We added tribal programs to our High-Risk list in February 2017 in response to serious problems in federal management and oversight of Indian education, health care programs, and energy resources, which were highlighted in several of our prior reports, along with reports and testimony from Inspectors General, tribal nations, special commissions, and others. In particular, we have found numerous weaknesses in how the Department of the Interior's (Interior) Bureau of Indian Education (BIE) and Bureau of Indian Affairs (BIA)—under the Office of the Assistant Secretary for Indian Affairs (Indian Affairs)—and the Department of Health and Human Services' (HHS) Indian Health Service (IHS) have administered education and health care services, which has put the health and safety of American Indians served by these programs at risk. These weaknesses included poor conditions at BIE school facilities that endangered students, and inadequate oversight of health care that hindered IHS's ability to ensure quality care to Indian communities. In addition, we have reported that BIA has mismanaged Indian energy resources held in trust and thereby limited opportunities for tribes and their members to use those resources to create economic benefits and improve the well-being of their communities.

As we discuss in our May 24 testimony, we consider a number of factors before determining whether a particular area should be added to the High-Risk list. These factors include whether the risk involves public health or safety, service delivery, economic growth or could result in impaired service, program failure, injury or loss of life, or significantly reduced efficiency and effectiveness, among other areas.

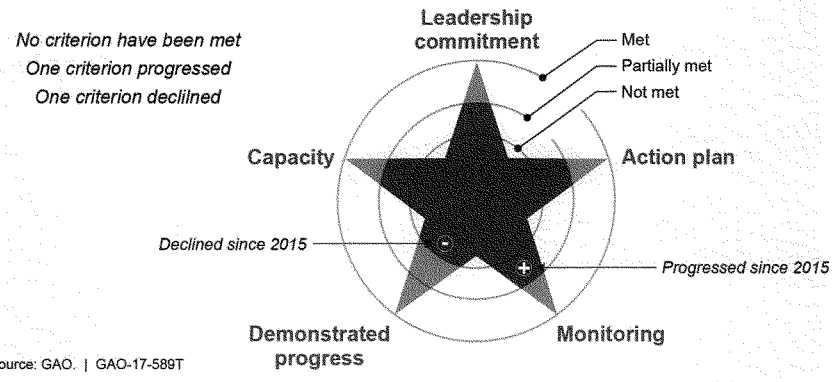
Calvert Q2: How frequently does GAO meet with the agencies to monitor progress?

Answer: In general, GAO teams are in frequent contact with agency officials on high risk issues. At a minimum about every 6 months, but of course, many GAO teams meet more frequently with the agencies on high risk.

Calvert Q3: When asked for help, does GAO provide it?

Answer: Yes, we most often offer assistance to agencies to help clarify the problems that we have identified and the actions that we have recommended that they take to address those problems. It is the responsibility of agency management to address high risk issues, but we provide help within the bounds of our independence.

Calvert Q4: The written testimony includes a chart to help gauge progress. Please explain the chart, particularly where it applies to Congress.



Source: GAO. | GAO-17-589T

Note: Each point of the star represents one of the five criteria for removal from the High-Risk List and each ring represents one of the three designations: not met, partially met, or met. An unshaded point at the innermost ring means that the criterion has not been met, a partially shaded point at the middle ring means that the criterion has been partially met, and a fully shaded point at the outermost ring means that the criterion has been met.

Answer: As indicated in the note, each point of the star represents one of the five criteria for removal from the High-Risk List and each ring represents one of the three designations: not met, partially met, or met. An unshaded point at the innermost ring means that the criterion has not been met, a partially shaded point at the middle ring means that the criterion has been partially met, and a fully shaded point at the outermost ring means that the criterion has been met. Congress can help provide oversight to the areas that have not yet been rated as met.

Calvert Q5: What happened to force you to downgrade Demonstrated Progress?

Answer: The graphic provides a generic example of how GAO measures agencies' progress in each of the 5 criteria for a high-risk area. This figure does not provide information on Interior's or IHS' progress. GAO will provide such a graphic on their progress toward removal from the High-Risk list in our 2019 report.

Calvert Q6: Do the agencies agree with all 41 recommendations?

Answer:

Education: Prior to May 24, 2017 there were 11 recommendations related to Indian education that were unimplemented. On May 24, 2017, we issued 2 new reports related to Indian education, which increased our total number of education recommendations in this high-risk area by 12, for a total of 23 open recommendations. Of this number, Interior agreed with 21, partially agreed with 1, and disagreed with 1.

Energy: Interior agreed with the 14 recommendations related to energy.

Health care: In the past 6 years, we have made over a dozen recommendations related to Indian health care that remain open. HHS agreed with most of these recommendations, but it disagreed with the recommendation to use actual counts of Purchased/Referred Care (PRC) users, rather than all IHS users, in any formula for allocating PRC funds that relies on the number of active users, stating that IHS's combined count of all users is intended to reflect the health care needs of PRC users. We maintained that without accurate data, IHS cannot know if the proportion of actual PRC users is consistent across areas.

HHS also disagreed with our recommendation to use available PRC funds to pay for additional PRC staff, stating its intent to use PRC funds to pay only for services, not staff, since PRC funding was not sufficient to pay for all needed services. We acknowledged the difficult challenges and choices faced by PRC programs when program funds are not available to pay for all needed services. However, we maintained that without using funds to pay for staff, some PRC programs would continue to have staffing levels below IHS's staffing standards model, which contributes to delays in administering the program. As of April 2017, IHS had not implemented this recommendation.

Agency Cooperation

Calvert Q7: How cooperative have the agencies been relative to before and after the High Risk Report was published?

Answer:

Education: Since at least 2013, Indian Affairs has generally been very slow in providing documents and data that we have requested. We think it's too early to assess whether the agency has been more responsive since the High-Risk Report was published.

Energy: Interior recently provided an update on the status of its actions to address our recommendations and we continue to have cooperation with BIA as we conduct our ongoing work.

Health care: For the Indian Health Service, we have not seen any change since publication of the High Risk Report in terms of improved cooperation. We know the Acting Director has promised us better cooperation, and we look forward to working with them to realize this goal.

Congressional Action

The GAO reports on programs serving Tribes occasionally contain specific recommendations for congressional action, yet the High Risk Report doesn't critique Congress, other than to urge continued oversight.

Calvert Q8: Has Congress denied agency-requested funding to implement any of these recommendations?

Answer:

Education and Health Care: We are not aware of instances where this has occurred on recommendations related to Indian education and health care.

Energy: Our prior work has not focused on agency-requested funding, but Interior identified that some actions to implement a recommendation depend on budget and resource availability.

Calvert Q9: Has Congress acted on any of GAO's recommended legislative reforms?

Answer:

Education and Energy: We have not recommended any legislative reforms.

Health care: In order to ensure IHS equitably allocates PRC funds, we recommended that Congress consider requiring IHS to develop and use a new method to allocate funds to account for variations across areas. Legislation introduced in the House and reported out of committee in 2016 would have addressed this issue by requiring the agency to establish regulations to develop and implement a revised PRC distribution formula taking into account certain factors that may vary across areas. Also, a House Report partially addressed this issue by directing the agency to allocate an increased funding increment resulting from Interior's 2017 regular appropriation, H.R. 5538, pursuant to a specified allocation formula that may vary across areas. However, neither bill became law.

Education

Calvert Q10: Are health and safety hazards at BIE schools still going unaddressed, and, if so, why?

Answer: In a March 2016 report, we found that Indian Affairs' regional offices had not conducted required annual safety and health inspections at about one-third of BIE schools in fiscal years 2012-2015 or evaluated the thoroughness of the inspections that were conducted to ensure they were complete and accurate. Further, we found the agency had not taken steps to build BIE schools' capacity to promptly address safety and health hazards. We recommended that Indian Affairs collect complete information on BIE school safety and health conditions nationwide and develop a plan to support schools in addressing their facility hazards.

Since our 2016 report was issued, Indian Affairs has taken some positive steps to improve its safety program for BIE schools. For example, the agency provided documentation that it completed all its annual safety and health inspections for BIE schools in fiscal year 2016. However, it has not taken action to ensure that the information included in these inspections is complete and accurate. Further, it has not taken steps to improve BIE school staffs' capacity to promptly address safety and health deficiencies. Unless BIE schools have complete and accurate information on their safety and health conditions and the necessary staff expertise to conduct needed repairs, safety hazards will persist at schools and may endanger students and staff.

Calvert Q11: The GAO is releasing two new reports today on the Bureau of Indian Education system. To what extent did you find weaknesses in BIA's safety program for BIE schools?

Answer: We found that although Interior's internal evaluations of BIA's safety program since 2011 have consistently found it to be failing—including its safety program for BIE schools—the Department has taken no actions to develop and implement a corrective action plan. Unless steps are taken to address identified weaknesses in BIA's safety program for schools, the health and safety of BIE students and staff may be at risk.

We found that no Indian Affairs office routinely monitors the quality or timeliness of inspection reports, and BIA employees were not held accountable for late reports despite a new employee performance standard on timely report submission. While BIA completed safety inspections at all BIE schools in fiscal year 2016, we found that 28 of 50 inspection reports reviewed were incomplete, inaccurate, or unclear. For example, we identified reports in which inspectors did not inspect buildings or incorrectly gave school officials a year to fix broken fire alarms instead of the required 24 hours. we also found BIA inspectors submitted nearly a third of all reports after Indian Affairs' required 30 days, but no employee with safety program responsibilities was rated "minimally successful" or "unsatisfactory" as required by BIA's performance standards.

Until Indian Affairs monitors the quality and timeliness of school inspection reports and uses timeliness information to better manage safety employees' performance, the agency cannot ensure that BIE school officials receive the information they need to provide safe and healthy environments for students and staff.

Calvert Q12: The Bureau of Indian Education is in the middle of a reform effort that includes the expressed intent to consolidate all BIE responsibilities under the Bureau of Indian Education. Does the GAO have concerns about this reform effort?

Answer: We have not conducted specific work on BIE's reorganization.

Energy

Calvert Q13: Why has it proven so difficult for Tribes to develop their energy resources?

Answer: In our prior work, we found that BIA's management shortcomings and other factors—such as a complex regulatory framework and dual taxation by tribes and states—have hindered Indian energy development. Specifically, BIA does not have the data it needs to verify ownership of some Indian oil and gas resources, easily identify resources available for lease, or identify where leases are in effect. BIA also faces staff limitations and does not have a documented process or the data needed to track its review and response times.

These shortcomings and factors can increase costs and project development times. For example, a developer told us that an oil and gas well developing Indian resources generally costs almost 65 percent more for regulatory compliance than a similar well for private resources. As a result, tribes and individual energy resource owners have missed development opportunities and lost revenue. For example, according to a tribal official, BIA's review of some of its energy-related documents took as long as 8 years. In the meantime, the tribe estimates it lost more than $95 million in revenues it could have earned from tribal permitting fees, oil and gas severance taxes, and royalties.

Calvert Q14: GAO stated that the complex regulatory framework is a factor hindering development, are there actions the agency can take to help minimize the complexity?

Answer: The development of Indian energy resources is a complex process that may involve a range of stakeholders—including federal, tribal, and state agencies— and significantly more steps than the development of private and state resources. In response to tribal requests for increased coordination and more efficient management of their resources from the numerous regulatory federal agencies involved with Indian energy development, in 2014, Interior took initial steps to form a new office, the Indian Energy Service Center (Service Center), composed of staff from four Interior agencies, with BIA as the lead agency. BIA stated that the Service Center would serve as a central point for collaboration for permitting that will break down barriers between federal agencies. However, some regulatory agencies, such as the Fish and Wildlife Service, the Environmental Protection Agency, and the U.S. Army Corps of Engineers have not been included as participants in the Service Center. As a result, the Service Center has not been formed as the center point to collaborate with all federal regulatory partners generally involved with energy development nor is it a single point of contact for permitting requirements.

Our prior work has shown that having a lead agency for permitting is a management practice that helps increase efficiencies for the permitting process and there is a good example in the Federal government of a permitting process that actually works where there is a one-stop shop—the Federal Energy Regulatory Commission (FERC) for permitting pipelines. Specifically, our prior work found that stakeholders identified the FERC's review and approval process for interstate pipeline applications as a more efficient and consistent model than some state permitting processes. Under FERC's model, the Commission acts as a lead agency for coordinating federal authorizations and guides the applicant through the process.

Calvert Q15: Other Department of the Interior energy programs are also on the High Risk List. Are those programs making progress, and are there lessons to be shared with the Indian energy program?

Answer: GAO added management of federal oil and gas resources to the High-Risk List in 2011. Since that time, Interior has taken some steps to strengthen how it manages federal oil and gas resources. For example, Interior has taken some actions to address hiring and retention challenges. Specifically, in response to a recommendation we made in January 2014, Interior took several actions to bridge the salary gap for key oil and gas oversight staff. BLM, BSEE, and BOEM increased the number of staff receiving retention, recruitment, or relocation incentive payments in fiscal year 2014 and in fiscal year 2015 issued guidance describing which staff should receive these incentives. In addition, in September 2016, Interior outlined steps it will take to assess the effectiveness of these incentives by tracking measures such as turnover and acceptance rates.

Similarly, we found in 2015 that some BIA agency offices did not have staff with the skills needed to effectively manage Indian energy development or adequate staff resources. Interior's actions to address hiring and retention challenges for the management of federal oil and gas resources may provide some lessons that can be shared with BIA to help address its workforce challenges.

Health Care

A recent article in the Washington Post spotlighted the challenges of accessing and providing quality health care in rural areas of Tennessee, including patient volume, staff recruitment, travel times, low pay, and aging facilities. These problems are arguably a reflection of what the market will bear. Most if not all of the IHS-run and tribally-run facilities are in rural areas and struggle with the same problems.

Calvert Q16: In developing its recommendations, did GAO account for the challenges that aren't unique to the Indian Health Service?

Answer: Our reports on wait times and quality of care recognize challenges that are not unique to IHS – for example, staffing shortages and the rural locations of some facilities. However, despite these common challenges, our recommendations reflect the need for consistent oversight

of IHS facilities. IHS should develop agency-wide standards for wait times and quality of care, and monitor facility performance in meeting these standards.

Calvert Q17: Did GAO look at rural facilities outside the HIS system to ensure that the principles contained in its recommendations can and are being implemented in rural areas?

Answer: We have ongoing work looking at IHS facilities in addition to other rural facilities, but this type of comparison was not within the scope of our prior work.

Calvert Q18: In FY 2016, GAO recommended that IHS develop and communicate specific agency-wide standards for patient wait times in federally operated facilities, monitor patient wait times, and take corrective actions when standards are not met. Has IHS implemented these recommendations?

Answer: In response to our recommendation, HHS described its plan to establish an Office of Quality Health Care at IHS Headquarters to provide for national policy and oversight of critical quality improvement strategies and ensure their success and accountability. As of April 2017, IHS has not established the Office of Quality Health Care and has not developed agency-wide standards for patient wait times in federally operated facilities.

Calvert Q19: In FY 2017, GAO recommended that IHS ensure that agency-wide standards for the quality of care provided in its federally operated facilities are developed, that facility performance in meeting these standards is systematically monitored over time, and that enhancements are made to its adverse event reporting system. What has IHS done to implement these recommendations?

Answer: HHS agreed with our recommendation and cited steps it already has underway to improve the quality of care in IHS's federally-operated facilities. HHS described the development of the IHS Quality Framework and Implementation Plan released in November 2016. However, as of April 2017, IHS had not developed agency-wide standards for the quality of care provided in its federally operated facilities.

THURSDAY, MAY 25, 2017.

U.S. FOREST SERVICE

WITNESSES

HON. SONNY PERDUE, SECRETARY OF AGRICULTURE
TOM TIDWELL, CHIEF, U.S. FOREST SERVICE

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT. The subcommittee will come to order.

Good morning. I would like to extend a warm welcome to our distinguished full committee, my colleagues; our witnesses; and to the audience. Today is a special occasion for the Interior Subcommittee.

We have the Secretary of Agriculture, the Honorable Sonny Perdue, as well as the chief of the Forest Service, Mr. Tom Tidwell, testifying before us.

My staff reviewed the committee hearing records as far back as the 1960s, found no mention of the Secretary of Agriculture appearing before the subcommittee on Forest issues. I understand your staff jogged the memories of long-time USDA employees, and no one could remember it happening either, so we are breaking new ground today.

Secretary, Chief Tidwell, we are pleased and honored to have you both with us. We look forward to hearing from you on the fiscal 2018 budget request for the Forest Service.

The President's fiscal year 2018 budget request is a significant departure from the last several fiscal years with his proposed overall reduction of $900 million, or 16 percent below fiscal year 2017 enacted level for the Forest Service programs.

And again, we have a budget request in which more than 50 percent of the Service's budget is dedicated to fighting fires. We will have many questions about these cuts and their effects on operations, staffing, and other programs. In particular, this subcommittee continues to be concerned about the cost of fighting wildfires and the effect it has on other Forest Service budgets, programs, and management.

And I would like to thank you, Chief Tidwell, for the administration's efforts over the past several years to change the way we budget for fires.

I would also like to thank Congressman Simpson for keeping the pressure on Congress to address the issue.

While firefighting costs seem to dominate most discussions about the Forest Service, there are numerous other issues, including aviation management, law enforcement, land acquisition, basic budgeting, program management, among others, that need to be attended to.

As I said before, the Service must demonstrate that it is accountable, transparent, and able to improve the condition of our national

forests, all while managing unpredictable fire seasons. This is not an easy task.

Secretary Perdue, we invited you to participate in this hearing, in part, to help you understand the importance of the Forest Service to this subcommittee, the Department of Agriculture as a whole, and the Nation. Healthy, productive national forests provide quality timber and other forest products. They clean our air and water, provide recreational opportunities, and enhance the natural beauty of our country.

We understand the challenges facing our national forests and statutes under which they are managed. However, I believe our national forests need a renewed focus on their health and productivity. As Secretary, you can help with that, and I ask you to consider making forest management one of your priorities.

For the past 1½ years, the subcommittee, along with our Senate counterparts, has been investigating the Forest Service accounting, budget, and management practices. We found some areas where improvements were needed.

Some of these needed to be addressed by Congress; others could be addressed by the Service. In fiscal year 2017 Consolidated Appropriations Act, we, one, imposed fiscal year limits on most Forest Service accounts. The Service has not had limits for 20 years or more. We directed the Service to standardize its budgeting across the agency. We understand each region does it differently. We directed the Service to reduce printing expenditures. The Service has significantly higher printing costs than any other USDA agency. Increased oversight of the Service by the Department's budget office to improve coordination and standardization of budgets, and we required more detailed budget requests in the future. We need more numbers and less narrative.

Chief, we appreciate the dedication, creativity, and responsiveness of your budget staff. They are working long hours without complaint to address our concerns and make the Forest Service more accountable, effective, and transparent.

The subcommittee is serious about the need for improvements in your accounting, budgeting, and managing practices. They need to be especially important if we see large reductions to the Service's budget. We must ensure that we are getting the absolute most out of every taxpayer dollar invested in our national forest. We pledge to work with you. I hope you also will pledge to work with us.

Secretary Perdue, Chief Tidwell, I thank you and the entire Forest Service staff for your work to care for the Nation's forests. We know that all of you care deeply for our forests and the communities that depend on them.

Now I am happy to yield to the gentlelady from Minnesota, who has a few forests of her own, Ms. McCollum, for any opening remarks she would like to make.

Ms. MCCOLLUM. Thank you, Mr. Chair. I do have a few forests.

OPENING REMARKS OF MS. MCCOLLUM

Secretary Purdue, it is great to have you here.

Chief Tidwell, good to see you again this morning.

I would like to first echo the chairman's comments about the subcommittee's commitment to help the Forest Service improve its ac-

counting and its budgeting and its management practice. But at the same time, Chief, I would like to acknowledge the hard work and cooperation of your budget staff as we move forward on this shared goal.

The American people rely on the U.S. Forest Service to responsibly manage the national forest system in a way that sustains the health, diversity, and productivity of our Nation's forests and grasslands.

Now, we can all agree on that a strong America is one where we protect our natural resources for future generations. Being good stewards of those resources requires robust investments in both resource management and the staffing to carry that management out.

Unfortunately, President Trump's fiscal year 2018 budget request is a cruel and, I believe, a reckless plan that pays for lavish tax breaks for billionaires with cuts to the very investments our future families need, our small businesses, and our communities count on.

When it comes to the U.S. Forest Service, this budget request is far worse than I could have imagined. It slashes many of the important programs that are critical to ensuring the health of our Nation's forests. Nine programs are completely eliminated, and States and local units of government must find the resources in their already strained budgets to replace these Federal funding streams.

The programs within the State and private forestry accounts are particularly important to State and local governments. This account provides resources so that our State partners can manage their forests to protect water quality, provide habitat, forest products, and opportunities for recreation and other public benefits.

So sadly, the Trump administration cuts this account by 46 percent, or $99 million. Again, States—and I will speak for my State, which is going through a budget process right now—can simply not afford to fill this void that this budget will create.

And I am disappointed that the administration has failed to pursue any proposals to reform the way we fund wildfire costs. As the chairman had pointed out, Mr. Simpson has been working tirelessly on this, and has the totally nonpartisan support from this committee on this, because the costs associated with fighting wildland fires continue to rise, and this budget illustrates how other important programs suffer when funding is diverted into fighting wildfires.

So, Chief, in the past years, you have supported wildfire disaster proposals.

Mr. Secretary, I would ask you to work with the Chief, with the Administration, with Mr. Simpson, with all of us, to develop a plan to tackle this issue so that we can fund wildfire fighting in a sustainable fashion.

And as I pointed out, every member of this subcommittee, especially in the last Congress, was a cosponsor of Mr. Simpson's Wildfire Disaster Funding bill, and I hope he will reintroduce it again.

If we continue on the path of underfunding programs to manage firefighting, we jeopardize the health and longevity of America's national forests.

As you can tell, I believe this budget is grossly inefficient. It disregards the jobs, recreational opportunities, and the environmental benefits our national forests provide for our health and our economy to be prosperous for all the American people.

So I hope that we will reject the proposed cuts and instead work with you to ensure that the Service has the resources necessary to remain a leader in natural resources; conservation; recreation; management; and, of course, with timber. Thank you.

Mr. CALVERT. Thank you.

OPENING STATEMENT OF SECRETARY SONNY PERDUE

And, Secretary Perdue, you may begin your statement.

Secretary PERDUE. Good morning. I really appreciate, Mr. Chairman, the informal environment here. It is a little different than many other committees we go through, and it is a welcome change. For that reason, I am going to forego reading my opening statement, you have that for the record, but I hope we can just have a genuine and transparent conversation this morning over the issues that I have seen already in visiting with 75 of your colleagues during my confirmation process. We understand that the U.S. Forest Service has had some challenges.

FIRE FUNDING FIX

I want to thank this committee—particularly for being solution oriented in some of those, and we will talk about the fire funding, as Congresswoman McCollum mentioned this morning. It is a serious issue. As you and I visited in your office, and we have got to right size that and get ahead of that because you know the challenges there.

BUDGET ACCOUNTABILITY

I also appreciated the fact that you want to hold us accountable. My goal, frankly, as Secretary and in the Forest Service is to earn your trust in management where you will not have to be as prescriptive as you were in the 2017 budget.

I liked what you said, I have sort of said the same thing in my budget briefings: I want more numbers and less narrative. We are trying to do budget briefings with slides. I want to see the numbers over the historical trends of what we are doing.

I view myself as a manager, my goal, as Governor of Georgia, which I think we made a lot of progress too, is be the best managed, most effective, efficient State in the Nation, and by and large, that is my same goal for this Department.

When we leave our tenure here, I want people to say: "That is the best managed agency in the U.S. Government." That is a focus on facts based, data driven, science based, transparent, ethical, integrity, and with a customer focus, and that means everything.

What I heard as I visited, while the U.S. Forest Service has had a wonderful history and a wonderful contribution to the beauty of our Nation, I am not sure we are being as good a neighbor in our U.S. Forest Service as we had been in the past, and that is another one of my goals.

Good neighbors treat one another with respect, with dignity. Private landowner neighbors, if they see something going on and they help one another or give counsel and advice, and we know that our private forests benefit from a combination of good neighborhood, and we want to be a good neighbor within the culture of the communities the U.S. Forest Service finds itself in that regard. So I look forward to that.

Our new motto does not deal specifically with the Forest Service, but I think you can imply that as well when we say, "Do right and feed everyone." We want to create jobs. We want to make our rural communities prosper where there was once millions and billions of board feet of timber cut. We know those jobs have disappeared there. Much of it has to do with litigation.

FIRE FUNDING

Fire funding is a huge issue. I look forward to working with this committee, who has been a huge sponsor, and Mr. Simpson kind of the spiritual leader of that effort, to see if we can get that across the goal line.

I will advocate very strongly, as Ms. McCollum advised, to the administration over—and I think the President gets that. From a management standpoint, you cannot—as you and I talked, you cannot manage a budget where you do not know where your emergency or your disaster funds come out.

Fifty three percent of the Forest Service budget is in suppression. It should be down, like it used to be, in the 15 to 20 percent area, and let us use the rest of the funds wisely in the management of those.

So that is a big issue, and I really appreciate you all and your efforts in that regard, and I look forward to working with you to make that a reality in our budgetary system.

LITIGATION

Certainly, you also know that litigation is a challenge for our U.S. Forest Service. Some of that has maybe been a problem because we have not been doing as well as we could do in some of those areas. The Cottonwood case is a particular one in mind. That ruling obviously creates a lot of problems over the continued consultation regarding habitat, if there is any change. I hope we can really look at some legislation to make sure and clear to the courts that that only delays all these projects more months and years sometimes, and we have got at least 80 forest management projects at risk of being enjoined through that ruling right now. That is affecting 72,000 acres and over 100 million board feet.

Simply, that is jobs. We want to be good environmental stewards. I believe our farms and ranchers and forests are some of the best natural stewards of the land we can have, and we want to let them do it in a way that makes sense, while we regard the habitat and the wildlife and all those things in a reasonable commonsense kind of way.

I will address some of the budget issues that I think are most important here we believe that we would like to ask for your help in.

ROADS

When you think about jobs that our U.S. forests can create, there was one, I think, that was probably ill-advised and maybe not in keeping with the President's wishes as well, and that had to do with our lack of improvements, particularly in roads. You can not harvest lumber on these if you do not have roads to do that.

So I know you all will look at that in your consideration and think about the capital improvement and maintenance program. We do not need a lot more equipment, but you can not get to trees and you can not create jobs without roads to get to them, so we would like to talk to you about that.

PROGRAM MANAGEMENT

Ms. McCollum mentioned a relationship that we have had. The U.S. Forest Service has had great relationships with our State and local forest programs, and I think we need to review that and see how we can restore some relationships there. This is a signal to them that we do not really appreciate that relationship, and I hope that we will do that.

So you mentioned several times the management. That is what I think I am supposed to do. I am a manager, and that is, frankly, not in your area, but that is one of the reasons I elevated the Rural Development program up to my level, because I am not a micro-manager, but I am a hands-on manager. And I plan to be a hands-on manager with the Forest Service utilizing the good services of a good chief forester, but I will be directly involved and accountable for those, the results of that.

I know that you all have relied on the chief in years past, but the buck stops here, and we are going to change the Forest Service for the better to make it more responsive to our neighborhoods, our communities, and to our mills out there. Once again, we have got a great resource. It is renewable.

It is a wonderful blessing, frankly, in this Nation to have the kind of forests that we have, and we want to be as equally good managers of our U.S. Forest Service as our private landowners. I come from a State that has amazing private landownership management, and we want to take those best practices and spread them across our whole U.S. Forest Service.

So I will stop there and look forward to your questions.

[The statement of Secretary Perdue and Chief Tidwell follows:]

Statement by
Sonny Perdue
Secretary of Agriculture
Before the Subcommittee on Interior, Environment, and Related Agencies
Committee on Appropriations, U.S. House of Representatives
May 25, 2017

Mr. Chairman and distinguished members of this Subcommittee, I appreciate the opportunity to appear before you to discuss the Administration's priorities for the Department of Agriculture's (USDA) Forest Service, and provide an overview of the President's 2018 budget. Joining me today are Tom Tidwell, Chief of the Forest Service, and Sheri Elliott, the Forest Service's Acting Budget Director.

It is an honor to be with you today as the Nation's 31st Secretary of Agriculture. I am truly humbled by the opportunity to serve the American people, our farmers, and forest land owners, and I assure you that I will work tirelessly on their behalf. I thank you for the opportunity to appear before you today, and I look forward to working with you in the coming months and years as we continue to improve our nation's forests and grasslands; increase our focus on the active management of our lands; and work with Congress on actions or options to address longstanding wildland fire funding concerns.

A strong vision

While I am new to the Federal budget process, I know firsthand the challenges related to developing and enacting budgets at the State level. As governor, I reformed state budget priorities to transform a budget deficit into a surplus, improved program performance, and helped Georgians create more than 200,000 new jobs. Now, in my role as Secretary of Agriculture, I will be the leading advocate for rural America and responsible management of our natural resources, bringing to the Department the same energy and creativity I brought to my job as Governor. As U.S. Secretary of Agriculture, I will be guided by the following principles.

First, I will maximize the ability of the men and women of America's natural resources and recreation sectors to create jobs, to produce and sell the products that provide shelter to so many people, provide the public opportunities to get outside to enjoy the Nation's forests and grasslands, and to reap the earned reward of their labor. The FY 2018 budget proposal is projected to contribute between 340,000 and 370,000 jobs in the economy.

Along those lines, the proposed Forest Service budget for 2018 supports a program of work that is projected to contribute more than $30 billion in Gross Domestic Product (GDP). We will work to expand our markets to sell wood and biomass and keep increasing the GDP contribution which is currently a little more than $3 billion. The Forest Service will also maintain their focus on providing quality outdoor recreation experiences which produce more than $10 billion toward the GDP each year.

I also place a high priority on the American taxpayers – our customers. I will prioritize customer service every day, across the USDA. Our customers expect, and have every right to demand, that we conduct the people's business efficiently, effectively, and with the utmost integrity. Arguably, no other Federal agency has more direct interface with Americans than does the Department of Agriculture. The national forests and grasslands alone have nearly 150 million people visit every year, and over half of them are repeat visitors that use the forests and grasslands up to 10 times per year. We also touch millions of Americans through a host of other

programs, as well. If we take into account our Research, State and Private Forestry, the programs of the National Forest System, and Wildland Fire Management, we touch nearly every single facet of American life.

It was with our customers in mind that I recently directed a reorganization of USDA. As part of the reorganization the Natural Resources Conservation Service was realigned from the Under Secretary for Natural Resources and Environment to a new Under Secretary for Farm Production and Conservation. This will enable the Under Secretary for Natural Resources and Environment to focus more attention on managing our national forests to ensure productive and sustained use, and managing our organization with the most employees.

We must also manage the land—and we must relentlessly pursue clean air and water. American wood products comes directly from the land. Today, those natural resources provide a wood supply with global reach, opportunities to recreate, abundant fish and wildlife, and clean and abundant water for more than 60 percent of the U.S. population. My father's words still ring in my ears, "Son, if you take care of the land, it will take care of you. Owned or rented, we're all stewards, and our responsibility is to leave it better than we found it." Without proper stewardship of our resources, we will squander precious assets that are rare and time that we do not have. Science will help us find the best ways to provide sustainable wood products; restore forests and grasslands; reduce fire risk in communities; keep our air and water clean; and allow us to manage our lands in a way that leaves them a better place than we found when we started. Rather than focusing on obtaining more land, we need to better manage what we already have. If we accept these parameters, we can preserve our watersheds, our forests, our grasslands, and our delicate ecosystems for generations to come.

The President's 2018 Budget

I am here today to present to you the Administration's budget for the Unites States Department of Agriculture's Forest Service. The 2018 President's Budget for Forest Service is nearly $5.2 billion, of which $467 million is mandatory funding. The majority of these funds support Wildland Fire Management operations and the maintenance of National Forest System lands. The Administration's commitment to rural communities, jobs creation, shared stewardship, and the production of goods and services from National Forest System lands is demonstrated by the funding level of Forest Products and the movement of Hazardous Fuels from the Wildland Fire Management to the National Forest System. Through the use of tools like the Good Neighbor and other Farm Bill authorities, utilizing funding within permanent and trust accounts, the Forest Service will sell 3.2 billion board feet of timber while improving the resilience of more than 1.7 million acres of National Forest System lands.

The Budget also fully funds suppression at the current 10-year average. The Forest Service provides the majority of aviation assets for wildland firefighting efforts on National Forest System lands, as well as other Federal, State and local jurisdictions. Serving as the contracting source for these assets provides cost effectiveness through economies of scale and other market factors and operational efficiencies in delivering critical resources for wildland firefighting efforts. The FY 2018 President's Budget will enable the agency to continue modernizing its aviation resources, and implement the 2012 Large Airtanker Strategy.

In the 2018 Budget, 53 percent of the request is for Wildland Fire Management, up from 16 percent in 1995. The growth in fire suppression costs has steadily consumed an ever-increasing portion of the agency's appropriated budget requiring the agency to shift funds from

other critical natural resource management programs. Increased development near wildlands is accelerating the continued growth of the Wildland Urban Interface (WUI), and more than 46 million homes, or 40 percent of the Nation's housing units, are located in these fire-prone areas. This is an issue you know well and I appreciate the support and leadership this Subcommittee has shown. I look forward to working with the Department of the Interior, Office of Management and Budget and you to develop a responsible approach that addresses risk management, performance accountability, cost containment, and the role of State and local government partners in ensuring adequate funds are available for wildfire suppression without undue disruption to land management operations.

As I recently informed the House Agriculture Committee, I am confident in the future of rural America and see opportunities for us to continue to strengthen this outlook and create opportunities for rural America. I look forward to working with this Subcommittee to fulfill the President's goals and our key responsibilities for the long term benefit of Nation's forests and grasslands and all Americans.

I will be glad to answer questions you may have at this time.

Statement of Tom Tidwell, Chief of the USDA Forest Service
Before the House Committee on Appropriations,
Subcommittee on Interior, Environment, and Related Agencies
Concerning President's Fiscal Year 2018 Proposed Budget
for the USDA Forest Service
May 25, 2017

Mr. Chairman and members of the Subcommittee, thank you for inviting me here today to testify on the President's FY 2018 Budget request for the Forest Service. I appreciate the support this Subcommittee has shown for the Forest Service in the past and I look forward to continuing to work together to ensure that stewardship of our Nation's forests and grasslands continues to meet the desires and expectations of the American people.

The 2018 President's Budget for Forest Service is nearly $5.2 billion, of which $467 million is mandatory funding, and is a good investment for the American public. The funding and related work will support between 340,000 and 370,000 jobs in the economy and contribute more than $30 billion in Gross Domestic Product. The Administration's commitment to rural communities, jobs creation, shared stewardship, and the production of goods and services from National Forest System lands is demonstrated by the funding level of Forest Products and the movement of Hazardous Fuels from the Wildland Fire Management to the National Forest System. Through the use of tools like the Good Neighbor and other Farm Bill authorities utilizing funding within permanent and trust accounts, the Forest Service will sell 3.2 billion board feet of timber while improving the resilience of more than 1.7 million acres of National Forest System lands through hazardous fuels removal.

The Budget strengthens the agency's financial accountability and increases predictability in its budget planning and execution process at both the National and Regional level. Starting in FY 2018, Forest Service firefighters will charge all base hours (the first eight hours of each day) to Preparedness and, when fighting fires, charge any hours over eight per day to Suppression. The agency is continuing to strengthen its financial accountability and credibility through the implementation of policies that reinforce timely obligation of funds, the management of prior year unobligated balances, and quarterly review of unliquidated obligations.

The President's 2018 Budget

The FY 2018 request focuses on: acquiring knowledge to better manage forests and expand markets for wood and biomass; high priority projects on State and Private Forests; active forest management, as well as building agency capacity for active management. To address these focus areas, the Budget makes key investments in the following program areas:

- Forest Inventory and Analysis ($77 million, an increase of $2.14 million from the FY 2017 annualized Continuing Resolution level)—to continue to implement the annualized inventory program in all 50 States (including interior Alaska), the affiliated Pacific islands, Puerto Rico, and the U.S. Virgin Islands.
- Forest Health Management ($90.390 million, a decrease of $9.021 million from the FY 2017 annualized Continuing Resolution level)—to continue to treat prioritized areas to reduce the potential for new outbreaks; protect these areas from damaging insects, diseases, and invasive plants; and reduce the risks of undesired mortality from wildfire.
- Forest Stewardship ($20.5 million, a net decrease of $2.492 million from the FY 2017 Annualized Continuing Resolution level)—to provide assistance to private landowners

seeking to manage their forest lands. Better management of private lands supports the maintenance of nearby national forests and grasslands, and provides an economic contribution to local economies.

- Forest Products ($359.1 million, the same as the FY 2017 Annualized Continuing Resolution level)—to sell 3.2 billion board feet of timber and continue to build internal capacity in our workforce.
- Capital Improvement and Maintenance ($99.7 million, a decrease of $263.8 million)—to maintain a workforce that will implement critical infrastructure maintenance projects on National Forest System lands and remain ready to implement additional improvements that could be funded through the Administration's infrastructure initiatives.
- Hazardous Fuels ($354.3 million, a decrease of $20 million below the FY 2017 Annualized Continuing Resolution level)—As most hazardous fuels work takes place on NFS lands, the agency will be able to administer this program more efficiently and effectively if managed as part of the National Forest System. With the funding, fuels treatments in the wildland/urban interface will reduce the risk of catastrophic fire on 1.7 million acres.
- Preparedness ($1.34 billion, an increase of $259.1 million from the FY 2017 annualized Continuing Resolution level)—this increase funds all base 8 costs with Preparedness. This is not new funding, but was shifted from Suppression where a portion of base 8 costs have been charged since 2004. The Forest Service and the Department of the Interior are now using the same business rules.
- Suppression ($1.057 billion, an increase of $247.4 million from the FY 2017 annualized Continuing Resolution level)—this amount fully funds the 10-year average costs for fire suppression.
- The Budget for wildland fire management will fund up to 20 airtankers under exclusive use contracts. In 2018, these contracts will be funded with both Preparedness and Suppression funding.

Legislative Proposals

In connection with the FY 2018 President's Budget, we propose several key legislative changes to improve our effectiveness in delivering programs and services:

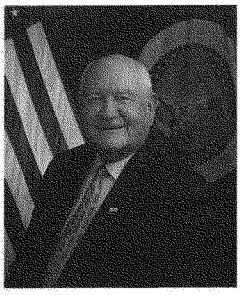
- *Federal Lands Recreation Enhancement Act.* The 2018 budget proposes general provision language for a one-year reauthorization of the Federal Lands Recreation Enhancement Act (FLREA) which is currently scheduled to expire on September 30, 2018. The Forest Service receives approximately $65 million annually in recreation fee revenue. Ninety-five percent of the recreation fees collected on a national forest stay at that national forest to be reinvested in recreation sites and services. If FLREA expires without reauthorization, the agencies will have no recreation fee authority for operations and maintenance of recreation facilities or for payment for the National Recreation Reservation System.
- *Small Tracts Act Conveyance Authority.* We propose increasing the maximum value of the land that could be conveyed, from $150,000 to $500,000, to better align with current land values.
- *Extension of Grazing Permits.* We propose that the terms and conditions of section 325 of Public Law 108–108 (117 Stat. 1307), which regard grazing permits issued by the Forest

Service on any lands not subject to administration under section 402 of the Federal Lands Policy and Management Act (43 U.S.C. 1752), shall remain in effect for FY 2018. This would address recent amendments to section 402 of the Federal Land Policy and Management Act and public concerns that the amendments do not apply to grazing permits issued by the Forest Service on the national grasslands and on eastern national forests.

- *Forest Service Facilities Realignment and Enhancement Act.* We propose a one-year reauthorization of the Forest Service Facilities Realignment and Enhancement Act of 2005 (FSFREA). FSFREA would allow the Secretary to convey administrative sites that the Forest Service no longer needs, and retain the proceeds from the sales for the acquisition, improvement, maintenance, reconstruction, or construction of facilities. Reauthorization would allow for better utilization of existing resources, increase the agency's ability to address health and safety issues, and enhanced service to the public.
- *Communications Site Program.* The Forest Service seeks authority to retain $4.5 million annually to better manage the growing use of Forest Service lands for communications facilities. This will result in an increased annual return on investment to the Treasury within two years. This proposal will result in reduced processing time for new applications to provide better customer service (currently it takes one to three years to process a new application); enhanced and expanded telecommunications provided to rural communities via broadband, personal communications systems, and emergency services; and increased safety of visitors, agency staff, and first responders though additional communications capacity.

Our budget request focuses on sustaining jobs (especially in rural America), increasing economic contribution, sharing responsibility for the stewardship of our natural resources, and more effective and efficient delivery of products and services. Our requested budget will enable us to continue to make progress addressing the growing extent and magnitude of our management challenges on National Forest System lands. Through strategic partnerships, we can accomplish more work while also yielding more benefits for all Americans, for the sake of all generations to come. I look forward to working with this Subcommittee to fulfill the President's goals and our key responsibilities for the long term benefit of Nation's forests and grasslands and all Americans. I will be glad to answer questions you may have at this time.

Sonny Perdue
Secretary, U.S. Department of Agriculture



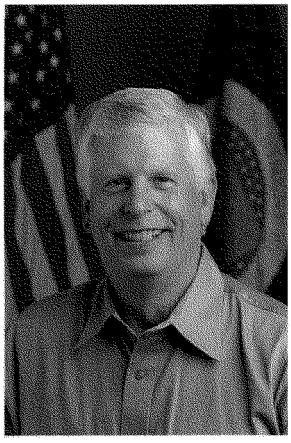
Sonny Perdue came by his knowledge of agriculture the old fashioned way: he was born into a farming family in Bonaire, Georgia. From childhood, and through his life in business and elected office, Perdue has experienced the industry from every possible perspective. Uniquely qualified as a former farmer, agribusinessman, veterinarian, state legislator, and governor of Georgia, he became the 31st United States Secretary of Agriculture on April 25, 2017.

Perdue's policies as U.S. Secretary of Agriculture will be guided by four principles which will inform his decisions. First, he will maximize the ability of the men and women of America's agriculture and agribusiness sector to create jobs, to produce and sell the foods and fiber that feed and clothe the world, and to reap the earned reward of their labor. It should be the aim of the American government to remove every obstacle and give farmers, ranchers, and producers every opportunity to prosper. Second, he will prioritize customer service every day for American taxpayers and consumers. They will expect, and have every right to demand, that their government conduct the people's business efficiently, effectively, and with the utmost integrity. Third, as Americans expect a safe and secure food supply, USDA will continue to serve in the critical role of ensuring the food we put on the table to feed our families meets the strict safety standards we've established. Food security is a key component of national security, because hunger and peace do not long coexist. And fourth, Perdue will always remember that America's agricultural bounty comes directly from the land. And today, those land resources sustain more than 320 million Americans and countless millions more around the globe. Perdue's father's words still ring true: We're all stewards of the land, owned or rented, and our responsibility is to leave it better than we found it.

Under Secretary Perdue, the USDA will always be facts-based and data-driven, with a decision-making mindset that is customer-focused. He will seek solutions to problems and not lament that the agency might be faced with difficult challenges.

Perdue has been married to Mary Ruff Perdue for 44 years and has four adult children and fourteen grandchildren. He and his wife have served as foster parents for eight children awaiting adoption. Perdue remains a licensed airplane and helicopter pilot and avid outdoor sportsman.

Thomas L. Tidwell, Chief, USDA Forest Service



Tom Tidwell has contributed more than 40 years of public service as a natural resources management professional of the Forest Service. He has served in a variety of positions at all levels of the agency, including district ranger, forest supervisor, and legislative affairs specialist in the Washington Office. As deputy regional forester for the Pacific Southwest Region, Tom facilitated collaborative approaches to wildland fire management and myriad forest management issues to maintain support for forests and grasslands across a broad spectrum of citizens. As regional forester for the Northern Region, Tom strongly supported community-based collaboration in the region, finding solutions based on mutual goals; thereby reducing the number of appeals and lawsuits, while increasing work on the ground.

In 2009, after being named Chief, Tom set about implementing a vision that met the goals for the agency's mission. Under his leadership, the Forest Service has accelerated treatments on the landscape to improve the health and resiliency of forests and grasslands so they can sustain all the benefits Americans get from their wildlands, including renewable supplies of wood, energy, plentiful supplies of clean water, abundant habitat for wildlife and fish. This also includes job production, stability of rural communities and support for tourism-based economies.

Such benefits are at risk from the effects of increasingly extreme disturbances, insect and disease infestations and wildfires that burn hotter and longer. Under Tom's leadership, the Forest Service has charted a national focus to increase vegetation treatments on the landscape and take measures to help ecosystems remain productive and sustainable amid these increasing risks.

Tom has facilitated a boundary-less approach to addressing the challenges facing America's forests and grasslands where no single entity can meet them alone. Under Tom's leadership, the Forest Service is working with states, Tribes, private landowners, and other partners for landscape-scale conservation.

Through Tom's leadership the Forest Service has focused its efforts to become a more inclusive agency where everyone is respected and treated fairly. The agency also values diversity and is working to eliminate all forms of harassment. Moreover, this ethical standard for service extends to all citizens.

Tom is married to Kim; they have one daughter, MacKenzie.

2017 CONSOLIDATED APPROPRIATIONS ACT DIRECTIVES

Mr. CALVERT. Well, thank you, Mr. Secretary.

As I mentioned in my opening statement, the fiscal year 2017 Consolidated Appropriations Act included several changes for our fiscal year limits to our forest accounts. The House and Senate Appropriations Committee also included directives in the statement of managers on the expectations regarding improvements to the Service's accounting, budgeting, management systems, and practices.

Have you been able to review the changes in the Act and read the statement, Mr. Secretary?

Secretary PERDUE. Well, I am beginning my fifth week on the job, so only at a high level. The, obviously, omnibus came out within that period of time, and just recently, so I am not as specifically detailed. I have the numbers, certainly, in that area.

Once again, my goal is to earn your trust, and as you see changes in management of doing things well in those areas, my goal is to earn more flexibility in that by proving that we can get the job done.

Mr. CALVERT. Well, as you go through that and you get more time to look at those changes and directives, we certainly want to work with you and help you and the Forest Service improve its processes. We are not here to obstruct or make your life more complicated.

We all want the same thing and we think those directives are good directives. I hope that you will feel the same way after you look at them that they should be followed.

We believe the Forest Service needs to impose certainly more discipline in the accounting, budgeting, and management processes, and I know you will be taking that seriously as we do, and we will look forward to working with you.

CALIFORNIA FORESTS

I am going to get somewhat parochial now and talk about the California forests, the ones that are still standing. We have had significant fires in California. The Rim Fire is one that comes to mind. But national forests cover about one-fifth, which is 20 percent, 20 million acres of the land in California that people—you always think of California as an urbanized State, but a significant part of California is not.

Fortunately, California's drought of record is now over. It is amazing what 1 year can do. We had a tremendous drought over the last number of years, and we had a tremendous amount of rain this last year. However, it caused lasting effects for the forests and expected to permanently alter forest cover in some areas. And we now have more than 100 million dead and dying trees in the State. The State and Forest Service have worked to remove the trees that pose the most risk to communities, however, the work seems to be a little too little and too late.

So as the drought continued, why didn't the Forest Service take more decisive action? I think I already know the answer to this question, Chief, but why didn't the Forest Service take more decisive action to remove dead and dying trees?

Mr. TIDWELL. Well, Mr. Chairman, we have worked closely with the State, and with the Governor's task force to address the issue once we started to see the die-off occur. We have continued to divert additional funding for the last 2 years and again this year.

Last year, we spent $41 million addressing the concern to be able to take out the trees that pose the threat to the public and provide access and ingress into the communities and also to keep the infrastructure there as far as power lines, and also water facilities. Then this year, we are planning to use another $37 million to be able to continue to do that work.

We struggle with finding any market for this material, and we are able to remove a little of it, but that is another challenge that we are dealing with. We are working closely with the State and the local communities to be able to continue to address that.

And even though, as you mentioned, we have had a very, very favorable moisture year, we do expect to continue to see more die-off to occur. So we are actually moving up into the areas, more to the north and be able to get out there, and instead of just taking out the dead and dying, to also be thinning out the parts of the forest that we have not seen the mortality yet to be able to get out ahead of this as we expect to have the lingering effects of the drought.

CALIFORNIA FORESTS

Mr. CALVERT. Well, I know you have authority to do this, and if you need additional authority, please let us know, because this is a huge problem in California. We expect—the rain is great, but I suspect there is going to be more forest fires because we are going to have a lot more brush that can burn, and that goes into the forest and that is going to potentially cause a big problem this summer. So hopefully we are ready to deal with it.

Ms. McCollum.

Ms. MCCOLLUM. Thank you. Would you put that up?

Chief Tidwell, I am putting something up here, and we are handing out the copies and some photos to the committee members.

Mr. CALVERT. Is your mike on?

WATERSHEDS

Ms. MCCOLLUM. I need to talk into it. Thank you. Thank you, Mr. Chair.

This is Voyageurs National Park and the Rainey River Basin watershed. We come from all different parts of the country. So one of the things I wanted to show you, as I am speaking and as you are looking at this, is this water knows no boundaries. It is going to move. It flows north, not south, because of where we are on the Laurentian Divide, and it affects not only the Boundary Waters wilderness and Superior National Forest; it also affects Voyageurs Park and our neighbors to the north in Canada.

So, Chief Tidwell, as you know, the Superior National Forest in Minnesota is the home of the Boundary Waters Canoe Area Wilderness. It is vast. It is an interconnected waterway of pristine lakes and streams, and this is an untarnished wilderness. It is a national treasure. The Forest Service is responsible for protecting it.

Hundreds of thousands of Americans who visit this wilderness every year rely on your agency, as well as the 17,000 Minnesotans who work on the outdoor recreation industry in the northeastern region of our State.

I know that the Forest Service takes this responsibility seriously, because last year, the Service denied the renewal of mining leases by a foreign-owned company that, as you said, posed an unacceptable risk.

The rejection of these lease renewals noted that, "copper-nickel sulfide mining might cause serious and irreplaceable harm to this unique, iconic, and irreplaceable wilderness." Multiple scientific assessments have shown that these sulfide ore mines are sources of toxic contamination. Acid drainage would cause significant harm to the waterways, aquatic life, and the forests that make the Boundary Waters Conoe Area (BWCA) such a special place. And in fact, 92 percent, 92 percent of the sulfide ore copper mines operating in the United States have experienced failures that impact water quality.

The pictures that are on the other handout that the members have show what recently happened in 2014 in Canada. Canada has some of the same stringent safeguards that we try to put in place, but 92 percent of these mines fail.

So I want to really give a shout out to the Forest Service for the work that you are currently doing with the Department of Interior to conduct a 2-year science-based study to determine if approximately 230,000 acres of national forest lands within the watershed of the Boundary Waters should be off limits to sulfide ore copper mining for the next 20 years.

MINING WITHDRAWAL

Last week, the Forest Service staff confirmed with my office that you are going to have an additional public meeting in the Twin Cities regarding this mining withdrawal, and people from southern Minnesota as well as the Twin Cities are very appreciative of the Forest Service doing this. You have had hearings in northern Minnesota, but we really appreciate the ability for the folks in the Twin Cities to go forward.

I am assuming this meeting is moving forward. I am asking you in public, could you please talk about the potential consequences for the wildlife, the waters, and the forests in the BWCA and the adjacent lands if there is a discharge, a leak, or a spill from the sulfide mine, all of which are common events for this industry.

I know that you are receiving phone calls. I know you are receiving pressure from the mining industry, and we have a rich tradition of mining in Minnesota. This is the only mining in Minnesota that I have come out forcefully against, in part, because of its location in the watershed.

So could you please enlighten us on what—and I am going to include you, Mr. Secretary—what you two gentlemen can do to ensure that this proposed study goes forward as planned so that we have robust public participation, grounded in science, and figure on how to best preserve this pristine wilderness when 92 percent, even here in the United States, of these mines fail.

Mr. Perdue, I think you saw what happened in Canada when it leaked up there.

Mr. Tidwell.

Secretary PERDUE. Well, you have addressed your questions to him, if I may precede him in that.

Ms. MCCOLLUM. Oh, yeah. Go ahead.

Secretary PERDUE. As I stated earlier, the buck stops here. I am the U.S. Secretary of Agriculture, and the U.S. Forest Service is under the Secretary of Agriculture. While we have a chief forester who knows the history of this and can address those specific questions, I want you to know this is on my radar screen as well.

Secretary Zinke and I have already met about this. And I think your statement regarding the two-year study over the sound science, none of us know what to do without the facts based and the sound science, and we are absolutely allowing that to proceed.

You also know that your State has a shot at that after that recommendation as well. So we are determined to proceed in that effort and let it run its course. No decision will be made prior to the conclusion of that.

Ms. MCCOLLUM. Well, thank you. Governor Dayton will be excited to hear that. Thank you.

Secretary PERDUE. Well, he is already well aware of his roles and responsibilities in this effort.

Ms. MCCOLLUM. Well, he has taken the State lands off. Thank you.

Mr. Tidwell.

Mr. TIDWELL. Well, the only thing I would add is that the study allows us to really pull together the information and the data and look at the overall balance.

Mining is an essential part of multiple-use. It is especially very important in your State, but it is also essential for this country. We can have mining operations that are environmentally safe. There are many that have proven to be able to do that.

You did raise the question about the sulfide ore. That is more challenging, especially in areas where we have as much water as we do up in that part of the State. So this gives us an opportunity to be able to pause, collect the information, to be able to visit, and really meet with the public.

We just want to be able to sit down with them and really hear from their concerns. Then as we move forward, to find that balance, the balance where mining needs to occur and it can be done in a safe, environmental way. Then if decisions are to be made for other areas, that it is just potentially maybe too hazardous, those are the type of decisions that can come out of this study.

Ms. MCCOLLUM. Well, I thank you, gentlemen, for your comments, and I thank you for your reassurance to let the 2-year study go forward. Thank you.

Secretary PERDUE. Let me give you maybe a principle that may help your feelings that way. While I might always do right and feed everyone, as a veterinarian, I also ascribe to the Hippocratic oath. First of all, do no harm, and that we hear you loud and clear.

Ms. MCCOLLUM. Thank you, sir.

Mr. CALVERT. Thank you. And as I look at this map of these beautiful pristine lakes, it reminds me of Minnesota's greatest ex-

ports to California: the Los Angeles Lakers. So I always appreciate that.

Ms. MCCOLLUM. Yes. Jerry West was a hero of mine. I do remember when Mr. West left.

Mr. CALVERT. Mr. Simpson.

LAND MANAGEMENT

Mr. SIMPSON. Thank you, Mr. Chairman. And thank you for being here, Secretary. As the chairman mentioned, this is the first time I can ever remember, maybe the first time ever that the Secretary has appeared before this committee, along with the chief of the Forest Service. When I look back at it, it was almost like there was the Department of Agriculture and the Forest Service.

The Forest Service is going to stay under the Department of Agriculture. We have had hearings about trying to move them over into a land management agency with Interior. I don't see that happening. They do a good job where they are at.

In fact, I will tell you, I have had a lot of dealings with the Forest Service over the years, and while we sometimes complain about them. I count 62 people in this room. That means there are 62 different people, there are 62 different ideas about what should be done with the national forests and how any particular decision should be made.

LITIGATION

So these are public lands, and the public has a right to say how they are managed. The question is, and you brought it up with the Cottonwood case, how do you maintain the public's right to have a say in how their public lands are managed and get on with managing instead of spending all the resources we use in lawsuits?

I once asked a former chief of the Forest Service, when you decide to make a decision on a timber cut, or any decision that you make, how much of the money is spent making what you believe to be a good, sound, scientific decision, and how much is trying to make it bulletproof from a lawsuit?

And he said given the decision, it is probably between 25 and 50 percent on making a good, sound, scientific decision, and between 50 and 75 percent trying to make it bulletproof. Wouldn't it be nice if we could use some of that money to actually manage the public lands?

And this Cottonwood case, and I am glad you brought it up, is a perplexing problem that we need to address legislatively. I don't have the answer about how we change some of these laws, and you could go through the litany of them. It is important to maintain the public's right to have a say but we should streamline it. We have created situations where you can get sued at every step of the way, and there are multiple steps all along the way, and it is just unmanageable, frankly.

FIRE FUNDING

Thank you also for mentioning the fire borrowing issue. We need your help. We need Secretary Zinke's help, along with this committee's, to make everyone understand the importance of addressing

this issue. Fire borrowing has gotten out of hand. When 53 percent of your budget goes to fighting wildfires, that means there is no money left for anything else.

That is one of the reasons my constituents complain about the Forest Service. They are not doing any trail maintenance. They are not doing fuels reduction. And I noticed in your budget that hazardous fuels reduction numbers are down, trail maintenance numbers are down, land and water conservation numbers are down. Well, we are spending all the money on fighting wildfires.

And when they come up to me and say, I was out hiking and they hadn't done any maintenance on this trail, why haven't they. I say we have appropriated money for them, but guess what, it has gone to fight wildfires.

Unfortunately, I don't know if this is a good idea or not, but what happens is because the Forest Service—and they are pretty good firefighters. They do a darn good job when you look at the number of fires that they actually put out on initial attack. It is the 2 percent that blow up that cause the problems. But we allow the Forest Service to borrow from every other fund to fight wildfires. It is an emergency, unlike any other agency or account.

I thought of working with Chairman Calvert and see if we can strike that language that is in our appropriation bills that says you can't borrow from other accounts. The reason being, when the rest of the Members of Congress look at the end result they say, they must have had the money to put out fires because they fought the wildfires and didn't run out of money. What they don't see is what is not done because they are borrowing the money to fight wildfires.

And if we stopped the borrowing legislatively—I would rather do it with our wildfire fire bill, but if we could stop the borrowing legislatively, it would force the Forest Service to come to Congress for a supplemental, and then people would understand what the true cost of fighting these wildfires are.

And when you look at it, it has gone from 14 percent of the Forest Service budget 30 years ago to 53 percent now, and it is projected to be over 70 percent in the next 10 years if nothing is done about it. But we need your help, as well as the Members of the Congress and outside groups to make our leadership and others understand the importance of addressing this issue.

FY 2018 BUDGET REQUEST

While I don't have a question in there, I will tell you that within the budget—and I know that you have just come on and your job is to support the President's budget. I understand all that. I do have some concerns about the reduction in the hazardous fuels management, the trail maintenance, LWCF, and some other areas within this budget.

If you really what to see what LWCF has done, when you are out to Idaho, I will take you down to South Fork, and it has been incredible what LWCF funds have done there.

Chief, I noticed that you said, when you were talking with the chairman about what you are going to do in northern California, that you are going to go out and you need to thin these forests.

I suspect the reason you haven't done that is because you don't have the money. Last year, when we were hiking at the end of August and the fires were going on, you said we should be out doing some hazardous fuels reductions, fire mitigation, and those types of activities. The problem is we have spent all our money on wildfires, and the money is not available.

That is a real challenge for how we get ahold of this. I don't know how you manage a budget where 53 percent of it is unknown. But let me also tell you, and since I don't really have any questions in there, I do want to tell you I have, there are a lot of people who complain about land management in the West. That is where most of the public lands are, whether it is BLM, Forest Service, Park Service, whatever. And there is movement to try to have the States take over all the Federal lands. I don't see that happening either.

It would not happen, and I don't want it to happen in Idaho because, frankly, we live in Idaho because we love our public lands. We are oftentimes upset with our land managers because, as I said, in this room, every one of us could do a better job of managing the forest sometimes, or the BLM or whatever, or we think we could. We are all good Monday morning quarterbacks.

They have a tough job. And I tell you, you have got some great employees out in Idaho that I have had the opportunity to work with that do a fantastic job, and I found that true throughout the Forest Service. For as much criticism as they get, they really try to manage an almost untenable position between the public that wants and believes something should be done one way. What I have seen them do is try to work with the public, and as you mentioned, try to become advocates for trying to solve a problem.

And maybe they can't do it the way the individual wants it done, but what I have seen is they will sit down and try to solve problems. And I am proud to call these people my friends that have worked out in Idaho and have done a great job of maintaining our public lands out there and the reason people want to come to Idaho.

So when you are out there Friday visiting NIFC, I would like to try to make it back with you. It is an incredible place. Welcome to Idaho early.

Secretary PERDUE. May I respond to your nonquestion?

Mr. SIMPSON. Okay.

LITIGATION

Secretary PERDUE. I think certainly the litigation issue is something we all need to be looking at, whether it is a retooling of the NEPA process or those kind of things that are in your job and in our jobs, we are never going to please everybody. That is what represented democracy is all about, but we have got to make the principles of good facts based, data driven, sound science decisions, and then move forward.

I do believe we in the Forest Service have probably been a little intimidated and practiced defensive forestry over bulletproofing decisions that way and may have rolled over. I am willing to go to court on some of these things. If we are doing right and if we have got a good scientific base for our decisions, I think we need to be in court, if that is what the other side chooses to do. I think we

need to win some of those decisions but first of all, we have got to get our house in order of doing the right thing.

FIRE FUNDING

I hope that we will be able to prevail on your best choice, which is the fire budget rather than the nuclear option of preclusion, because that would put the Chief and us in a pretty untenable position having a fire. You can not predict a hurricane, you can not predict a tornado, you can not predict a flood; and neither can you predict a major forest fire.

The challenge is, as you indicated, typically one to two percent is all we need. If we can get that in the disaster budget like these other natural disasters, the Forest Service is perfectly capable of managing all these others, and then managing the forest.

So again, from a flexibility standpoint, if we are not too handcuffed over those kind of things, we are going to take that increase in forest management and do the things that make for healthy forests.

Mr. SIMPSON. Thank you.

Mr. CALVERT. Thank you, Mr. Secretary.

Mr. Kilmer.

Mr. KILMER. Mr. Chair, I will yield to Ms. Pingree, because I know she has got to get to another subcommittee.

Mr. CALVERT. Okay.

Ms. PINGREE. Thank you. I appreciate my colleague yielding to me, because I know he has to go to another subcommittee too, but I appreciate that. I apologize in advance having to go to my other committee after this. So I will just be here briefly.

But it is nice to see you again, Mr. Secretary. It was a pleasure to have you in the Agriculture Committee yesterday, and thank you for giving us so much time there, and also for being here today.

And, Chief Tidwell, it is nice to see you again.

My colleagues on the committee have mentioned some of their concerns with the budget, and I will submit a variety of things for the record. I am concerned that there is nine programs that are zeroed out. In particular, the Forest Legacy Program, which has been very important to us in Maine. I am concerned about the cuts at the Land and Water Conservation Fund. But I just want to focus my brief time on two other programs that actually are quite important to us and have your comments.

First one is on the family forestry and forest stewardship. Coming from Maine, I know everyone has a lot of forests, but of course, we think we have bigger challenges and more of everything. Eighty-six percent of our State is forested, and I think that might be the highest percentage of any State. We don't always think about Maine or New England as having so many forests, but we are particularly proud of them, but we also have a lot of challenges, and we want to make sure they are preserved and well taken care of.

We have about 264 million acres of land which are basically in private ownerships. Unlike many of the Western States, we have virtually no Federal land and have a lot of private landowners.

The Forest Stewardship Program leverages millions from our State budget and from landowners themselves. It has helped land-

owners learn how to better manage their land, navigate numerous challenges to help them determine how to change their land management in changing situations, and adapting to new market conditions to stay financially viable. So that has been very important to us in very changing times.

FOREST PRODUCTS

The forest products industry in our State has a big footprint. In 2016, the total economic impact of forest products was estimated at $8.5 billion, accounts for more than 33,000 jobs. That may not seem a lot if you come from California, but in a State of 1.3 million people, it is very important to our State.

But we have had a lot of changes in the forest products industry. In the last few years, we have seen five paper mills close their doors. That has been devastating to communities throughout our State and a huge change for us.

My colleagues and I in the Maine delegation worked with our local industry and community leaders to request that the Economic Development Administration coordinate and mobilize its Federal partners to participate in an economic development assessment team. The goal of the EDAT was to help the industry, along with the State, local, and Federal leaders, not only to coordinate their work, but work together, combine their efforts and resources to support our forest industry.

They spent about 3 days, and the groups did site visits around the State of Maine and learned a lot about our industry and our forests. And there were a lot of long-term strategic goals as well some immediate next steps in what they were doing.

The most direct request was for the Forest Service to work with industry to define specific technical assistance data and other strategic resources that could support the forest industry aspect of the strategic plan. These efforts are already under way within our State, and we know that there will be additional modeling and support through the Forest Service.

So between the EDAT and the forestry industry and forestry stewardship program, they are just very important to us. Mr. Secretary, if you would like to comment, thank you, and Mr. Chief, if you want to. Those are just things that we just hope will be there in the future and need your support and help.

FOREST STEWARDSHIP PROGRAM

Secretary PERDUE. I would comment on the fact that, Ms. Pingree, I think the way to accomplish more in tight budgetary times really is with public-private partnerships, and that is one of the ways we hope to do more with less. The Forest Stewardship Program with private landowners is one of those.

I also come from a State where over 95 percent of them are privately managed, and our citizens have utilized those, I think, in a very wise way and developed some best practices along with our State foresters and our Federal partners to do that. So I concur with you.

Obviously, rural prosperity is a big part of what we do overall. I think Mr. Simpson earlier talked about timber and agriculture. In Georgia and your State, timber is agriculture.

Ms. PINGREE. Right.

Secretary PERDUE. And that is the way we view it. So we are going to do everything we can from a rural prosperity. In Maine, it means helping your small organic farmers, as we talked about yesterday, it helps your private landowners in that renewable resource that grow so well in your beautiful State.

Ms. PINGREE. Thank you. I do appreciate that there are a lot of similarities between Georgia and Maine. Except the temperature, we have a lot in common.

Secretary PERDUE. Our lobsters don't grow as well in Georgia.

Ms. PINGREE. Yeah 'And don't start trying.

Mr. CALVERT. Mr. Jenkins.

MONONGAHELA NATIONAL FOREST—FLOOD RECOVERY

Mr. JENKINS. Thank you, Mr. Chairman.

Mr. Secretary, congratulations. Welcome. Chief, great to see you. I would like to maybe ask about two things in particular. The Monongahela National Forest has a big chunk in my district. We call it The Mon. And last year, in June, we had a once in 1,000-year flood in West Virginia. Devastating. Almost two dozen lost their lives. The Mon took a real hit.

In working with the Forest Service, working with the local superintendent, I know you have also been working with Federal Highways, what can you share with me as an update? The estimate was tens of millions of dollars in damage to roads and trails and infrastructure. Where are we in that work, if you are able to update me? And secondly, what is the road ahead, vis-a-vis, this funding cycle in the budget that has been proposed?

Mr. TIDWELL. We are continuing to collect information about all the damage that has occurred, because we have also, just in the last few weeks, have had additional flooding in West Virginia. We are working closely with Federal Highways to be able to use their emergency road funding, and we are applying to Federal Highways for funding, and going through a process to really prioritize what is the absolutely most important projects to get completed and the most urgent, to realize that it is going to take awhile and it is, as the Secretary mentioned, it is going to take a need for all of us to work together, the State, the counties, the Federal agencies to come together to be able to address this.

Our first focus, of course, is going to be on public safety, especially on some bridges, to be able to maintain the highest priority roads. Some of those are actually used for school routes, for school bus routes.

So that is what we are doing. And as we are completing the analysis, we are out there doing the urgent stuff to be able to get as many of these roads open, but it is going to be a little while, and I will be glad to provide you a more extensive update.

[The information follows:]

Hearing Testimony Follow-up questions for Jenkins:

Monongahela National Forest – Flood Recovery (pg. 38)

The estimate was tens of millions of dollars in damage to roads and trails and infrastructure. Where are we in that work? What is the road ahead, vis-à-vis, this funding cycle in the budget that has been proposed?

The status of current work for flood recovery in the Monongahela is:

- The Federal Highway Administration (FHWA) approved $31 million to make repairs on 204 miles of flood-damaged roads, as well as associated bridges, culverts, and trails in West Virginia. Funds must be obligated within two years. The Forest Service has requested $4 million from the FHWA for forest-led projects in FY 2017.
- Many of the permanent repairs have been turned over to FHWA design teams, who are leading the planning, design, and implementation on several major projects, including the Williams River Road and Highland Scenic Highway, while coordinating closely with Forest Service staff. If the FHWA receives funding for their portion of the flood recovery projects in the forest, that will include the Highland Scenic Highway and Williams River Road projects.
- The Forest Service has contracted with The Alonso Group LLC, from Flemington, West Virginia, to manage some of the contracting needs for flood repairs, with a goal to hire small businesses to provide an economic benefit to local communities.
- About $10 million of the amount initially requested from FHWA in the Damage Survey Reports was denied. In April 2017 these reports were re-evaluated for eligibility and the Forest Service was approved to receive another $5 million. That leaves about $5 million in unfunded work on public roads that require heavy maintenance.
- The Williams River Road has been open to through traffic as of May 23, 2017, although there are two areas of one-lane traffic. There will be short-term temporary closings of the road for future permanent repairs.
- The Forest's Service construction and maintenance crew has been working steadily on several forest-led projects and is making progress reshaping roads, installing riprap on slides, graveling roads, and replacing culverts. Forest Service staff has begun NEPA planning for 47 projects and engineering design for 14 projects.
- Federal Highways Administration's Emergency Relief for Federally Owned Roads (ERFO) funds the repair of Federally-owned, flood-damaged roads and trails (including associated culverts and bridges) that are open to public travel. However, 144 miles of Forest Service roads that are not open to the public (and thus ineligible for ERFO funding) were damaged by the flood, though not all have been surveyed for repair estimates. Many of these roads are critical access routes for resource management activities, such as timber sales and wildlife habitat improvement projects. It is estimated that it will cost $4 million to repair these areas.

For work in the next budget cycle, the budget that has been proposed for FY 2018 includes a nationwide request for Forest Service that includes $75.2 million for roads, $11.7 million for facilities, and $12.7 million for trails. This level of funding is sufficient to maintain a workforce that will do critical work on all National Forest System lands and be ready to implement additional projects anticipated to be funded in the Administration's infrastructure initiative. If additional funding is not made available for these activities, the Forest Service would prioritize

road, facility, and trail work based on public safety and needed access. We would defer lower priority work as needed.

Monongahela National Forests – Timber Sales and Species Habitat (pg. 38)

What are the impediments to a forest plan objective that has an allowable sale quantity, but each year we are in the 10, 11, 12 percent actually sold? What is going on? What can we do about it?

The Monongahela National Forest is on track to produce 11.1 million board feet (MMBF) in 2017 which is 18 percent of allowable sale quantity, and a 52 percent increase from the FY 2016 forest output of 7.3 MMBF. Timber output is expected to continue increasing over the next several years to 30 MMBF by 2022. The Forest Service will continue to work with partners and the State of West Virginia to expand capacity for timber output using the Good Neighbor Authority and other opportunities to leverage capacity and meet timber targets and Forest Plan goals.

Mr. JENKINS. I would welcome that. We are, obviously, very engaged with it. We have got incredible need. This is the time, as we have seen, since last June to, collect the information, make the down payment, but also we understand this is a journey, not a point in time conclusion.

So we really truly want to work with the Forest Service, your local superintendent. We want to help make sure you do get that data collection. I want to make sure I am doing what I can from a funding standpoint to address those needs. I am trying to avoid any surprises 6 months from now or a year from now that, well, the money just wasn't there. So please make sure we are fully aware of the needs as identified.

MONONGAHELA NATIONAL FOREST—TIMBER SALES AND SPECIFIC HABITAT

The second, and also for you, Chief, it certainly plays on what the Secretary referenced, is still relating to The Mon. With regard to the forest management, and in particular, the timber sales, this is an ongoing frustration and challenge that we have seen, and I just need to figure out how to break this logjam. Pardon the pun. The Mon is 919,000 acres, 12 percent set aside as wilderness. But under the allowable sales quantities under the forest plan, each year, for the last 4, 5, 6 years, we have only been selling about 12 percent of what is allowed. So for example, in 2016, only 12 percent was sold; 2015, 10 percent was sold; 2014, 13 percent was sold.

What are the impediments to a forest plan objective that has an allowable sale quantity, but each year we are in the 10, 11, 12 percent actually sold? What is going on? What can we do about it? This is basic good forest management practice.

Mr. TIDWELL. First of all, I share your frustration. There is a combination of things that several members and the Secretary have already mentioned that we are working on. Your forest has history when it comes to environmental issues that go way back in time. We have been able to move forward on many of those concerns.

So today, where we are at, is to be able to find more capacity. One of the things where we are making, I think, some great progress is using the Good Neighbor Authority that you provided with the 2014 Farm Bill so that we can work with the State forester and their staff to be able to actually get more work done out on the ground and use their capacity, and also to be able to learn from them.

Many of our States have, I believe, some better practices than some of the things that we have in place that I could argue were put in place years ago because of certain lawsuits. We are finding, by being able to use the Good Neighbor Authority and working with the States, we are able to actually get more work done, get more timber harvested, and then to be able to do it in a way that we can cover the State's costs.

So this is one of the things that we are really making some good progress on. I think your forest, especially, is one that is placed for us to move out using that authority.

Mr. JENKINS. Well, if progress is being defined as percentage of allowable sold, we are not making progress.

Secretary PERDUE. I hear you loud and clear, Mr. Jenkins. Those numbers that you just described are pretty frustrating to me, and we will have a better answer and a better reason by the next time I come before you.

Mr. JENKINS. Thank you.

Secretary PERDUE. I put this chart, Mr. Chairman, in your package there. Our forests are renewable resources. Forests are just like us and animals. If you do not do something with them while they are healthy, they die, and then they create more problems with fire and other things.

So these are not good statistics here, and our goal is to make sure that we harvest the renewable part of our forest. We would love to have that balance. We talked about some of the root causes regarding the budget and the management aspect, but that is absolutely my goal is to use the resources from our jobs, from our revenue standpoint.

These are crops. Those are crops there that ought to be harvested for the benefit of the American public.

Mr. JENKINS. A breath of fresh air, Mr. Secretary. We look forward to working with you. We look forward to that better answer, and we look forward to getting her done. Thank you.

Mr. CALVERT. Thank you.

Mr. Kilmer.

COLLABORATIVE FOREST LANDSCAPE RESTORATION PROGRAM

Mr. KILMER. Thanks, Mr. Chairman. And thanks for being with us.

I have got one question for the Secretary and one for Chief Tidwell. Mr. Secretary, as everyone is extending invitations to you, I will do the same. We had the honor of having your predecessor come out to visit the Olympic Peninsula to see how important the Forest Service lands are to the rural timber-dependent communities that I represent and to visit with the Olympic Penninsula Forest Collaborative that is really making progress towards increasing harvest levels in a responsible way.

We have got the conservation community and the industry at the same table working through some of these tough issues, and I think it addresses a couple of the issues that you raised. One, the value of public-private partnership, and two, trying to reduce litigation when it comes to timber sales.

Having said that, I am somewhat surprised to see the elimination of funding for the Collaborative Forest Landscape Restoration Program in the budget, because I just think it is fundamentally important to sound stewardship and was hoping that you could just speak to what the rationale was for that program elimination.

Secretary PERDUE. Well, certainly beginning my job here, I support the budget and its conclusions, but I think probably it would have been a little different had we been there long enough to have an impact in that area. The reason we were given was some duplicative programs, but I already expressed my desire to see more public-private partnerships. And we hope to persuade others in the administration that we think we can get more bang for the buck that way.

Mr. KILMER. Well, we would certainly love to have you see the success that our collaborative has had, but we need more help.

Secretary PERDUE. As for the visit, I hope to get your way soon. We are heading that way. We were in the Black Hills over the past weekend. We are going to be in Idaho next weekend, so we are moving your way.

Mr. KILMER. If you get any further west than me, you are in the ocean.

Secretary PERDUE. Yes. We are not going to Victoria Island.

LEGACY ROADS AND TRAILS

Mr. KILMER. Chief Tidwell, I think the last time I saw you was at an event celebrating the Legacy Roads and Trails Program and the removal of the 1,000th culvert. It was a pretty spectacular event in that you had recreationalists, sports fishermen, and a bunch of different stakeholders celebrating both the economic and ecological benefits of what is a pretty modest program.

So this is another program that I was pretty shocked to see eliminated. According to your own budget justification, since 2008, Legacy Roads and Trails has restored fish passage at 1,000 sites, providing access to over 1,000 miles of habitat, improved almost 18,000 miles of road for safety and flood resiliency, constructed or reconstructed 141 bridges for safety, upgraded or fixed 4,390 miles of trails so people can actually enjoy the areas that they love, and created or maintained 800 to 1,200 jobs annually.

It is really hard to argue with the success of this program, so I am hoping you can help me understand the rationale for eliminating it.

Mr. TIDWELL. Well, I would just like to basically repeat what the Secretary has said, but one of the reasons, the funding that is provided with Legacy Roads and Trails, we can do that same work with our trails budget and with our roads budget. Where it has been an effective program to really focus on the legacy work to be able to improve and deal with stream crossings and culverts, it is something we can do within our other budget line items. We are going to continue to do that work and be able to build on the partnership, but we will be able to continue that with our other budget line items.

Secretary PERDUE. I think prior to you coming in, there were two budget items that we would love to have your help on, and obviously, trails is one of those. We know, from an economic perspective as well as a recreation perspective, if you can not maintain, you can not get to it, you can not cut trees, and you can not have—enjoy the beautiful landscape. So we appreciate your help there.

Mr. KILMER. Thank you.

Thanks, Mr. Chairman. I yield back.

Mr. CALVERT. Thank you.

Mr. Stewart.

GRAZING

Mr. STEWART. Thank you, Mr. Chairman.

And, Mr. Perdue, congratulations on your new responsibilities.

Chief, thank you for the time and extraordinary effort you have made in some cases to help people in the rural west.

I know of one example where you flew out to my district and met with some of our county commissioners and flew back the same day. That is an example of you trying to make yourself available and trying to hear them, and I think that is so important.

I love the fact that you are here together. And I would like to mimic something you said, Mr. Secretary, if I could, and that is, these are—our forests are national jewels. There is a reason I live in Utah. It is because I love Utah, and part of that is loving the forests.

But they are also a resource. And as you said, Mr. Secretary, they are like a crop. They are a renewable resource, and properly managed, they can be a very effective economic resource that we could take such advantage of.

I would like to make one point very quickly and then come to you, Chief, if I could, for an issue that I have been concerned about. We often talk about their value to us in timber, and that has been brought up several times here. But when I hike, as I often do in Utah, or at least I used to when I had a life before I came to Congress, but it wouldn't be unusual to see cattle grazing in our forest. And my father-in-law has a permit where he would graze his cattle in the forest.

Do we agree—and again, this is a simple question. Do we agree that that is a part of management as well in taking proper advantage of this resource?

Secretary PERDUE. Absolutely. I would like to expand on that a little bit. By the way, I was in Rapid City, South Dakota this last weekend and Ellsworth Air Force base. There was a little airplane over there I think you may be familiar with.

Mr. STEWART. Just a little airplane, yes.

Secretary PERDUE. Got up in the cockpit of the B–1 and I kind of chided them from stealing that from Robins Air Force Base, but we had a National Guard group down there, wing, that flew that airplane, I had been in it before.

Mr. STEWART. Well, we can agree it is the sexiest aircraft ever built, right?

Secretary PERDUE. And pretty effective, as well. But on your specific question, certainly in your area, as well, I think grazing is a realistic management. I was in Northern Nebraska over our grasslands there, our cattle ranchers are doing things on their own lands that thrive and make good management practices. We want to adopt more of those.

Frankly, I hope Secretary Zinke, and I, and you can go out to your area and hear from your people, not just the elected officials, but hear from those cattle ranches, hear from those people who have to deal with our Forest Service and our Bureau of Land Management (BLM) lands and let us really develop a level of trust and a good neighbor policy there that is more than just a name. We have a good neighbor policy officially, but being a good neighbor is more than just saying I am one, so I hope we can do that in your area.

Mr. STEWART. Yes.

Secretary PERDUE. So I hope we can do that in your area.

Mr. STEWART. And, Mr. Secretary, I am so grateful to hear you say that. I can tell you I grew up ranching and farming, and no one cares more about that land than those individuals who their livelihood depends on that resource being healthy, and they are as intrinsically interested in protecting it as anyone I can imagine.

Chief, if I could come to you with a problem, as I said, I am a little bit frustrated, and I think we have talked about it before. 2014 the Department of Labor instituted a rule regarding overtime and minimum wage for Federal employees, which they had the right to do, and I don't object to that, but where we have a problem is it caught up, I think, individuals that it was never intended to be, that is outfitters and guides who work in the rural west.

You know, people who take people on horseback rides, river rafting, et cetera, who help tourists and people who otherwise wouldn't be able to experience the west because they just wouldn't do it on their own.

But they were defined as a Federal employee because they happened to traverse Federal lands or in some cases operate on Federal lands. And, you know, we worked with the Department, again in this case the Department of Labor, for a year, more than a year, trying to get them to relook at us and saying this isn't the intent. They actually agreed with us, at least they told us they did, though nothing came from that. We included legislation in the appropriations or language in the fiscal year 2016 appropriations bill, which would have exempted them from this.

And I have to say before I make my final point, these aren't big corporate outfits and guides these are mom-and-pop shops, you know, people who are making a lot less money than most of us here in this room. And they just simply can't afford it. I mean, an outfitter out there hits 40 hours in the first two days, and after that he has got to be paid overtime on a minimum wage, a Federal defined minimum wage.

It frustrates me that it seems like the Forest Service has ignored the intent of Congress because their permit requires still that they comply with this. I wonder if you could give us some relief on that and some hope that we can work together to come to what I think most of us agree is a reasonable conclusion.

Mr. TIDWELL. I appreciate you bringing it back up again. Well, we will go back to see what we can do to address that and continue to work with the Department of Labor.

I agree with your point that most of the outfitter and guide operations I know are usually family operations, and its relatives, or you could even say they are all part owners in that operation, and I don't even think they work by the hour, they just work by the day to provide that service. It is one of the things that we work with the Department of Labor and will continue to do that to be able to address a solution there so that it doesn't have unintended consequences of impacting their operations.

Mr. STEWART. I appreciate that, Chief, and we will pursue that with you, and if I could just conclude, and, Mr. Secretary, it seems like you want to respond——

Secretary PERDUE. Yeah. I think there are a lot of unintended consequences regarding that labor rule that we want to look at as it pertains to the USDA, and obviously outfitting is a seasonal job. They do not work year-round. Seasons do not last that long, and that caught up a lot of seasonal workers that is very intense for a period of time, that is when they have to work and make their money, and so we will be very attentive to that.

Mr. STEWART. Well, please do, and I will conclude with this. I met with many of these owners, dozens of times, I suppose, but I have also met with generally college kids who come to me and say, Look, I don't get to do what I used to love to do. I was more than happy to do this for the wage they were paying me. I was doing it because I love it, and now my job has gone away, and now I am working at Walmart or McDonald's when I would much rather be out showing people the land.

So thank you, and we look forward to working with you on that. Chairman, I yield back.

Mr. CALVERT. Thank you. Ms. Kaptur.

Ms. KAPTUR. Thank you, Mr. Chairman, and welcome, Mr. Secretary.

Secretary PERDUE. Thank you.

FOREST SERVICE BUDGETS

Ms. KAPTUR. Chief Tidwell, thank you for your service to our country.

According to the numbers that I have, and I hope they are correct, in the fiscal year 2016 the Forest Service had a budget of $7.03 billion. For this fiscal year what was finally signed into law was 6.17 billion. And for the proposal we are reviewing now it has gone down to $5.20 billion. That is a cut of 26 percent over the last 3 years. That is in my judgment enormous.

URBAN AND COMMUNITY FORESTRY

I don't come from the west. I come from up where the U.S. border meets the Canadian border over Lake Erie. Congressman Joyce and I share this very important region with the shallowest of the Great Lakes in deep trouble.

And when I look at this budget, I see that though Ohio is not like Utah and California and big western States with big Federal forest lands, trees are terribly important to us. Lake Erie has the least number of trees surrounding it of any of the Great Lakes. We have the most threatened of the Great Lakes. My home community of Toledo, Ohio, which has water systems that serve a region of half a million to 750 million people plus businesses was shut off two and-a-half years ago for 3 days because a very wicked little toxin called microcystin that forms an algae got into the water system.

It is not the only water system on Lake Erie that has been shut off. Many of our rural water systems have been shut off over the last couple years. They didn't get a lot of publicity because we are not New York City, we are not Chicago. You know, we are out there on Lake Erie, and I will tell you what, it was completely frightening. And we live with this hanging over our heads every day, and the situation is not getting better.

I won't go into all the details of what we are trying to do to address it, but because we don't have the full engagement of the Forest Service along Lake Erie because we are using the Urban and Community Forestry Program, which this budget proposes to eliminate along with the Community Forest and Open Space Program, and the Landscape Scale Restoration Program. We are trying to find ways to deal with planting 20 million trees we have to replace just because of the emerald ash borer just to keep pace with an inadequate number of trees to begin with to operate as buffer strips to help to filter the nutrients going into Lake Erie from the Maumee River. The largest river—God gave me the largest river in the Great Lakes, and with no resources to try to fix what is wrong.

The NRCS has been great, Mr. Secretary, in trying to help us figure out what do we do with a tri-state bi-national watershed in order to prevent these nutrients from going into the rivers and streams and falling toward the lake, and your NRCS people in Ohio have been phenomenal. They are underresourced. There is no political jurisdiction that can put their arms around this region. And it is frightening to see what is happening.

Cleveland, at the eastern end of my district, and the western end of David's district, used to be called Forest City. And with the levels of asthma there and other issues and many urban areas.

I frankly take it as a personal offense that the Government of the United States, not you, but that the government of this country doesn't consider the Great Lakes and our urban areas important enough to focus on trees. We are always off, you know, in other areas that I feel sorry for because there is not enough money to keep trails. Deferred maintenance in this budget is eliminated. Legacy and Trails Program eliminated. Facilities accounts, 84 percent cut. I mean, I feel sorry for you, trying to take over this. I keep saying, where are we going to get some private sector people to donate money to fill the gap here.

But I would love to invite you to our region because it is the canary in the coal mine. Your dad, I like his quote, "We are all stewards of the land, owned or rented, and our responsibility is to leave it better than we found it." I couldn't agree more. NRCS sponsored a book one time called "Land, Food, and People." I loved it, but there was a word missing, and that was "water."

WATERSHEDS

And what we face in our region is that in the two watersheds I represent, but the one that is causing the most problems that extends over three States and Canada, there are two million people that live in that watershed. There are between 10 and 11 million animals, the largest egg-producing region in the whole country, generating 43,500 train carloads of manure every year, much of it put on the land. And we've got no answer.

When I was born there were 146 million people in this country. Today there are 320 million. By 2050 we will have 390 million according to the latest projections, and somehow the formula for land, food, water, and people, to say nothing of temperature changes, it is not a winning formula.

So we would invite you to our region. We would fly in your helicopter if you want to.

Secretary PERDUE. I would like that.

USDA MISSION AREAS

Ms. KAPTUR. NRCS has to play a role in this. I have a bill to recreate the Civilian Conservation Corp to help the whole country, including our area, and I got some ideas about it would require more than USDA, it would require Department of Labor, National Guard. We got to fix this, and I want to do it in my lifetime.

So that we do what your dad said in our time and generation. It is our responsibility. And, unfortunately, we don't have structure to do it.

I think NRCS is one of the few structures we really have, but it is not used to working across jurisdictions, and States. And we need its help. So we got the problem. We don't have the mechanism to fix it. And the problem is getting ahead of us just like in the west.

I will tell you, I don't live in the west. The forest fires scare me to death because I studied a little bit about forest succession. I worry about the eastern forests, as well as the western forests. We are not taking care of this problem for the country. We simply aren't. And it is not true to our heritage.

I just thank all the people that work for the Forest Service. I feel sorry for the firefighters, all those people that risk their lives up there all the time. We are not doing our job, and we have got to figure out a way to do it. If we have to beg the private sector and go to Goldman Sachs and all these people that ripped off the people of the United States and beg the money, I am willing to do it. But we gotta fix this.

So my extension of an invitation is very serious. We need your help, and we need it fast. Ohio and Michigan, if we could figure out how to plant 20 million trees in the next 5 years that wouldn't be enough, but it would be a heck of a lot better than our limping along with what we are doing now.

So that is just my statement and my concern about your budget, and we will work with you and our great chairman and ranking member to try to produce something better.

Mr. CALVERT. Thank you, Marcy.

Secretary PERDUE. I appreciate your concern and your passion. I have heard great things about the Great Lakes Restoration Project. I think we were making progress in that, as well as the Chesapeake. And we hope we will have the opportunity to continue that.

As a former governor, you know I know how this government works. We have an executive branch that proposes. We have an legislative branch that legislates and appropriates. We have got a judicial branch. So I hope all together we can come together and address some of those concerns certainly so we can leave it better than we found it.

Mr. CALVERT. Thank you. Mr. Joyce. The Great Lakes are well represented here today.

EMERALD ASH BORER

Mr. JOYCE. Secretary Purdue, Chief Tidwell, thank you very much for being here today.

I was happy to hear you call trees an agricultural product, having owned a small Christmas tree farm. I thought this would be a wonderful way for our family to all work together, and I found the kids only liked it when they were selling the trees and giving out candy canes and not doing much else during the course of the year.

But I would like to follow up on my colleague from Ohio Ms. Kaptur's comments about the emerald ash borer. You brought up the Great Lakes Restoration Initiative (GLRI), and you happened to be able to get some of that money to help prevent what is a 100 percent mortality rate with the emerald ash borer, but I understand only the Wayne National Forest is in Ohio.

I know it is not necessarily part of your purview, but are you doing anything to help people or nongovernmental entities surrounding the forest systems to try to combat this emerald ash borer because having lost this in my own yard, once they are in there, boom, all your trees are dead within years. It really has become a problem.

It is restricted. You can't even use it for firewood, transferring county to county, and we really need some help.

Secretary PERDUE. The Chief can address this specifically, but my goal, my principles are in cooperation with the Forest Service is just almost like the Ag Extension Service. We have got an education, a research education communication network out here, and that is where many of these private partnerships working with State and private landowners have been so effective in communicating what they can do.

I have got a picture here in the west that talks about good forest management and how it impacts that. So the Chief may know more specifically about the emerald borer, but the principle is we want Forest Service to be an educational tool to get best practices both for private lands and for public lands.

Mr. JOYCE. I have got to tell you, Mr. Secretary, that is music to our ears. Because part and parcel of the GLRI is also educating the farmers to reduce the amount of fertilizer, and they get higher yields with less fertilizer but when the State comes in and says they are going to cut down on the amount they can use, well, the first thing a guy does is overloads the field to make sure he is in before the edict is actually implemented. So you really want to try to educate them.

There are so many ways they can do that now. I am amazed. I was at one combine with a guy who uses his iPad, not even touching the steering wheel. We are going down the field, and he is measuring the soils and less fertilizer, higher yields, it all works but it is going to take education, just what you are saying.

Secretary PERDUE. It would. And technology and rural broadband connectivity. They depend on being able to connect into the data systems that do that. So there are a lot of opportunities, a lot of challenges, but that is why we are here.

And I look forward to visiting your area. I am not as familiar with the border of Lake Erie as I could be. I lived in Ohio, down at Columbus, in the middle seventies in the Air Force but didn't make it up to your beautiful area.

Ms. KAPTUR. You are welcome.

Mr. JOYCE. Love to have you. If you like to fish we have some pretty good fishing, too. Chairman Calvert wants to come too and catch some walleye. Excuse me, Chief.

Mr. TIDWELL. Just quickly, we still haven't found a solution to the emerald ash borer, and our scientists are working with the other agriculture agencies and also with universities to find some type of—ideally a biological control on this pest that came into this country through one of our ports and now has spread all the way up to Canada.

One of the things we are working with is the places to get out in front of it and actually have to clear out the ash to just be able to stop the spread. That is one of the tools that has been helpful, but when you are out in the country that is something you can do, but as it is going through communities, it is not what people want to see their ash trees cut down.

So it is just still challenging, but it does make the point about our research and development branch of the forest service that we work very closely with the other agencies and universities for us to be able to maintain that, and this budget request does allow us to be able to maintain our research with the emerald ash borer to be able to find that solution. At the same time to be able to do what we can to prevent the next pest from coming in to this country, through our ports.

Ms. KAPTUR. Would the gentleman yield?

Mr. JOYCE. Absolutely.

Ms. KAPTUR. Could I ask, on the emerald ash borer and the loss of ash trees, do you know, sir, how many we have lost already and what the projected loss is and what percentage that comprises of our ash tree population?

I just know Ohio and Michigan. I don't know the whole country number.

Mr. TIDWELL. I can provide that information to you, but it is devastating to the ash in the east, and if we can't find a solution to this, there is a high likelihood we will lose the ash tree from the Eastern United States.

[The information follows:]

It is estimated that the emerald ash borer has killed more than 100 million trees in the cities and rural forests of the 30 States in which it is currently found. According to FIA estimates, the total number of ash trees on forested lands is 9.4 billion (this does not include urban areas). The most recent National Insect and Disease Risk Map estimates that more than 700,000 acres of ash forests are at risk to EAB-caused mortality in the next 15 years. The Forest Service does not track the total numbers of ash trees in forested rural and urban areas.

Mr. JOYCE. Wow.

Mr. TIDWELL. I wish I had a more positive response, but that is the challenge we are up against.

Mr. JOYCE. Isn't that what is used to make baseball bats?

Mr. TIDWELL. Yes.

VOICE. Baseball is gone, then we are into basketball.

Mr. TIDWELL. Aluminum.

Ms. KAPTUR. If you go through one of the communities I represent it is like you take a razor and you just zzzzzz, you go right, and they are gone. It is astounding.

Mr. JOYCE. Thank you both. I yield back, Mr. Chairman.

AVIATION ASSETS

Mr. CALVERT. I have a number of questions I am going to submit to you for the record, but one thing I would like to talk about quickly is some of our Forest Service aviation assets. As you know, we had $65 million in fiscal year 2015 account that was to acquire an additional aircraft. So I was wondering what the status of that acquisition is and when do you expect to award the contract, and do you anticipate the award will be contested?

Mr. TIDWELL. We are currently reviewing the bids we received to acquire an aircraft, and I expect I can report back to the committee in the next few weeks on the progress of that.

As to the second question, that is always just part of the process.

Secretary PERDUE. My question would be, how many people make the 130J?

Mr. CALVERT. I think you know what State it is from, too. You might like that aircraft.

Also, the Defense Authorization Act in 2014, as you remember, transferred seven HC–130Hs from the Coast Guard and 15 C–23 Sherpas from the Army just to the Forest Service, and we provided $130 million for the planes to be retrofitted.

So I would like to get the status of where those aircraft are right now, what is the status of those transfers, if they have happened, and where we are on the retrofit.

Mr. TIDWELL. We will be flying one HC–130H again this summer, and then fiscal year 2019 we will have two C–130Hs with the tank installed. Then in fiscal year 2020 we will have four more. Then by fiscal year 2021 we will have all seven of those with the tanks installed.

There was an issue with the contract Air Force was using to install the tanks. It slowed down the progress there, but as they have put on the new wing boxes on those planes, we take one each year and we fly that with a MAFS unit and then rotate that back in to be able to get the internal tank installed.

Mr. CALVERT. Okay. Good. Ms. McCollum.

Ms. MCCOLLUM. Thank you. Back to the aircraft, when I was up in Northern Minnesota talking to the pilots, they said it is really hard to get pilots right now because of what is going on in the industry. So I hope as we get the planes we can retain the pilots, and if you need any flexibility with how you go about retaining and recruiting pilots, please keep us apprised.

Mr. Chair, I am also going to submit some questions for the record. As Secretary Purdue and Mr. Tidwell know, we want to be helpful on the backlog of maintenance. There is an inspector general's report on that, so I know that you are capable of getting us the ash tree number.

INVASIVE SPECIES

Let me just put a couple statistics out there. I don't represent Minneapolis, but it is part of the Twin Cities. Five thousand trees a year are being lost until the city's public ash trees are gone. That is how much they are cutting down a year.

And in Saint Paul where I live 8,500 boulevard ashes have been removed so far. The pace is increasing. We take them down in the winter when the little pests aren't active.

By the end, we think that over 60,000 trees will be gone. It is important we remove them in the urban areas because how they got here to the Twin Cities was hitchhiking on railroad cars. So if we don't get them down as the railroad cars and the shortlines go through, these little pests will figure out a way to get on them and go into more rural areas.

This is really an all hands on deck to reduce the spread of this from going any further east than the Mississippi River. So I appreciate the work that the Forest Service Station in the Twin Cities and the St. Paul Campus for the University of Minnesota are doing together.

This is all hands on deck, and we are going to see more and more of this as the climate puts more stress with the climate change on our forests and hardwood.

So I want to thank the Forest Service, and thank you Mr. Perdue. It was a delight meeting you today.

I thank you for your support of keeping our pristine waters clean in the northern part of our United States.

BARK BEETLE

Mr. CALVERT. Thank you. We will be closing down here in a minute, unless there is any further comment.

But one comment about these invasive species. I am from California, and we have not just the bark beetle, which is obviously devastating the forest, but since we have you here in the citrus industry, which is kind of important in my State still. It has literally wiped out the citrus industry in Florida, as you know. It is in Texas now. So it is in California, except it is not as affected at this point. They found some in the Hacienda Heights area.

Mr. SIMPSON. Mr. Chairman, I just want you to know that in parts of Idaho, we consider Californians an invasive species.

Ms. KAPTUR. Mr. Chairman——

Mr. CALVERT. With that I think we may adjourn here pretty soon.

Ms. KAPTUR. Mr. Chairman.

Mr. CALVERT. Yes.

USDA REORGANIZATION

Ms. KAPTUR. I would just, since the Secretary is here and he has been very gracious with his time, I wanted to just ask you when you realigned USDA and you put farm production and conservation together, could you expound a little bit on how that relates to the Forest Service and what is your thinking?

Secretary PERDUE. Sure. As you know, NRCS was under the missionary of the Forest Service. The Forest Service has about a third of the employees of USDA and in many areas. We have got a lot of challenges. As I went around and I heard it looked like to me we had a lot of challenges for forest management and the Forest Service. I wanted someone, first of all, who was dedicated to resolving many of those issues of the questions you raised this morning.

The second point was NRCS is a customer-facing responsibility. There are more aligned with the Farm Service Agency and the risk manager from a producer standpoint. So those missionaries are going to be under one Undersecretary and have three directors there that collaborate.

Our data systems weren't talking to one another, and sometimes we were colocated, but it was all separating. We act like we were separate agencies. So this is a customer-facing responsibility trying to fulfill our customer service responsibility.

The other thing on the realignment had to do with rural development. As I said, I am not a micromanager, but I am a hands-on manager. I wanted that person with access to be on a walk-in basis where we got projects we can move quickly, rather than having to float up through a chain and sometimes lose the opportunity, so that was the purpose.

Ms. KAPTUR. Thank you sir.

I just wanted to say that I would very much appreciate your review of my bill on a Civilian Conservation Corps. You can redline it. You can amend it. You can do anything you want, but I would be very interested to hear what you think about it, and how we might achieve it. Thank you.

Mr. CALVERT. Thank you.

Secretary PERDUE. If I can close, I probably should have started this, but I wanted to see in this packet.

This is healthy forest versus unhealthy forest. This was from the Black Hills. I was there last weekend. And it just shows you what good thinning management can do.

This is the mountain pine beetle, one of those species that can be—those brown where trees have died there. The green areas where they had been thinned ahead of time. That is why it is so important we get the forest budget straightened out so we can do more of this all over our forests there.

So we have used over a thousand words, but that picture is worth a thousand words there.

Mr. CALVERT. Well, thank you, Secretary Perdue. We appreciate you getting on top of this and working with our chief, Chief Tidwell. We appreciate all your years of service, and with that we are adjourned.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Budget Hearing: U.S. Forest Service
May 25, 2017

Questions for the Record – Secretary of Agriculture and
Chief of the Forest Service

Questions from Mr. Calvert

Calvert Q1: Please update the information provided in the FY 2017 QFRs related to the status of the Service's terrestrial condition framework.

Answer: The Terrestrial Condition Assessment (TCA) examines the effects of multiple stressors on National Forest System lands, with an emphasis on identifying restoration opportunities at a national scale. This assessment is focused on landscape ecosystems, is data-driven, and is designed to be able to incorporate finer-scaled regional data. We are testing the TCA during FY 2017 to better identify and communicate restoration opportunities across National Forest System lands. For example, National Forests are exploring how to use the TCA in forest planning, and how it might be used to convey the purpose and need for landscape treatments. The Forest Service is also evaluating how TCA might be used system-wide to help describe the outcomes or changes in environmental conditions due to management activities.

Calvert Q2: Please update the information provided in the FY 2017 QFRs regarding the breakout of the amount of hazardous fuels funding spent inside and outside of the WUI, as well as inside and outside of areas identified in Community Wildfire Protection Plans.

Answer: The acres treated with Hazardous Fuels funds from 2010 to 2016, and the percent of treatment in areas adjacent to communities with Community Wildfire Protection Plans (CWPP) are listed below. The table shows only those hazardous fuels acres completed with Hazardous Fuels appropriation which includes those funds contributed to the Integrated Resource Restoration (IRR) pilot program. These figures do not include funding from other BLIs (for example, Wildlife and Fisheries Habitat Management) that also contribute to hazardous fuels reduction goals. The CWPP figures are the percentage of all acres treated in areas identified in Community Wildfire Protection Plans.

	2010	2011	2012	2013	2014	2015	2016
WUI (acres)	1,154,127	805,149	1,032,987	1,006,849	1,124,583	909,735	1,146,224
Non-WUI (acres)	765,128	370,180	317,200	305,789	277,558	292,228	354,657
CWPP (all acres)	45%	61%	93%	85%	77%	83%	81%

Calvert Q3: How many acres of NFS lands did the Forest Service treat in FY 2016? Please break this down by:

a) Acres mechanically treated.

Answer: A total of 734,000 acres were mechanically treated.

b) Acres mechanically treated using commercial timber harvest.

Answer: A total of 190,000 acres were treated using commercial timber harvest.

c) Acres treated with prescribed fire (please describe the number of acres treated with prescribed fire that were wildfires burning within prescription, fires being allowed to burn to achieve resource objectives, or acres burned in back fires as part of suppression efforts).

Answer: A total of 1,380,568 acres were treated with prescribed fire; additionally, 932,217 acres were "treated" by wildfire (note: these are acres burned by a natural-ignition wildfire that were later reviewed and compared to the local national forest Land Management Plan (LMP)'s desired conditions to determine if the outcome furthered the goals of the specific LMP). We do not track the number of acres burned in back fires as part of suppression efforts because it is very difficult in most instances to determine where the backfire and head fire meet, thus it would be a subjective estimate. These acres are included in the acres reported as the final acres burned for each fire.

d) Acres treated using other tools besides prescribed fire and mechanical thinning.

Answer: Approximately 383,000 acres were treated with other tools, including biomass removal, chemical, chipping, crushing, grazing, lop and scatter, machine pile, mastication, and mowing.

Calvert Q4: Please provide a list of the forest product output categories and the amount of each for FY 2016. Include target and actual data.

Answer: The tables below show FY 2016 accomplishments for convertible and non-convertible forest products. "Convertible Forest Products" includes all wood products that can be converted to board feet. The category of "Non-Convertible Forest Products" includes all wood products that cannot be converted to board feet but, instead, are tracked by the total value of the sold product. Some products have been grouped for simplicity. Targets are only assigned for total volume of convertible products sold, and therefore we did not include volume targets for each product.

Convertible Forest Products *Thousand Board Feet*		
Product	**Volume Target**	**Volume Sold**
Sawtimber	N/A	1,824,473
Pulpwood	N/A	508,537
Fuelwood	N/A	291,337
Biomass	N/A	77,997
Other Products	N/A	244,004
All Convertible Products	**3,200,000**	**2,946,348**

Non-Convertible Forest Products		
Product	**Target**	**Sold Value ($)**
Christmas trees	N/A	1,212,542
Limbs / Boughs	N/A	586,994
Mushrooms	N/A	404,758
Foliage	N/A	308,410
Grass	N/A	199,938
Other Products	N/A	295,067
All Non-Convertible Products	**N/A**	**3,007,709**

Calvert Q5: Please provide a breakout of funding allocated to each of the activities conducted by the International Forestry program. Include staff time allocated to each.

Answer: International Forestry's funding and staff allocations are described in the table below.

Activity	**FY 2017 Budget Allocation**	**FY 2017 Staff Allocation (FTEs)**
Illegal Logging	$5,000,000	17
Migratory Species	$1,500,000	6
Invasive Species	$500,000	3
Policy	$1,000,000	4
Total	**$8,000,000**	**30**

Calvert Q6: Please update the information provided in the FY 2017 QFRs related to data centers. How many data centers has the agency consolidated over the past four fiscal years? What is the savings associated with the consolidation?

Answer: Since 2012, the Forest Service completed the shutdown of the Oregon and Washington Office data centers as part of the Forest Service data center consolidation. Additionally, two data centers (Big Byte and MCI) will be closed by Q2 of FY 2018. These closures will save the Forest Service over $500,000 annually in hardware maintenance and facility support costs.

Calvert Q7: How many additional data centers will be consolidated in FY 2018 and future fiscal years and what are the anticipated savings associated with these actions?

Answer: The Forest Service is building a shared service Virtual Data Center within the USDA's National Information Technology Center. This will not result in any closures in FY 2017, but positions the agency to close the Albuquerque Data Center by late 2018. Closing the Albuquerque Data Center will not result in any additional savings that have not already been realized by the Forest Service.

Calvert Q8: How much did the Service spend on fire retardant in FY 2016 and FY 2017 (estimated)?

Answer: In FY 2016, the agency spent $68 million on fire retardant. The estimate for FY 2017 is $50 million, assuming national fire activity is average to above average, as is forecasted.

Calvert Q9: The report that accompanied the House of Representatives FY 2017 Interior Appropriations bill directs the Service to provide a report within 60 days of enactment regarding

its salvage operations. What is the status of this report? When will it be provided to the Committee?

Answer: We are currently working on gathering the data for the salvage operations report, are reaching out to the Regions to validate the information, and will provide the report to the Committee by mid-September, 2017.

Calvert Q10: The report that accompanied the House of Representatives FY 2017 Interior Appropriations bill directs the Service to update General Technical Report PNW-GTR-486 regarding the environmental effects of post-fire logging. What is the status of this report? When will it be completed and provided to the Committee?

Answer: Since 2009, the Pacific Northwest Research Station has published numerous studies related to post-fire logging. The Forest Service will synthesize this information into a publication anticipated to be available in the summer of FY 2018.

Calvert Q11: Please provide a detailed account, including funding provided and projects undertaken, in the national forests in California to address the drought and dead and dying tree crisis? Include information for the past three fiscal years and plans for FY 2018.

Answer:

- In FY 2016, the agency redirected $43 million to remove dead and dying trees to help protect the public and employees from falling trees and to mitigate wildfire risk in high hazard areas near communities, recreation sites, roads, trails, and utility corridors.
- In FY 2017, the agency will direct about $37 million to continue to address dead tree removal in and around communities, recreation sites, roads, trails, and other values at risk.
- For FY 2018, there are currently another 95,000 acres in the high-hazard areas on the Sequoia, Sierra, and Stanislaus National Forests that have already undergone NEPA analysis, and they will be treated if additional funding is identified.
- Accomplishments as of June 7, 2017 on the Sequoia, Sierra, and Stanislaus National Forests:

Cumulative Thousand Board Feet Felled	148,227
Cumulative Acres Treated	35,080
Acres in Progress	69,253
Cumulative Trees Felled	311,460

- Hazard mitigation completed on values at risk:
    - 71 communities with Hazard Tree Mitigation
    - 1,375 acres of Fuel Breaks
    - 98 miles of Powerlines
    - 241 Recreation Sites
    - 573 Road miles
    - 50 Trail miles

Reorganization of USDA

Under the proposed reorganization of the Department, the Forest Service and Natural Resources Conservation Service (NRCS) would no longer report to the same Under Secretary. I understand the rationale for placing NRCS under the new Under Secretary for Production and Conservation. However, I do not want to see the cooperative efforts between the Forest Service and NRCS, such as the Joint Chiefs' Landscape Restoration Partnership, diminished. Through this partnership, USDA has been able to support projects that benefit national forests, private forests, and privately owned farms all at the same time. This is a good example of using limited taxpayer dollars to provide the greatest bang for the buck.

Calvert Q12: Please describe your plan to require and encourage USDA's agencies to cooperate and coordinate.

Answer: It was with our customers in mind that I recently directed a reorganization of USDA. Through the newly created Under Secretary for Farm Production and Conservation, our customers will have a one-stop shop, with common leadership and one voice, to provide the services they need. Combining the critical functions in our Farm Service Agency, Risk Management Agency, and Natural Resources Conservation Service (NRCS) under a single umbrella will ensure our services to farmers and ranchers are efficient, streamlined, and deliver the results that our producers expect and need. Allowing for an Under Secretary for Farm Production and Conservation to oversee farm services, crop insurance, and conservation programs will ensure that farmers' interactions with USDA are not duplicative. That focus will also streamline our data systems for farm program implementation. In addition, by combining farm conservation programs with farm safety net programs, the Under Secretary for Natural Resources and Environment will be able to focus more attention on the crucial task of managing our national forests and to ensure Federal land managers are good and helpful neighbors to surrounding private land owners.

USDA has also solicited stakeholder comments on the proposed USDA reorganization utilizing the White House reform comment process, and through a notice published in the Federal Register. The comment period closed last week, and we will conduct a thorough review.

The Forest Service and NRCS will continue to implement projects under the Joint Chief's partnership with the intent to improve the health of forests where public forests and grasslands connect to privately owned lands.

Calvert Q13: Do you plan to maintain the Joint Chief's partnership?

Answer: Yes, we plan to maintain the Joint Chief's partnership.

Calvert Q14: Please describe your plans to support forest conservation and NRCS.

Answer: With USDA's reorganization, there are no anticipated changes to the underlying missions of the agencies, and there will still be a need to ensure coordination of private and public land conservation by NRCS and FS.

NRCS works to safeguard the health and productivity of the nation's forests, grasslands, and private working lands based on sound public policy and efficient management. NRCS and FS work together and with partners to leverage private resources and innovative ideas to make the landscape and critical infrastructure more resilient. NRCS has expanded its partnerships with both not-for-profit organizations and the private sector to implement regional-scale conservation.

NRCS is expanding public access to Federal and private lands for hunting, fishing, and other outdoor recreational opportunities. This is accomplished through a variety of programs aimed at preserving and restoring our public and private lands. NRCS partners with private landowners to provide technical and financial assistance to help protect farm and ranch lands and private forestland.

USDA provided stakeholders an opportunity to comment on the proposed USDA reorganization by utilizing the White House reform comment process, and through a notice published in the Federal Register soliciting comments.

Forest Service Aviation Assets

The FY 2015 Omnibus Appropriations Act provided $65 million for the Service to acquire a next-generation air tanker (HC-130J).

Calvert Q15: What is the status of that acquisition?

Answer: We have cancelled the recent solicitation (AG-024B-S-16-0002) for the acquisition of commercial next generation large airtankers. The Forest Service is reviewing options for acquiring an airtanker with the funds provided through the FY 2015 Appropriations Bill.

Calvert Q16: When do you expect to award a contract?

Answer: We have cancelled the recent solicitation (AG-024B-S-16-0002) for the acquisition of commercial next generation large airtankers. The Forest Service is reviewing options for acquiring an airtanker with the funds provided through the FY 2015 Appropriations Bill.

Calvert Q17: Please provide a detailed description of the status of the HC-130Hs and C-23s and include, at a minimum, the following information.

a) Have any of the Coast Guard's HC-130Hs been transferred to the Forest Service?

Answer: No, we currently have one HC-130H on-loan from the Coast Guard that is equipped with a Modular Airborne Firefighting System (MAFFS). This HC-130H became available May 6, 2017, to support fire operations nationally. We have an additional bailed HC-130H available in case the primary aircraft becomes inoperable.

b) When will they be ready for use by the Service?

Answer: Two planes (tail numbers 1721 and 1708) are with the USFS for use in 2017 and 2018; however there is only one retardant unit (Modular Air Fire Fighting System) available so 1708 will be used as back-up when 1721 is down for maintenance. The program went operational on May 5th for the 2017 season.

Here is a status update on other HC-130Hs being transferred to the agency:

Tail number 1713 is currently with the U.S. Air Force for programmed depot maintenance (PDM). Once completed, it will be sent back to the U.S. Coast Guard (USCG) for operational use. This aircraft is scheduled to have a Retardant Delivery System (RDS) installed in 2019.

Tail number 1719 has completed PDM and is at the Aerospace Maintenance and Regeneration Group at Tucson, AZ for storage until scheduled RDS installation process in 2019.

Tail number 1706, which will be operated by the USCG until 2020, will go through the RDS installation process and PDM in 2020 and should be operational in late 2020.

Tail numbers 1709 and 1714 are still with the USCG and in queue to complete PDM in 2017. 1709 will go through the RDS installation in 2019. 1714 will follow in 2020.

c) Is the retrofit process on schedule?

Answer: Yes, as the timeline has been adjusted slightly to accommodate the bid protest of the U.S. Air Force Retardant Delivery System solicitation.

d) Have the C-23s (Sherpas) been transferred to the Service?

Answer: Yes, the Forest Service has assumed ownership of the 15 C-23 Sherpas.

e) Are they appropriate to the Forest Service mission?

Answer: Yes, they are appropriate for the mission.

f) Are they currently being used in Forest Service operations?

Answer: Yes, we currently have one conducting limited fire logistics operations, due to pilot staffing considerations. We are working on bringing up to 3 Sherpas (C-23B+) in FY 2018 with the remaining aircraft in FY 2019 and FY 2020. By FY 2020, we will have a total of ten operational Sherpas for the smokejumper program. Four C-23B+ aircraft will be stored by the U.S. Air Force and one will be used for parts.

g) How much of the $130 million has been obligated?

Answer: According to the U.S. Air Force, approximately $65.9 million has been obligated as of July 2017.

Forest Service Staffing

If enacted, the budget request will reduce staffing by more than 1,800 full time equivalent employees. Some groups complain that the Service has centralized its workforce over the last 20 years to the detriment of on-the-ground, forest level land management. The Committee needs to understand what this shift toward DC operations and a possible reduction in staff would mean for front line Forest Service staff and for the forests they manage.

Calvert Q18: Why has the Service shifted staff away from land management?

Answer: The Forest Service does not agree with the claim that it has taken efforts to centralize its workforce over the past 20 years to the detriment of on-the-ground forest level land management. The Forest Service has experienced an increasing role of wildland fire suppression and preparedness over the past 20 years that led the Forest Service to experience a shift in the number of National Forest System personnel to adequately address this increasing role. Since 1998, fire staffing within the Forest Service has increased 114 percent from around 5,700 in 1998 to over 12,000 in 2016. Over the same period, staffing levels for those programs dedicated to managing National Forest System lands have decreased by 39 percent – from almost 18,000 in 1998 to fewer than 11,000 in 2016.

Calvert Q19: What effect has this had on the health of our national forests?

Answer: Maintaining the health and resilience of our forests is fundamental to fulfilling our mission. As the number of personnel managing the National Forest System has decreased over the past 20 years, the agency has found more efficient and effective ways to accomplish our work, such as conducting larger scale planning and analysis, working collaboratively with States and partners, maximizing the use of new authorities, like the Good Neighbor Authority, and integrating our work across disciplines in the field. These efforts have resulted in improved performance within the forest restoration portfolio of work which directly affects the health of our nation's forests and grasslands.

Calvert Q20: What is your plan for reducing 1,800 staff?

Answer: At the funding levels proposed in the FY 2018 Forest Service budget, a reduction of 1,823 FTEs would occur. While the final proposal is still under development, we will be looking at options through normal attrition, early retirements, or other least disruptive means.

Calvert Q21: What areas of work would be most affected?

Answer: At the proposed funding levels and associated staffing levels, lower priority work will be affected, but an analysis has not been undertaken to fully define the scope.

Groundwater Directive

Some Members of Congress continue to be concerned that the Forest Service is considering a new groundwater directive. In 2015 and 2016, Chief Tidwell told Members of Congress and this Subcommittee that the Service withdrew its draft directive and was not working on a new one.

Calvert Q22: Is the Forest Service developing a new directive, policy, guidance, or framework on groundwater?

Answer: The Forest Service has no plans for a new directive or other policy document on groundwater.

Calvert Q23: Under what statute(s) does the Service have the authority to regulate or manage groundwater?

Answer: The Organic Administration Act of 1897 established the original foundation for the national forests that was subsequently extended to other lands added to the national forests, including the national grasslands, through the Weeks Law of 1911, the Clarke-McNary Act of 1924, and the Bankhead-Jones Farm Tenant Act of 1937. The Organic Act specified that lands were set aside as national forests-

> "to improve and protect the forest within the reservation, or for the purpose of securing favorable conditions of water flows, and to furnish a continuous supply of timber for the use and necessities of citizens of the United States…"

The other acts that added land also clearly indicated the intent of Congress that stewardship of water was to be a focus of the management of the lands. In more recent years, through the Multiple Use – Sustained Yield Act of 1960, the Forest and Rangeland Renewable Resources Act of 1974, the Federal Land Policy and Management Act of 1976, and the National Forest Management Act of 1976, Congress continued to direct the Forest Service to manage the national forests and grasslands to protect water and watersheds.

The Multiple Use – Sustained Yield Act of 1960 established the multiple use mandate for national forests and grasslands and included water in that mandate. The act established-

> "the policy of the Congress that the national forests are established and shall be administered for outdoor recreation, range, timber, watershed, and wildlife and fish purposes."

In addition, Congress specified in the McCarran Amendment of 1952 that water allocation on Federal lands was subject to the laws and processes of the State in which those lands are located. The Forest Service recognizes the authority of States to allocate water, and defers to the States to manage their processes as they relate to appropriation of water from sources located on National Forest System (NFS) lands. USDA also strives to collaborate with State water allocation agencies and engage in their processes where appropriate. The responsibility of the Forest Service is to be a steward of those lands and resources while implementing our multipurpose mission through authorizing the access to and uses of the land.

Questions from Mr. Simpson:

Forest Service: Aviation

FY17 budget as well as FY16 dedicated $750,000 to be utilized to enhance and maintain aviation assets on USFS lands.

Simpson Q1: Is an accurate accounting as to how that money was spent in the past available?

Answer: Pursuant to the Congressional directive you cited, we have utilized the $750,000 to enhance and maintain rural airstrips on Forest Service lands. Spending has been determined by managers on the ground based on the greatest local needs. Field managers report that at least $750,000 was spent on rural airstrips in FY 2016; however, the agency did not have any way to track this specific spending. That has been rectified in FY 2017 through the assignment of project-specific accounting codes which will enable the Forest Service to provide a detailed accounting for the current fiscal year. In an effort to determine the prior year spending amounts, a data call has been sent to the regional offices and the information will be provided in response to the congressional directive by late summer 2017.

Simpson Q2: Does the USFS believe that aviation is a legitimate and low impact user on Forest Service lands?

Answer: Yes, recreational aviation is a legitimate use of Forest Service land. When properly managed, it can also be a low-impact use that enhances the visitor experience.

Simpson Q3: If so, would the Forest Service consider guidance that communicates this to their employees?

Answer: Yes, we would consider issuing guidance as needed.

Simpson Q4: What can RAF do to help the USFS through volunteers and resources to help complete this inventory?

Answer: The 2012/2013 rural airstrip inventory was updated in 2016 with the help of the Recreational Aviation Foundation (RAF) and the majority of the existing backcountry airstrips was captured. That inventory remains incomplete due to, in part, a lack of Forest Service resources on the ground. RAF is a valuable partner and we welcome the skill, capacity, and the engagement of their volunteers and resources to complete the inventory.

Forest Products Lab

Simpson Q5: How is USDA/FS leveraging private sector investments to fund priority work especially as it relates to building new markets and growing jobs in rural forest-rich communities?

Answer: The Forest Service works with non-government organizations and solicits industry input to identify topics, fund research projects that are relevant to industry, grow new markets, and create jobs. For example, the Forest Service and the U.S. Endowment for Forestry and Communities, Inc. created a public-private partnership named P^3Nano, which supports collaborative projects designed to advance the commercialization of cellulosic nanomaterial. P^3Nano will help diversify the economy; create new jobs; provide materials for a green economy; and contribute to critical forest restoration needs of working forests across all ownerships. P^3Nano has particular interest in projects that address environmental health and safety of cellulosic nanomaterials, improving the interface between cellulosic particles and composite resins, novel composites with nanomaterials, advances in paper and packaging, among other potential applications. In 2014, P^3Nano funded nine projects totaling $3 million, with $1.5 million each from the Forest Service and the U.S. Endowment for Forestry and Communities. In 2016, P^3Nano issued a second request for proposals with funding from the Forest Service and the U.S. Endowment for Forestry and Communities.

Simpson Q6: Can you tell us about the FPL work on advanced bioenergy to reduce fuel loading in forests in ways that create market-driven means to sustain forest restoration work?

Answer: Forest Service scientists from multiple research stations, including FPL, participated in developing the first and second Department Of Energy "Billion-Ton Report", led by the Oak Ridge National Laboratory. The Billion-Ton Report includes national assessments on the potential supply of biomass in the United States. Another example of FPL market-driven biomass research is the participation in the Northwest Advanced Renewables Alliance (NARA) project. NARA is one of seven regional bioenergy grants funded by the National Institute of Food and Agriculture that help industries reduce the nation's dependence on fossil fuels and reduce our carbon footprint. In a NARA project, an FPL scientist played a key role in developing the woody biomass-to-jet fuel technology that produced the biojet fuel demonstrated in the Alaska Airlines flight from Seattle to Washington D.C. FPL scientists are also working on a project to demonstrate the validity of torrefying wood for co-firing in power plants. This project is supported by the Consortium for Advanced Wood-to-Energy Solutions, which includes electric power companies such as Pacific Gas & Electric, as members.

State Foresters

I have heard concerns from State Foresters about funding reductions to programs in this budget that they utilize to keep our forests healthy. For example, the Forest Stewardship Program allows our State Foresters to work with private landowners to develop plans to actively manage their private forests. Ninety percent of the nation's wood comes from private lands and the forest products industry is the backbone of rural America.

Simpson Q7: Can you inform this subcommittee on the Administration's views on programs such as the Forest Stewardship Program, the Community and Urban Forestry Program, and other important Forest Service programs that help leverage federal dollars and volunteers to minimize wildfires and actively manage our public lands?

Answer: Partnerships are critical in implementing and delivering State and Private Forestry (SPF) programs. Through a coordinated effort in management, protection, conservation education, and resource use, SPF programs help facilitate sound stewardship of lands across all ownerships on a landscape scale, while maintaining the flexibility for individual forest landowners to pursue their objectives. The FY 2018 budget request adjusts the role of the Federal government within this coordinated effort. The FY 2018 President's budget reduces funding for lower priority activities to focus resources on maintaining existing national forests and grasslands, including the elimination of funding for the Urban and Community Forestry and Landscape Scale Restoration programs. This budget will require greater shared stewardship of the land between the Forest Service and State and local communities to achieve our goals.

The FY 2018 budget requests $20.5 million for the Forest Stewardship program. The Forest Stewardship Program provides assistance to private landowners seeking to manage their forest lands. Better management of private lands supports the maintenance of nearby national forests and grasslands and provides an economic contribution to local economies.

Forest Service Museum

Simpson Q8: Does the Forest Service support the idea of a museum in Montana which honors past present and future Forest Service employees and tells the history of the agency?

Answer: Yes, the Forest Service supports the idea of a museum in Montana. The museum would increase the public's understanding of the Forest Service's role in American conservation and the foresight our leaders exercised in reserving these lands. In June of 2015, the Forest Service entered into a Memorandum of Understanding (MOU) with the National Forest Service History group communicating our support for their efforts as they build the museum. Under the MOU, the Forest Service will provide historical artifacts, ideas, and advice.

Simpson Q9: What does the Forest Service envision as an appropriate role to play in collaborating with the non-profit group working on the museum and what role can the Forest Service play in helping make this possible?

Answer: The Forest Service will support the museum by providing historical artifacts, ideas, and advice.

Questions from Mr. Amodei:

Community and Urban Forestry Program

The Community and Urban Forestry program is what provides key funding to make NV communities more livable, healthier, energy efficient, more vibrant by funding seed money for the planning, planting and long term care of trees in our communities. This administration wants to invest in infrastructure. Community and urban trees are just that – critical infrastructure.

Amodei Q2: Why is the administration proposing to remove that funding?

Answer: The FY 2018 President's budget reduces funding in some programs to focus resources on maintaining existing national forests and grasslands. This resulted in the elimination of funding for programs on and off National Forest System lands, including the Urban and Community Forestry Program. This budget will require greater shared stewardship of the land between the Forest Service and state and local communities to achieve our work.

State and Private Forestry Program

Last year over 80% of the nation's wildfires and almost half of the acres burned were on state and private lands. As you know wildfire knows no boundaries so working together with our federal partners is critical. The State Fire Assistance and Volunteer Assistance programs provide significant resources and training for wildfire suppression. Yet while funding for federal suppression has been increasing over the years, state and volunteer fire assistance, which provides much of Nevada and the nation's initial attack capabilities, has not. Many of the nation's most devastating and costly wildfires start on state and private lands or burn over these lands.

Amodei Q3: Why does the administration not believe investments in these programs could potentially save large federal wildfire costs and devastation?

Answer: The Forest Service has worked to appropriately allocate firefighting resources and improve risk management strategies to use those resources safely and efficiently. Over the last few decades, wildland fire suppression costs have increased as fire seasons have grown longer and the frequency, size, and severity of wildland fires has increased; therefore, more of the agency's resources are spent each year to provide the firefighters, aircraft, and other assets necessary to protect lives, property, and natural resources from catastrophic wildfires. Thus, fewer funds and resources are available to support other agency work, including the very programs and restoration projects that reduce the fire threat, like State Fire Assistance and Volunteer Fire Assistance.

Questions from Mr. Jenkins:

Monongahela National Forest – Flood Recovery

During the hearing, there was a discussion about the ongoing recovery efforts to the Monongahela National Forest. The June 2016 one-in-a-1,000 year flood event had significant impacts on the 'Mon' and it damaged roads, trails and recreation sites in the southern portion of the forest.

Jenkins Q1: Please provide a detailed update about the status of recovery efforts for the Committee.

Answer:

- The Federal Highway Administration (FHWA) approved $31 million to make repairs on 204 miles of flood-damaged roads, as well as associated bridges, culverts, and trails in West Virginia. Funds must be obligated within two years. We have requested $4 million from FHWA for Forest-led projects in FY 2017.
- The forest has contracted with The Alonso Group LLC, from Flemington, West Virginia, to manage some of the contracting needs for flood repairs, with a goal to hire small businesses to provide an economic benefit to local communities.
- About $10 million of the amount initially requested in the Damage Survey Reports was denied. In April 2017, these reports were re-evaluated, and the forest was approved to receive another $5 million. That leaves about $5 million in unfunded work on public roads that require heavy maintenance.
- Most permanent repairs have been turned over to FHWA design teams, who are leading the planning, design, and implementation on several major projects, including the Williams River Road and Highland Scenic Highway, while coordinating closely with forest staff.
- The Williams River Road has been opened all the way through as of May 23, 2017, although there are two areas of one-lane traffic. There will be short-term temporary closings of the road for future permanent repairs.
- The Forest's construction and maintenance crew has been working steadily on several Forest-led projects and is making progress reshaping roads, installing riprap on slides, graveling roads, and replacing culverts.
- Forest staff has begun NEPA planning for 47 projects and engineering design for 14 projects.

Jenkins Q2: What are the construction and maintenance needs to get the Mon restored to pre-flood conditions?

Answer: To restore the Monongahela to pre-flood conditions, the Forest Service needs to repair or replace the following:

	June 2016 flood-direct damage	Total Damage in South Zone of the Forest (area impacted by flood)
Roads		
Open Forest Roads	301 miles	337 miles
Gated Forest Roads	144 miles	421 miles
Road Bridges	11 damaged	20
Major and Large Culverts	31 damaged	52
Trails	97 miles	216 miles
Trail Bridges	23	61

Jenkins Q3: What can the Committee do to help with the repairs and the associated costs? Are there remaining gaps in funding?

Answer: While the Federal Highway Administration (FHWA)'s Emergency Relief for Federally-Owned Roads program (ERFO) funds the repair of Federally-owned, flood-damaged roads and trails (including associated culverts and bridges) that are open to public travel, 144 miles of the Forest's roads damaged by floods are not open to the public, and thus ineligible for ERFO funding. Many of these roads are critical access routes for resource management activities, such as timber sales and wildlife habitat improvement projects. It is estimated that it will cost $4 million to repair these roads.

If FHWA receives ERFO funding for their portion of the flood recovery projects in the forest, this funding is anticipated to address the Highland Scenic Highway and Williams River Road projects in the Monongahela.

Jenkins Q4: During the hearing, it was mentioned that additional flooding in recent months has slowed the progress of full recovery. Please describe the damages that have been incurred from this recent rainfall and how it has impacted operations and repairs.

Answer: Recent heavy rains have caused material to wash onto roads and water to flood roads at blocked culverts, causing safety hazards to the traveling public. This will continue until permanent repairs, such as replacing blocked culverts, can be completed. A large slip (a portion of road that washes away) occurred on the Williams River Road in December 2016. This area has been temporarily repaired and the road is open to through traffic, but the slip will require permanent repairs which will cause temporary closure of the road in the future. We understand the need to keep the road open for local businesses and are working to expedite road work.

Monongahela National Forest – Timber Sales and Species Habitat

The Monongahela National Forest covers over 919,000 acres. Over 12% of the Forest is permanently set aside as Wilderness. Over the past 5 years, the Monongahela National Forests has sold just 12% of the 63 Million Board Foot (MBF) Allowable Sale Quantity (ASQ) called for in the current Forest Plans.

Jenkins Q5: What steps need to be taken to bring the Monongahela closer to meeting its forest plan objectives, both for timber outputs and habitat creation?

Answer: The Monongahela National Forest is on track to produce 11.1 million board feet (MMBF) in 2017 (18 percent of allowable sale quantity). This is a 52 percent increase from the FY 2016 forest output of 7.3 MMBF. Timber output is expected to continue increasing over the next several years to 30 MMBF by 2022. The forest will continue to work with partners and the State of West Virginia to expand capacity for timber output using the Good Neighbor Authority and other opportunities to leverage capacity and meet timber targets and Forest Plan goals.

Jenkins Q6: West Virginians love to hunt, and a lot of species we love to hunt require a mix of habitats. Do you see the Monongahela as getting close to creating the types of habitats required by species like the White tailed deer and ruffed grouse?

Answer: The Monongahela National Forest manages the landscape to ensure that game species habitat and hunting and fishing opportunities are available for all West Virginians and others who visit the Monongahela. The Forest Service is actively working with the Ruffed Grouse Society, National Wild Turkey Federation, West Virginia Division of Natural Resources, private landowners, and other partners to create and enhance over 10,000 acres annually of quality wildlife habitat across the Monongahela National Forest to improve habitat for species, including the white-tailed deer and ruffed grouse.

Jenkins Q7: What are the limiting factors in designing and offering timber sales from the Monongahela? We have a very active forest industry, numerous mills, and an active logging community. The market demand seems to be particularly strong. Do you need any additional authorities to get the job done?

Answer: The Forest Service has not identified any new authorities at this time, but is working to use existing authorities more effectively. Designing timber sales on the Monongahela is challenging for a variety of reasons, such as steep topography and erosive soils. However, we are on track to produce 11.1 MMBF in 2017. This is a 52 percent increase from the FY 2016 forest output of 7.3 MMBF. Timber output is expected to continue increasing over the next several years to 30 MMBF by 2022. The forest will continue to work with partners and the State of West Virginia to expand capacity for timber output using the Good Neighbor Authority and other opportunities to leverage capacity and meet timber targets and Forest Plan goals.

Questions from Ms. McCollum:

Fire Funding

It is imperative that we find a way to better balance the cost of fire suppression with the resource needs of other programs. Wildland fire costs are eating up a larger portion of the Forest Service budget, and experts predict if action is not taken to address these problems, these costs will exceed 67 percent by the year 2025. This budget request only confirms my concerns about the shift of resources from non-fire to fire activities. When adding in hazardous fuels management, 60 % of the Budget is already fire-related funding.

McCollum Q1: Since it is well-documented that the ten-year average is insufficient to cover firefighting costs, and the previous Administration proposed its solution of a Disaster Cap Adjustment, why didn't the Administration include a proposal to reform how wildfire fighting is funded?

Answer: The Administration is reviewing potential administrative actions and legislative options to address longstanding wildland fire funding concerns. Principals at USDA and DOI will work with the Office of Management and Budget to develop a responsible approach that addresses risk management, performance accountability, cost containment, and the role of State and local government partners in ensuring adequate funds are available for wildfire suppression without undue disruption to land management operations.

McCollum Q2: What is the Administration's solution for dealing with the rising costs of fire?

Answer: The Administration recognizes the budget challenges for ensuring sufficient resources to fight wildland fire and is reviewing potential administrative actions and legislative options to address longstanding wildland fire funding concerns. Principals at USDA and DOI will work with the Office of Management and Budget to develop a responsible approach that addresses risk management, performance accountability, cost containment, and the role of State and local government partners in ensuring adequate funds are available for wildfire suppression without undue disruption to land management operations.

McCollum Q3: If Chairman Simpson reintroduces his bill and is successful in ushering it through this Congress, will President Trump support it?

Answer: The Administration has not taken a position regarding Chairman Simpson's bill, but is committed to finding a solution that addresses the growth of fire programs as a percent of the agency's budget.

McCollum Q4: Does the Administration have a position on Chairman Simpson's bill and will the President help shepherd it through Congress?

Answer: The Administration has not taken a position regarding Chairman Simpson's bill, but is committed to finding a solution that addresses the growth of fire programs as a percent of the Agency's budget.

Capital Improvement and Maintenance

The budget guts the capital improvement and maintenance account, cutting it by 73%. Properly maintained roads and trails are crucial for providing access to our National Forest System to prevent the loss of our forests' economic contributions. It is imperative the Forest Service not allow its infrastructure to rot and fall into disrepair.

McCollum Q5: What is the impact of these cuts? How many fewer miles of roads and trails will be maintained?

Answer: The President's Budget request focuses the Capital Improvement and Maintenance programs on retaining staff to manage existing infrastructure, especially roads, and maintain public safety. The budget proposal calls for $75.2 million for roads and $12.7 million for trails work. This level of funding is sufficient to maintain a workforce to implement the most critical work on National Forest System lands. Reduced funding will result in the deferral of lower priority projects throughout the agency and possible use restrictions until projects can be completed. Annual performance associated with numerous budget line items would be reduced.

McCollum Q6: How will the Forest Service target which areas not to maintain? Will these cuts be taken proportionally across all Forest Service Regions, or will you be focusing the remaining funding in particular parts of the country or to particular initiatives?

Answer: The budget proposal calls for $99.7 million for all capital improvement work (facilities, roads, and trails). The budget request funds a workforce level to implement the highest priority work on National Forest System lands. Reduced funding will result in the deferral of lower priority projects throughout the agency and possible use restrictions until projects can be completed.

McCollum Q7: How will timber be harvested if industry is unable to get the product out of the forests because the Budget provides so little funding for building or maintaining logging roads?

Answer: Building and maintaining logging roads in support of the timber program remains a high priority for the agency. The budget proposal requests $75.2 million for roads, which will be sufficient to maintain a workforce to implement the most critical work on National Forest System lands. For the purpose of timber harvest, the Forest Service will focus on leveraging all funding sources where appropriate, such as Timber Salvage Sales, which pay for design and administration of timber haul roads, and the Timber Purchaser Election Road Construction program.

McCollum Q8: In rural areas, what direct impacts will these proposed cuts have on jobs for construction workers that build the roads and facilities, and for the trail crews that maintain or build new trails?

Answer: The Forest Service remains committed to supporting rural infrastructure needs by maintaining a work force able to implement critical work on National Forest System lands.

Recreational Access

There are small businesses across the country that are built on providing services to people recreating in the National Forest System. By the Forest Service's own estimates, more than 149 million visits are made to the National Forest System each year. Additionally, the National Forest System supports over 222,000 jobs in local communities with an associated $16 billion in wages of which nearly 15% went to small locally owned businesses.

McCollum Q9: What will happen to the bottom line of those small businesses when the public can no longer recreate because trails are not maintained, visitor facilities fall into disrepair, and boat ramps and camp sites are closed for lack of staffing and maintenance?

Answer: The Forest Service remains committed to supporting rural infrastructure needs which support visitor spending and small businesses that depend on recreation. We will work to maximize the use of our $50 million collected annually in recreation fees, but the use of these fees is circumscribed – the majority of fees must be used on the forest where they are collected, and fees are limited to uses relating to improving the recreation experience. We are already using these fees, and collections are relatively flat. The FY 2018 budget proposal allocates $11.8 million for facilities, $12.7 million for trails, and $75.2 million for roads. This requested funding will maintain a workforce to perform critical work on National Forest System lands. The impact to small businesses is currently unknown.

McCollum Q10: How does this Budget support the small businesses that rely on the 149 million visits that are made annually to our National Forests?

Answer: The Forest Service remains committed to enabling the recreation visits and tourism that are key for small businesses. The FY 2018 budget request supports rural infrastructure by maintaining a workforce to implement critical work and improvements on National Forest System lands. The potential impact to small businesses is currently unknown.

Urban and Community Forestry

Urban and Community Forestry is a critical program for responding to the needs of the more than 70 million acres in our urban forest ecosystems. In my district, we have struggled with the impacts of invasive species and, as a result, our tree population has suffered.

McCollum Q11: Why does the budget completely eliminate the Urban and Community Forestry Program and how will its elimination impact the spread of invasive species?

Answer: Partnerships are critical in implementing and delivering State and Private Forestry (SPF) programs. Through a coordinated effort in management, protection, conservation education, and resource use, SPF programs help facilitate sound stewardship of lands across all ownerships on a landscape scale, while maintaining the flexibility for individual forest landowners to pursue their objectives. The FY 2018 budget request adjusts the role of the Federal government within this coordinated effort. The FY 2018 President's budget reduces funding for lower priority activities to focus resources on maintaining existing national forests and

grasslands, including the elimination of funding for the Urban and Community Forestry Program. Through the Forest Health Management budget line item and Forest Inventory and Analysis (Research and Development), the agency will continue to survey, monitor, and work with landowners to develop appropriate invasive species treatments.

McCollum Q12: How will the program's elimination affect implementation of your National Ten-Year Urban and Community Forestry Plan?

Answer: In 2016, the Forest Service completed its development of a ten-year Urban and Community Forestry Action Plan. This plan serves as a framework for funding and recommendation priorities and as a guide to implement and expand urban and community forestry for the next ten years. The National Urban and Community Forestry Advisory Committee (NUCFAC), a Federal Advisory Committee Act (FACA) group, will remain responsible for supporting and implementing the ten-year Action Plan.

Forest Legacy

The Forest Legacy Program is one of the Forest Service's most successful programs, helping States protect some of the most environmentally important forest lands through conservation easements and fee simple purchases with private land owners. The program has been implemented as a true partnership with priorities set by state and local governments. It is voluntary and encourages private stewardship and conservation.

McCollum Q13: Without Forest Legacy funding, how will the Forest Service prevent the fragmentation of environmentally significant forests?

Answer: The FY 2018 President's budget reduces funding in some programs to focus resources on maintaining existing national forests and grasslands. This resulted in the elimination of funding for programs on and off National Forest System lands, including the Forest Legacy Program. This budget will require greater shared stewardship by States, communities, and private land owners to accomplish valuable forest management goals, including preventing forest fragmentation.

The Forest Service will maintain its responsibility to execute and monitor Forest Legacy projects funded to date, including 20 projects enacted through FY 2017 funding. Since 2010, State forestry agencies nation-wide have developed State Forest Action Plans that prioritize and target forest lands for conservation and management within each State. The Forest Service will continue to work with States as they update required State Forest Action Plans and seek to develop strategies with States to utilize other Federal and non-profit funds.

McCollum Q14: To date, more than 2.25 million acres of land have been protected through use of the Forest Legacy program. What effect has this had on the health of our forests?

Answer: Of the 2.6 million acres of forest land conserved through the Forest Legacy Program, approximately 84 percent of the land remains in private ownership conserved through conservation easements. These properties are managed according to forest management plans

that are overseen and approved by the State Forester. This ongoing conservation partnership between the private forest landowner and the State ensures that the lands are managed in a way that takes forest health concerns into account when making management decisions.

McCollum Q15: What outreach will the Forest Service be doing with the states to determine what impacts these funding cuts will have on state forest conservation plans?

Answer: States are in the early stages of updating their State Forest Action Plans, which should be completed by 2020. The Forest Service is in close, ongoing coordination with State agencies, who are aware of the potential impacts of the FY 2018 budget on State programs.

Deferred Maintenance, OIG Report

Last week, the USDA Office of Inspector General issued a report that found that the Forest Service has not been able to reduce its longstanding deferred maintenance backlog below $5 billion. The Forest Service agreed with all fifteen of the IGs recommendations.

McCollum Q16: How will the Forest Service be able to implement the IGs recommendations with a budget request that eliminates the deferred maintenance account and cuts Capital Improvement and Maintenance by 73%?

Answer: The budget proposes $99.7 million for Capital Improvement and Maintenance. This level of funding is sufficient to maintain a workforce that will implement the agency's critical infrastructure needs on National Forest System landsAlthough the Forest Service collects some recreation fees, these are largely limited as to where they can be used, and have limited uses relating to enhancing the recreation experience. With the proposed reduced funding, the agency will be unable to implement the OIG's recommendations.

McCollum Q17: According to the report, the overall condition of Forest Service's inventory of dams is deficient. Lack of funding is cited as the biggest challenge to the dam safety program.

McCollum Q18: This year we saw in California how changing weather patterns are putting a strain on the nation's dams. How is the budget's request to cut Facilities funding by 84% a responsible proposal?

Answer: The budget requests $11.8 million for the facilities program, which is sufficient to maintain a workforce that will implement critical infrastructure maintenance projects, including critical dam repair, on National Forest System lands.

McCollum Q19: According to the report, a Forest Service official responsible for safety told the IG that "the agency has facilities that are not being used, and the agency is waiting for some of them to simply crumble into the landscape. Do you agree with that statement and how is the Forest Service going to change this practice?

Answer: The Forest Service is actively working to manage its capital asset portfolio efficiently within available appropriations. As the Forest Service has numerous facilities identified as

excess, the agency has developed guidance for facility managers on how to safely decommission facilities that are no longer needed. The Forest Service decommissions and removes excess facilities as funding becomes available.

Recreation

McCollum Q20: Could we be doing more to invest in the Forest Service's recreation infrastructure?

Answer: The Forest Service remains committed to supporting rural infrastructure needs which support visitor spending and small businesses that depend on recreation. We will use recreation fee funding to the maximum extent possible, but the majority of fees can only be spent in the unit where they were collected and for limited uses relating to the recreation experience. The budget proposal calls for $99.7 million for Capital Improvement and Maintenance. This level of funding is sufficient to maintain a workforce that will implement the agency's critical infrastructure needs on National Forest System lands.

Volunteers

McCollum Q21: What role do volunteers and partners play in USFS's maintenance and stewardship of National Forests and their resources? Can you quantify in dollars the contributions of volunteers that is leveraged by our investment in the recreation program?

Answer: Over 104,000 volunteers and service participants contributed 4.3 million hours of work in 2016, collectively valued at $103.4 million according to the independent sector valuation of the volunteer hour. Approximately 29 percent of all volunteer work accomplished on the National Forest System was focused on trails maintenance and construction. Much of that work is accomplished by our Youth Conservation Corps program and conservation crew partnerships with non-profit organizations, which are part of the 21st Century Conservation Service Corps initiative.

Permitting System for Outfitters and Guides

McCollum Q22: What impacts will the President's budget have on the Forest Service's ongoing effort to modernize and improve the outfitter-guide permitting system?

Answer: Within the FY 2018 request, modernizing and improving the outfitter-guide permitting system remains a high priority for the agency. There will be no impact on this modernization effort.

McCollum Q23: Will agency budget cuts result in the elimination of staff positions needed to administer the permitting system?

Answer: No. As stated above, our efforts to modernize permitting are a priority within the requested funding for recreation. This includes ensuring the project has sufficient staff to succeed.

Drinking Water

McCollum Q24: How would the President's Budget help ensure this valuable resources is protected?

Answer: Maintaining water quality and quantity remains a focus under the President's Budget and continues to be supported by a number of Forest Service programs, such as Integrated Resource Restoration (IRR) and the Watershed Condition Framework (WCF). Additional important contributors include Hazardous Fuels, Vegetation and Watershed Management, Wildlife and Fish Habitat Management, and Land Management Planning, Inventory, and Monitoring. Reforestation Trust Funds and a portion of the Knutson-Vandenberg authority and associated "KV2" funds also contribute to the protection of water quality but must be balanced with other priorities such as increasing timber volume.

McCollum Q25: What is needed to elevate the importance of drinking water within the agency?

Answer: Maintaining water quality and quantity remains an important priority for the agency. Over half of the Nation's freshwater supply emanates from public and private forests, and over 60 million Americans depend on national forests and grasslands for their drinking water.

A number of Congressional acts already exist that indicate the stewardship of water is to be a focus of the management of Forest Service administered lands. These foundational acts include the Organic Administration Act of 1897, the Multiple Use – Sustained Yield Act of 1960, the Forest and Rangeland Renewable Resources Act of 1974, the Federal Land Policy and Management Act of 1976, and the National Forest Management Act of 1976. Through these and other acts, Congress continues to direct the Forest Service to manage the national forests and grasslands to protect water and watersheds.

McCollum Q26: How is the agency protecting this valuable resource now?

Answer. Under our multiple statutory authorities to protect clean water, we will continue working to restore degraded and at-risk watersheds while maintaining or improving the condition of those in good or better condition. These efforts are supported by a number of Forest Service programs, such as Integrated Resource Restoration (IRR) and the Watershed Condition Framework (WCF). Additional important contributors include Hazardous Fuels, Vegetation and Watershed Management, Wildlife and Fish Habitat Management, and Land Management Planning, Inventory, and Monitoring. Reforestation Trust Funds and a portion of the Knutson-Vandenberg authority and associated "KV2" funds also contribute to the protection of water quality but must be balanced with other priorities such as increasing timber volume. We will make strategic investments in projects and conservation practices designed to enhance conditions across entire landscapes and watersheds. By improving watershed conditions, we will help sustain the ecosystems that deliver so many benefits and values to the American people.

The Forest Service has developed a National Best Management Practices (BMP) program to help protect water quality from ground-disturbing activities on National Forest System lands. Further,

ecosystem services, which include clean water, will be considered in land management planning as specified in the 2012 Planning Rule.

McCollum Q27: How will the agency meet its statutory responsibilities around clean water, especially in the northwest, under a proposed budget that zeroes out the Legacy Roads and Trails Program and drastically reduces road and trail maintenance funding?

Answer: The Forest Service remains committed to doing priority watershed restoration work under our regular (non Legacy) roads and trails programs, including the maintenance and decommissioning of roads and trails as appropriate, as well as in the Integrated Resource Restoration (IRR) pilot regions (Regions 1, 3, and 4) using the IRR authority. The FY 2018 budget proposes $75.2 million for roads and $12.7 million for trails work. This funding maintains staff to do critical work on National Forest System lands

In addition, under the FY 2018 budget request, the Forest Service will continue to exercise its authorities under the Farm Bill by using the Good Neighbor Authority and Stewardship Contracting to mitigate water quality impacts associated with roads and trails. These efforts are supported by a number of Forest Service programs, such as IRR and the Watershed Condition Framework (WCF). Additional important contributors include Hazardous Fuels, Vegetation and Watershed Management, Wildlife and Fish Habitat Management, and Land Management Planning, Inventory, and Monitoring. A portion of the funds collected from timber sales under the Knutson-Vandenberg (K-V) authority (approximately $58 million dollars spent in FY 2016) and associated K-V regional funding may also be used for needed road treatments, and trails work but must be in those regions where timber sales have occurred. The use of KV2 regional funds for this type of work must be balanced with other priorities, such as supporting additional timber volume. Reforestation Trust Funds also contribute to the protection of water quality, but are somewhat limited, being capped at $30 million annually.

Ecosystem Services

McCollum Q28: Recognizing that the natural assets in our forests provide the American people with invaluable benefits such as improved health and clean drinking water, what is the agency doing to account for these non-market values in decision-making?

Answer: The 2012 Planning Rule specifies that land management planning for national forests and grasslands will assess and consider ecosystem services. Ecosystem service advice bulletins are being finalized to help address ecosystem services in forest plan revisions in accordance with the new rule. In addition, the National Center for Natural Resource Economics Research built and maintains an online management resource of best science decision tools, maps, and calculators designed for forest planners and project managers.

Questions from Ms. Pingree:

Forest Legacy Cuts

One of the most honored programs of the Forest Service in Maine is the Forest Legacy program. We have been proud beneficiaries of over 750,000 acres of protected land. And that number is nearly a third of the roughly 2.4 million acres that the program has preserved nationwide. Although at the state level we have had challenges in the past two years around the program, the fact remains that our state has benefitted greatly from this program.

I was very disappointed to see this year's budget provide eliminate the Forest Legacy program. I know the budget justification specifically states that the Forest Service will like to now focus on federal forest, and less on states, but the reality is that if the federal govt does not help our states and localities in the effort to preserve forest land, there will be less of this good work done. It has been a partnership between the Forest Service and states and localities for decades and should not stop now.

Pingree Q1: Can you tell me what you see as the critical role that Forest Legacy plays?

Answer: The Forest Legacy Program maintains working forests by preventing the parcelization of ownership and conversion to other land uses. These lands provide the public with clean water, wildlife habitat, forest products, opportunities for recreation, and other benefits. The program achieves these outcomes by identifying strategic conservation opportunities through a nationally competitive selection process and leverages more than one dollar in non-Federal support for each Federal dollar spent.

Pingree Q2: How will you be able to support this work at the federal level if the program is eliminated?

Answer: The Forest Service will continue to work with States and other partners to implement Forest Legacy projects that have been funded, but have not yet closed. When the currently obligated funds have been spent, the Forest Service will no longer have resources to directly support acquisition of interests in lands by States.

Questions from Mr. Kilmer:

Collaborative forest management

In Washington state, the Olympic Peninsula Forest Collaborative has made great strides towards increasing timber harvest volumes and improving forest health, but there is still a long way to go to meeting our forest health and timber harvest volume goals and the Forest Service need to continue to be a partner in these efforts. Unfortunately, the Fiscal Year (FY) budget proposal eliminates or significantly reduces key programs that support sustainable and collaborative forest management, including the Collaborative Forest Landscape Restoration Program (CFLRP).

Kilmer Q1: Will the Forest Service continue to promote collaborative forest management and landscape scale restoration strategies if the CFLRP and other funding sources have been eliminated? How will the Service support these activities without these funding sources?

Answer: Yes, the Forest Service will continue to promote collaborative forest management and landscape scale restoration strategies within our other programs. The Forest Service can work collaboratively on projects without a separate CFLR program. By eliminating CFLRP, the FY 2018 budget proposal reduces duplication among Federal programs, as other Forest Service programs also do restoration work on National Forest System lands. Support for collaborative forest management and landscape-scale restoration strategies will continue through our other programs and we will engage diverse communities and partners outside of the agency in this effort.

Proactive Forest Management

It's clear that increased frequency, duration and severity of wildfires, coupled with the practice of fire borrowing, has had a detrimental effect on the Forest Service's ability to carry out its other core mission goals, including restoration and executing timber sale contracts.

Kilmer Q2: Beyond resolving the funding challenges created by fire borrowing, what other tools, resources, and/or authorities does the USFS need to more effectively meet its mission goals and proactively manage federal forests?

Answer: The Forest Service manages the national forests and grasslands according to the principle of multiple use as laid out in the Multiple-Use Sustained-Yield Act of 1960 and reinforced in the National Forest Management Act of 1976. We have not identified any new authorities at this time, but we are working to use our existing authorities more effectively. We believe collaborating with stakeholders is important in evaluating competing interests and that effective collaboration can potentially reduce time-consuming litigation. In addition, the Forest Service plans to continue to utilize the tools and authorities provided in the 2014 Farm Bill. We plan to expand Good Neighbor Authority Agreements to States with which we do not already have agreements in place. Where we have agreements in place, we will continue to explore and develop new specific project agreements for work on the ground. The 2014 Farm Bill also provided tools to help shorten the time needed for the required environmental analysis of projects. We will continue to expand the use of these tools.

Legacy Roads and Trails

Since 2008, the Legacy Roads and Trails program has: restored fish passage at 1,000 sites, providing access to over 1,000 miles of habitat; improved almost 18,000 miles of roads for safety and flood resiliency; removed 6,722 miles of unneeded roads to reconnect habitat and reduce erosion of soil into streams; constructed or reconstructed 141 bridges for safety; upgraded or fixed 4,390 miles of trails so people can enjoy areas they love; reduced annual road maintenance costs by approximately $3.5 million per year; and created or maintained an average of 800-1,200 jobs annually.

Kilmer Q3: Given the proven success of this program, why was it selected for elimination?

Answer: The Forest Service remains committed to doing priority watershed restoration work under our regular (non Legacy) roads and trails programs, including the maintenance and decommissioning of roads and trails as appropriate. Our FY 2018 budget proposes $75.2 million for roads and $12.7 million for trails work. This funding maintains staff to do critical work.

Kilmer Q4: The USFS funds critical road and trail maintenance activities through multiple programs which have also been proposed for reduction in the FY 2018 budget request. Over the past five fiscal years (FY 2012 – FY 2017), how much has the USFS spent on road and trail maintenance activities across each of these programs and how does that compare to the funding requested for FY 2018?

Answer: See table below.

Total level of enacted funding for FY 2012 – 2017 and proposed funding for FY 2018 for the Roads, Trails, & Legacy Roads Programs.

	FY12	FY13	FY14	FY15	FY16	FY17*	FY18
Roads	$182,525	$165,959	$166,000	$168,094	$172,094	$175,094	$75,243
Trails	$81,851	$74,999	$75,000	$77,530	$77,530	$77,530	$12,700
Legacy Roads and Trails	$44,928	$39,814	$35,000	$40,000	$40,000	$40,000	$0

*FY 2017 Omnibus

Total obligations FY 2012-2016 for the Roads, Trails, and Legacy Roads and Trails Programs.

FY 2012-2016 Total Obligations
(dollars in millions)

Program	FY 12	FY 13	FY 14	FY 15	FY 16*
Roads	$185	$172	$179	$166	$145
Trails	83	77	79	79	57
Legacy Roads and Trails	34	26	25	28	25

*Does not include cost pools

K-V Authority

The Committee is concerned that the Forest Service has failed to fully utilize the K-V Authority provided to the agency by Congress -- despite FY17 report language included by this Committee directing the agency to fully utilize this authority. The agency has yet to provide the Committee a rationale for this decision, nor has it responded to inquiries from the Federal Timber Purchasers Committee – the Forest Service's industry partners for increasing the pace and scale of forest management.

Kilmer Q5: For FY 2016 and FY 2017, how many timber sale area improvement activities has the Forest Service completed in each region using K-V Authority, and what was the total amount spent?

Answer: The total amount of K-V funds spent in FY 2016 was $58 million. The information for FY 2017 is not complete as many activities take place during the third and fourth quarter of the fiscal year. The treatments include reforestation work, timber stand improvement, wildlife and fisheries habitat improvement, watershed and soil improvement work, fuel treatments, and road activities.

FY 2016 - Timber Sale Area Improvement Activities

	Treatments		
Region	Acres	Miles	Each[1]
R1, Northern	17,693	13	92
R2, Rocky Mountain	27,683	22	65
R3, Southwest	574	1	8
R4, Intermountain	5,332	1	2
R5, Pacific Southwest	3,824	2	13
R6, Pacific Northwest	23,911	53	11,520
R8, Southern	128,780	23	511
R9, Eastern	90,499	25	3,461
R10, Alaska	3,983	0	0
Total	**302,279**	**140**	**15,672**

FY 2017 - Timber Sale Area Improvement Activities

[1] Plans, structures, gates, raptor platforms, snag creation, woody debris placement, monitoring plans, water catchments, bushels of cones

Region	Treatments		
	Acres	Miles	Each
R1, Northern	1,558	0	0
R2, Rocky Mountain	5,411	0	0
R3, Southwest	0	0	0
R4, Intermountain	44	0	0
R5, Pacific Southwest	971	2	33
R6, Pacific Northwest	4,078	0	.3
R8, Southern	75,740	11	187
R9, Eastern	35,893	0	16
R10, Alaska	209	0	0
Total	**123,904**	**13**	**236**

Kilmer Q6: What steps will the Forest Service take to increase the utilization of the K-V authority in FY 2018?

Answer: The Forest Service is continuing to train our workforce on appropriate uses and opportunities to fully utilize the authority given by the 1930 K-V Act, its subsequent amendments in 1976 by the National Forest Management Act, and by Public Law 109-54 of August 2, 2005. Regional reviews are scheduled to examine and evaluate the regional guidelines, program direction, accounting procedures, and use of existing authorities. In addition, the Chief of the Forest Service has convened a Task Force to look at current policies to strengthen the use of the funds and to explore opportunities for full implementation of the authority provided by P.L. 109-54.

Olympic National Forest

On January 4, 2017 Congressman Kilmer sent a letter to Region 6 Regional Forester Jim Pena outlining concerns about insufficient funding allocations to the Olympic National Forest (ONF) to capitalize on collaborative efforts to increase timber harvests, restore habitat, and strengthen local economies. Congressman Kilmer has yet to receive a response to his letter. Please provide the Committee a response to the following questions:

Kilmer Q7: What were the final allocations of FY 2017 timber sale program funding and the associated volume targets provided for the ONF? How do these numbers compare with the figures for FY 2015 and FY 2016?

Answer: The Olympic, along with the other forests, has moved from a program-specific program of work and budget to an integrated one. Timber volume is one of the outputs from this program of work. Because the projects are integrated, it is not possible to assign a specific funding level to a specific output. The table below shows the funding the forest received in the various Budget Line Items used for restoration work (Vegetation and Watershed Management, Forest Products, Wildlife and Fisheries Habitat Management, and Hazardous Fuels). In addition to appropriated funds, the forest has permanent and trust funds that it also uses to deliver the restoration program. The timber volume for FY 2015 and FY 2016 includes the actual amount sold in million board feet; for FY 2017, we include the timber target.

	Appropriated Funding	Trust funds	Timber volume
FY 2015	$2,502,500	$421,000	37.7 MMBF
FY 2016	$2,573,500	$375,000	27.6 MMBF
FY 2017	$2,799,000	$331,953	23.4 MMBF

Kilmer Q8: What is the agency's long-term plan for providing the ONF the resources it needs to fully capitalize on the opportunities to improve the health of our forests, strengthen local economics, and validate the important collaborative work that is happening on the ground?

Answer: Beginning with FY 2017, each forest is given the latitude to determine the mix and level of programs they will deliver within a limited planning level. The region has to balance the needs of all the forests as we are only funded for a certain level of work. The Regional Office works with each forest to understand their capabilities and challenges so we can capitalize on opportunities as they arise. We will continue to work with the Olympic NF, as well as all the other forests in the Pacific Northwest Region, to develop a sustainable long-term plan for the Olympic NF.

Kilmer Q9: Over the past five fiscal years (FY 2012 – FY 2017) how much funding has Region Six been allocated for its timber sale program and much volume has the Region actually sold and awarded?

Answer: The table below shows the Forest Products funding allocation and timber volume sold for Region Six for each Fiscal Year 2012-2017:

Fiscal Year	Forest Products Funding allocation ($ in thousands)	Timber Volume Sold (MBF/thousand board feet)
2012	44,658	605,629
2013	42,711	620,605
2014	46,409	598,196
2015	47,000	585,261
2016	47,700	594,608
2017	50,497	*76,881 through Quarter 2 (March, 2017)

**Most timber volume sold is recorded in the 3rd and 4th quarters.*

Forest Restoration

The 2014 Farm Bill authorized new authorities intended to help the Forest Service increase the pace and scale of forest restoration. However, there appears to be significant discrepancies in the

utilization of these authorities across regions – even in neighboring regions experiencing similar management challenges.

Kilmer Q10: Please report to the Committee on the number of Insect and Disease CE projects and Good Neighbor Authority Projects that have been implemented in Regions 1, 4, 5, and 6.

Answer: As of June 6, 2017, a total of 31 projects utilizing the Farm Bill Insect and Disease Categorical Exclusion (CE) have been issued through a Decision Memo (DM) across Regions 1, 4, 5, and 6. Each of these regions have other Insect and Disease CE projects that are in progress. The following table shows the number of Insect and Disease CE projects that have been decided through a DM for each of these regions:

Forest Service Region	Completed Insect & Disease CEs
Region 1	11
Region 4	7
Region 5	9
Region 6	4

A total of 31 Good Neighbor Authority agreements have been executed in the Northern Region (1), Intermountain Region (4), Pacific Southwest Region (5), and Pacific Northwest Region (6). Seven of these are master agreements that do not define projects but establish a framework for supplemental projects. Master agreements have been executed in California, Idaho, Montana, Oregon, South Dakota, Washington, and Wyoming. Master agreements in Idaho, South Dakota, and Wyoming cover two Forest Service regions.

Eleven supplemental projects have been executed under the framework of the master agreements. These include two in California, four in Idaho, four in Oregon, and one in Washington. At least one more is currently pending execution in Oregon. These projects achieve a variety of objectives, including hazardous fuels reduction, timber harvest, forest restoration, and wildlife habitat improvement.

In addition, 13 stand-alone project agreements have been executed in three States. Two project agreements have been executed in Montana. Nine project agreements have been executed in Utah and two in Nevada. These projects also achieve diverse objectives, including hazardous fuels reduction, removal of insect-killed trees, watershed restoration, and wildlife habitat monitoring and improvement.

THURSDAY, JUNE 8, 2017.

DEPARTMENT OF THE INTERIOR

WITNESSES

HON. RYAN ZINKE, SECRETARY, UNITED STATES DEPARTMENT OF THE INTERIOR, WASHINGTON, D.C.

OLIVIA FERRITER, DEPUTY ASSISTANT SECRETARY, BUDGET, FINANCE, PERFORMANCE, AND ACQUISITION

DENISE FLANAGAN, DIRECTOR, OFFICE OF BUDGET

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT [presiding]. If everybody can grab a seat, we are going to get going here in about 30 seconds.

The committee will come to order, and we want to welcome everybody here. We are the only folks in town not watching the Comey show. [Laughter.]

Good morning, and I would like to welcome to the subcommittee the 52nd Secretary of the Interior, Ryan Zinke. Joining the Secretary this morning is Olivia Ferriter, Deputy Assistant Secretary for Budget, Finance, Performance, and Acquisition, as well Denise Flanagan, director, Office of Budget.

Our hearing today will address the Fiscal Year 2018 budget priorities for the Department of Interior.

Mr. Secretary, this is your first formal budget hearing before our subcommittee. On behalf of our members, congratulations on your confirmation, and welcome back to the House. We look forward to outlining your goals for the Department and discussing a variety of important issues with us this morning.

Having worked alongside you here in Congress and knowing of your passion for the outdoors and recreation, I look forward to working with you to address the many challenges facing the Department. As a native Montanan and a Westerner, you have a deep understanding of and bring a welcome perspective to many of these issues.

Our challenges are diverse and many: addressing the maintenance backlog in our national parks and across the various Interior bureaus, adequately funding fire suppression, meeting our legal and moral obligations throughout Indian Country, funding PILT and complex water issues affecting the West and my own State of California. These are some of the very tough challenges we stand ready to roll up our sleeves, work with you, and to seek solutions to these and other issues.

This morning's hearing marks the beginning of a very candid conversation about your Department's funding priorities overall. The President's Fiscal Year 2018 budget request provides $10.6 billion of discretionary for the Department of Interior programs under

this subcommittee's jurisdiction, which is $1.6 billion, or 13 percent, below the Fiscal Year 2017 enacted level.

At the outset, let me state the obvious. This is going to be a very challenging year. The President has presented a budget proposal that will be closely examined account by account, line by line. The budget requests for your Department may not be exactly what you would have proposed, but ultimately Congress will have the final say over the Fiscal Year 2018 budget.

INDIAN AFFAIRS

This subcommittee is committed to moving the Interior bill quickly. We will complete our work in a bipartisan fashion. Under both Republican and Democratic chairmen, this subcommittee has made a concerted effort to address the greatest needs in Indian Country. Education, healthcare, and law enforcement issues continue to be a nonpartisan subcommittee priority. We welcome your active involvement working with us and our American Indian and Alaska Native brothers and sisters. The challenge of providing adequate wildfire funding remains one of the great challenges facing this subcommittee.

WILDLAND FIRE

I want to applaud my good friend, Mike Simpson, for his leadership and continuing efforts to address this issue through his bipartisan legislation, which, by the way, is being introduced, I think, in the House today, right?

Mr. SIMPSON. Yes.

Mr. CALVERT. I encourage you, Mr. Secretary, to lend your voice to supporting the Simpson bill as you did while you were serving in the House, and encourage the President to do the same.

ENDANGERED SPECIES ACT

Another challenge facing the Department and subcommittee is the Endangered Species Act. ESA is a well-intentioned statute that has saved numerous species from extinction, but its authorization has long expired. It is critical that we have open, realistic discussions in Congress about what is working and what is not.

ANTIQUITIES ACT

Like many from the West, I welcome the Department's review of the authority under the Antiquities Act for designating national monuments. As you know from your travels, there is great concern that these designations often disregard the views and concerns of affected communities, local stakeholders, and the representatives of Congress.

PAYMENTS IN LIEU OF TAXES

Identifying stable, long-term funding for payments in lieu of taxes, PILT, is another major challenge. Until a solution is identified, funding PILT is going to continue putting pressure on program budgets within the Department, across our agencies, and within this bill.

NATIONAL PARK SERVICE

The National Park Service recently celebrated its centennial. In the Fiscal Year 2017 enacted budget, this subcommittee made a substantial investment in our national parks by providing additional funds for park operations, addressing longstanding deferred maintenance issues, and we certainly look forward to working with you to ensure that these national treasures are adequately funded, and seek avenues to reduce the longstanding maintenance backlog.

U.S. GEOLOGICAL SURVEY

Lastly, I am glad to see that the USGS budget includes full funding for Landsat 9 core mission areas, including energy, and minerals, and mapping, are mostly spared. That said, I am concerned that some programs might have been too hastily proposed for termination. The West Coast and my home State of California, in particular, is counting on the Federal government and their expertise of the USGS to make earthquake early warning systems operational. This is a public safety program that will protect millions of lives and critical infrastructure. So, this subcommittee will be taking a close look at the program and how we can keep its momentum going as we consider Fiscal Year 2018 funding.

In closing, I want to express my appreciation to your outstanding professional staff. Our subcommittee could not do its work without your budget shop, the various bureaus, and talented other people sitting next to you and behind you. Thanks to each of you for all you do.

And with that, I am happy to yield to the gentlelady from Minnesota, Mrs. McCollum, for any opening remarks she would like to make.

OPENING REMARKS OF CONGRESSWOMAN MCCOLLUM

Ms. MCCOLLUM. Thank you, Mr. Chairman, and thank you for the courtesy of the opening remarks. I would like to just reiterate, Mr. Chairman, for many, if not pretty much everything, that you said in your opening remarks, you have my support to work on those issues together with you.

Mr. Zinke, thank you for being here with us today. Mr. Secretary, I know this budget was put together before you had an opportunity to have a full imprint on it, and so I know that there is lots of room and where we can have discussions and work forward.

PARIS CLIMATE AGREEMENT

But I want to begin by saying how profoundly disappointed I am that President Trump is withdrawing the United States from the Paris Climate Agreement. His decision harms the health of our children and grandchildren. It jeopardizes the environment that we will leave them. This Administration's willful denial of the threats of climate change is reflected in the Department of Interior's budget, which cuts funding for climate change research and mitigation by an appalling 80 percent—80 percent cut—to climate change research and mitigation.

2018 BUDGET REQUEST

The Department manages hundreds of millions of acres of America's most precious land and resources. Despite this tremendously important responsibility, President Trump's 2018 budget cuts the Department of Interior by $1.16 billion, or 13 percent. After we adjust that for inflation, we are well below 2010 levels of spending.

These proposals contained in President Trump's budget, I believe, are reckless. They are reckless and they endanger our natural and cultural resources. This budget guts funding for programs critical to appropriately manage our public lands, it dishonors our commitment to Native Americans, and it rejects science. Sadly, this budget advances an agenda that puts the profits of oil companies above the public good.

There is a place for responsible oil, gas, and development on our public lands, but it must be balanced, and it must be sustainable. This budget abandons the Department's conservation responsibilities.

The Administration has already begun to reverse critical environmental policies, such as those that limit offshore drilling, a moratorium on coal mining leases, and the control of methane venting from drilling operations. These policies were carefully developed through scientific and public processes, but the Administration would rather ignore the science and the public opinion.

INDIAN AFFAIRS

The Administration also proposes significant reductions to Indian programs. The Department's Bureau of Indian Affairs and Education is responsible for enhancing the social and economic well-being of Native Americans. This budget ignores that obligation and cuts Indian programs by $372 million, or 13 percent. In particular, the Department's decision to eliminate the Tiwahe Initiative's investments in family supports will devastate tribes like the Red Lake Nation in Minnesota. The Red Lake Nation has used the funding to open their Children's Healing Center, and to stop an epidemic of suicide on their reservation. This is a successful pilot project, and we should be expanding it, not eliminating it.

The budget request stalls the progress that we are making as a committee to replace BIE schools that are in deplorable condition, and cuts the programs that provide social services, welfare assistance, and Indian Child Welfare Act protections. The United States has an obligation to protect tribal treaty rights and resources, and I find it disgraceful that the Administration's budget turns its back on this duty. I am proud and grateful that the funding for Native American issues has been an area of bipartisan cooperation, and I will go as far to say, on this committee, nonpartisan cooperation. I fully expect that we will continue our commitment to work together for the good of Indian Country.

SCIENCE

The Department's science programs that provide data and tools for information and sound decision making to address complex challenges, such as drought, natural hazards, and climate change, is shortsighted. And it is irresponsible to cut programs that provide

advance warning protections to protect life, health, and property of millions of Americans as proposed with the elimination of the $10 million for the Nation's early warning earthquake system.

STAFFING

We can all agree that a strong America is one where we protect our natural resources for future generations. Being good stewards of those resources requires a robust investment in both resource management and the staffing to carry it out. The staffing reductions proposed in this budget and the long-term workforce reduction plan that you are developing do not provide any assurance that you will be able to properly execute your duties and responsibilities in this Department of Interior.

2018 BUDGET

The budget is unacceptable, and I expect my colleagues on both sides of the aisle to reject it. The Interior Department and the American people deserve a budget that reflects the economic and recreational opportunities and the environmental benefits that the Interior programs have on the lives of all Americans, especially their health and economic prosperity.

I am going to make my position very clear. I will not support an Interior environment bill that appropriates less than our current 2017 Fiscal Year level. I pledge to work with my colleagues in Congress and you, Secretary Zinke, to ensure that the Department of Interior has the necessary funding so our national resources, our Nation's cultural heritage, continues to benefit all Americans.

Thank you, Mr. Chairman, for the courtesy of an opening statement.

Mr. CALVERT. Thank you. Thank you for your opening statement. We are also joined today by our distinguished chairman of the full Appropriations Committee, Chairman Frelinghuysen. I want to thank him for taking time to contribute to this important conversation.

Chairman, would you like to make some opening remarks?

OPENING REMARKS OF CHAIRMAN FRELINGHUYSEN

Mr. FRELINGHUYSEN. I would. Thank you, Mr. Chairman. And may I say there may be a lot of activity on the Senate side, but there should be a lot of praise because many happy returns of the day to you, Mr. Chairman, on your birthday.

Mr. CALVERT. Well, thank you. I appreciate that. [Laughter.]

Mr. FRELINGHUYSEN. Well, you can give him a round of applause. [Applause.]

Mr. CALVERT. It is good to have birthdays, I know that.

Mr. FRELINGHUYSEN. I also want to welcome Secretary Ryan Zinke to the Appropriations Committee, and while it is your first time before the committee, we welcome you back as a former colleague.

Today's hearing is an important part of the oversight duties of this committee. Now that we have formally received the Administration's budget request, the committee will undertake a thorough analysis of it. We will go through each and every budget line, ques-

tion witnesses, and demand credible spending justifications, and only then will we make our own determinations on the best use of tax dollars.

When I travel around my congressional district in New Jersey, the Department of Interior's strong presence cannot be missed. We have the Nation's first historical park founded in 1933 in Morristown. We also have the most remarkable Thomas Edison National Historic Park in West Orange, and acknowledge his contribution to this Nation's research and development. I also have in my congressional district the Great Swamp Wildlife Refuge, and, if I may just take a personal note, by an act of Congress proposed by my late father. This is a remarkable open space, the largest such refuge and swamp other than the Okefenokee on the East Coast.

When I look at your budget, I obviously share the Nation's concerns about where we are going in terms of spending, but I am also concerned about some of the cuts that are being made across the National Park Service and Fish and Wildlife Service. And I look forward to hearing from you the rationale for including them.

And may I say on another note, there are oftentimes differences between the East and the West and the Western Caucus, but in our neck of the woods on the East Coast, we are awfully proud of the work of the Department of Interior. And we salute the activities of the men and women who provide such incredible services interpreting those types of histories to future generations.

I look forward to working with you, and I want to thank Chairman Calvert for his leadership, and we look forward to working with you again. Thank you.

Mr. CALVERT. Thank you, Mr. Chairman. I am also pleased to see our ranking member of the full committee. Mrs. Lowey is here today. I am happy to yield to the gentlelady for any opening remarks she would like to make.

Ms. LOWEY. Thank you, and I would like to thank Chairman Calvert and wish him a happy birthday.

Mr. CALVERT. Thank you.

OPENING REMARKS OF CONGRESSMAN LOWEY

Ms. LOWEY. And Ranking Member McCollum for holding this hearing. And I join you in welcoming Secretary Zinke before the subcommittee.

Secretary Zinke, your Department is charged with protecting and managing our Nation's natural resources and cultural heritage. Despite responsibility for preserving American land, water, and wildlife, from the gates of the Arctic in Alaska to the Virgin Islands National Park, and everywhere in between, your budget proposal abandons your Department's critical mission.

CLIMATE CHANGE

During your confirmation, you stated you would dedicate yourself to conservation and protect our national parks, but a report from last month found that Glacier National Park's glaciers are rapidly disappearing, shrinking an average of 39 percent over the past 50 years. Some have shrunk by as much as 85 percent over the same time. One of our most prized natural resources is melting before

our eyes. By ignoring the threat of climate change, this Administration is breaking its promise to protect American lands for generations to come.

The science is conclusive. Human activity is contributing to a change in the world's climactic patterns. As average temperatures and sea levels rise and weather becomes more extreme, our natural resources face an increasing risk. These facts demand action, and your Department's budget request is wholly inadequate to address the dangers presented by climate change.

2018 BUDGET

Decreases to the Department of $1.6 billion, or 13 percent, would render it incapable of meeting our Federal responsibilities. Misguided policy proposals would further endanger American lands by allowing oil and gas leasing in the Arctic National Wildlife Refuge, and expanding offshore drilling along the Atlantic coast and the waters around Alaska.

In addition to being critical to our national security, Arctic waters are home to endangered species and diverse ecosystems. Any oil spills in the Arctic would be disastrous for the region, and our ability to clean up a spill in the region's harsh weather and light conditions is limited.

The Fiscal Year 2018 request for the Department of the Interior shortchanges the American people by failing to provide adequate resources to preserve our Nation's cultural heritage and public lands, while padding the pockets of the oil and gas industry. Your priorities, in my judgment, are just wrong. It is my hope that Congress will reject the President's budget request and instead pass a spending bill that invests in America, addresses climate change, and moves us forward in the 21st century economy.

I must say, Mr. Secretary, that this committee has always worked in a bipartisan way. And although we have some differences, in the end we produce some pretty good bills. So, I just want to say I look forward to working with you. And as harsh as my statement may seem, I am optimistic that we can get together because the issues are so critical, and we have to move forward together, Democrats and Republicans, to protect our Nation and our Nation's heritage.

Thank you very much.

Mr. CALVERT. I thank the gentlelady for her statement. With that, Mr. Secretary, you may proceed with your opening statement.

OPENING REMARKS OF SECRETARY ZINKE

Secretary ZINKE. As a former congressman, Chairman, Chairman, Chairman, Chairman, Chairman, Ranking Member, Ranking Member. [Laughter.]

Thank you for allowing me to testify, and, if I can, I will request permission to submit my entire statement into the record.

The budget. The President has delivered a responsible plan to put America back on track for a balanced budget by 2027. This is what a balanced budget looks like. As the Secretary, I look at it as a starting point. Everyone talks about balancing the budget, but this is what a balanced budget would look like, and it has some

very difficult decisions along the way. Not all these decisions we agree on, but this is what a balanced budget would look like.

I fully understand the Department of Interior touches more lives than any other Department. I fully understand the obligation of being a steward of our greatest lands, spanning 12 time zones. 330 million visitors pass through our parks, and, yes, parks do create jobs.

2018 BUDGET

The President's overall budget proposes about $11.7 billion and saves the taxpayers about $1.6 billion. It does prioritize America's energy independence with an all-the-above strategy. We do not value oil and gas over alternative energy. All-the-above is a prudent focus.

Let me give you an example of the importance of revenue when we talk about the budget. If you go back to 2008, we made about $18 billion in offshore revenue alone. That was our revenue per year. Last year we made $2.6 billion. That is a drop of $15.5 billion a year in revenue. I am faced with a $11.3 billion maintenance backlog at our parks, about half of that is roads. The $11.5 billion backlog in the parks represents about 73 percent of our total backlog in maintenance and repair.

Dropping revenue $15.5 billion a year, is equal to getting caught up on our entire backlog of maintenance in 1 year, the full NPS backlog of $11.3 billion and $3 billion dollars to invest in new infrastructure and capitalization. That is the scale of what has occurred. When you add timber and onshore energy revenue, and the reduction of that, the balance sheet gets worse.

One of the first acts I have done is I have looked at revenues. I formed a committee to look at revenues across the board because I am concerned we are not getting full value. If you are going to do a commercial enterprise at all on public lands, we are all stakeholders, and I want to make sure that how we gain rents and royalties is transparent, as it should be. It should be fair. The rules should not be arbitrary, and it should be in the best interest of the public because the public owns our public lands.

INFRASTRUCTURE

When it comes to infrastructure, we plan on taking care of what we have. The budget reduces LWCF, which I have always supported. That reduction simply is no more land acquisition. We are going to take care of what we have. I am concerned, as you are, on infrastructure, and if you want to look at an example of the failing infrastructure, I invite you to go to Arlington House.

Arlington is hallowed ground. It is a national disgrace what has occurred with Arlington. The shutters need to be replaced. The foundation is leaning. The gardens are inappropriate, and that reflects where we are on our infrastructure, and that is hallowed ground.

The budget calls for a $35 million increase for a total of $766 million for national park infrastructure. Even though the budget is tight, we increased it. This includes $18 million for the first phase matching grant with the Department of Transportation for the Memorial Bridge repairs. The Memorial Bridge project alone is $262

million, and as Secretary, I was amazed at what I owned and what I did not own. [Laughter.]

Of the $11.3 billion backlog, about half are roads, and about a third of those roads really are not in parks. They are parkways, like the George Washington Parkway, like the Baltimore-Washington Parkway, which are really transportation hubs, not a park asset as most Americans would understand it, but I am responsible for it. Believe me, if there is a chuckhole, I hear about it.

PAYMENTS IN LIEU OF TAXES

Also on PILT. Last budget, as I recall from the Congress, it was not requested in discretionary at all, so I remember the conversation of going out and having to hunt and find money for PILT. This budget includes $397 million in discretionary for PILT, so if PILT is fully funded, you will not have to find so much because we did include funding in the budget.

INDIAN AFFAIRS

We also support Indian trust responsibilities with a focus on, as I have said this many times, self-governance, self-determination, sovereignty. On Indian education. We spend about $15,000 per student. That is in comparison to about $9,000 or so off reservation, and the results are far worse. We have to have a candid discussion on how to provide better service for Indian education.

It is the same across the board with Indian health. I have seen it. I have stood in line with people that are waiting for healthcare, knowing they are only going to see 20 and the line is 50 long, and they are going to come back day after day after day.

We have to have a candid discussion about what service we provide and how to do it better, because, quite frankly, I think we are failing on Indian education. More money may not be the answer, but we need to have a conversation to provide the service, and the hope, and the opportunity for every kid in America.

2018 BUDGET

At the end of the day when you look at the budget, it reflects what it would look like if it is balanced. This is the starting point of the budget process, Congress also has a say, and in the budget, Congress has the last say. The budget does encourage some important things. It does encourage innovation. It encourages us to look at public/private partnerships where we can, particularly in our national parks, to move people. When you have 330 million people going through our park system, some of our parks, I would think, are at capacity and maybe over. We have to look at public/private partnerships to find new solutions and transportation methods to move people at crowded parks. I do not particularly want to be in the industry of transportation, but I think there are some great people out there who could move people in our parks more efficiently, to make sure we maintain the park experience that is valuable to us all.

I appreciate this subcommittee and your strong support of the Department's mission. The budget looks at core tasks and goes back to core missions. I am happy to go through and work with you

during this process. I can say this. I am red, white, and blue. I have never been red or blue. I am red, white, and blue. I think our public lands are one of the many areas where it is not partisan. Our public lands are American, and I am confident this committee also shares that same feeling.

So, with that, I yield back.

[The statement of Secretary Zinke follows:]

STATEMENT OF RYAN ZINKE, SECRETARY OF THE INTERIOR BEFORE THE SUBCOMMITTEE ON INTERIOR, ENVIRONMENT AND RELATED AGENCIES HOUSE COMMITTEE ON APPROPRIATIONS ON THE 2018 PRESIDENT'S BUDGET REQUEST

Mr. Chairman, Ranking Member McCollum, and Members of the Subcommittee, I am pleased to appear before you today to discuss the 2018 President's Budget for the Department of the Interior which provides $11.7 billion for Interior's programs. The budget also requests $123.9 million of discretionary Department of Defense appropriations to be transferred to the Department of the Interior to support enactment of the 2010 Compact Review Agreement with Palau.

Of Interior's total request, $10.6 billion is within the jurisdiction of this subcommittee, a decrease of $1.4 billion or 12 percent compared to the 2017 Annualized Continuing Resolution, and a decrease of $1.6 billion or 13.4 percent below 2017 enacted. Because of the timing between enactment of the FY 2017 Omnibus Appropriations Act and submission of the FY 2018 President's Budget, my statement compares requested funding to the FY 2017 Annualized Continuing Resolution unless otherwise noted.

2018 Budget Priorities

The 2018 budget for the Department of the Interior features targeted investments to further the Administration's America First national energy goals. At the same time, this budget reflects the President's commitment to fiscal responsibility – proposing sensible and rational reductions and making hard choices to reach a balanced budget by 2027.

Across Interior's diverse mission, this budget emphasizes the Department's crucial role in promoting economic growth. America's lands hold tremendous job-creating assets. Visitors to our parks spend more than $18.4 billion in local gateway communities, supporting approximately 318,000 jobs and contributing $34.9 billion into the national economy according to the 2016 *National Park Service Visitor Spending Effects Report.*

In 2016, Interior's energy, mineral, grazing, and forestry activities resulted in $8.8 billion in revenue to the American people, including direct revenue payments to States, Tribes, and local communities. These same activities supported $136 billion in economic output. In addition, direct grants and payments to States, Tribes, and local communities provided an estimated $10 billion in economic output.

The Department's 2018 budget reflects the Administration's commitment to strengthen America's economic and energy security, focus on the Nation's infrastructure, be responsible stewards of magnificent lands, encourage public access for outdoor recreation, and strengthen tribal sovereignty and support self-determination.

America's Energy

The Department of the Interior is the steward and manager of America's natural resources including oil, gas, coal, hydropower, minerals and renewable energy sources. The Department has a critical role to play in the future energy security of our Nation as well as our overall economic well-being. American energy resources create jobs and generate significant revenue both to the U.S. Treasury and States. This budget proposes $791.2 million in current and permanent funding for energy related programs across the Department, an increase of $16.3 million from 2017. Interior's 2018 budget supports an "all-of-the-above" energy development strategy, increasing funding for onshore and offshore oil and gas, strengthening coal management activities, and sustaining the current pace of renewable energy development.

The budget reflects the importance of offshore energy production to America's economic and energy security. The 2018 budget shores up offshore oil and gas programs with appropriated funding to continue a strong offshore program. The request for the Bureau of Ocean Energy Management features a $10.2 million increase to update the Five-Year Outer Continental Shelf Oil and Gas Leasing Program, consistent with the President's Executive Order *Implementing an America-First Offshore Energy Strategy* to expand offshore oil and gas exploration and production. The 2018 budget for the Bureau of Safety and Environmental Enforcement includes a $1.2 million increase to focus on workforce training, permitting, and information technologies to better permit exploration, development, and production operations.

Onshore, the budget requests a $16.0 million increase for the Bureau of Land Management's oil and gas management program, providing a total of $75.9 million in appropriated funds focused on improving oil and gas permit application processing, streamlining leasing, and modernizing practices. The budget also includes $19.0 million for the BLM coal management program, an $8.0 million increase to reduce administrative processing times, simplify the lease application process, and improve the timeliness to complete lease sale fair market value determinations.

The 2018 budget includes $78.1 million for Renewable Energy programs both on and offshore. Although a reduction from prior years, this funding level will sustain the current pace of development at a level consistent with anticipated project interest.

To ensure the public continues to receive the full value of natural resources production on Federal lands, in April, I signed a charter establishing a Royalty Policy Committee of 28 local, tribal, State, and other stakeholders to advise me on the fair market value of and revenue collection from Federal and Indian mineral and energy leases, including renewable energy sources.

The Nation's Infrastructure

Interior plays an important role in maintaining and improving the Nation's infrastructure. Interior's national role includes managing significant real property assets as well as conducting reviews and processing permits to support national infrastructure development as part of a balanced multiple land use strategy.

Interior's 2018 budget maintains the 2017 level of $98.8 million for Fish and Wildlife Service planning and consultation activities. This level maintains the FWS capability to meet its legal consultation requirements and avoid logjams that could delay infrastructure projects and associated economic benefits. The BLM budget also directs base funding to address siting for energy transmission projects, and proposes an increase in the oil and gas management program to facilitate rights-of-way associated with energy development projects.

Interior manages an infrastructure asset portfolio with a replacement value exceeding $300 billion, ranging from elementary and secondary schools serving Indian children, to highways and bridges serving the daily commuting needs of the Washington, D.C., metropolitan area. Interior owns approximately 43,000 buildings, 100,000 miles of road, and 80,000 structures – including iconic landmarks, as well as dams, bridges, laboratories, employee housing, and irrigation and power infrastructure. Taking care of this significant asset portfolio is a persistent challenge. Interior's deferred maintenance backlog has grown to over $15 billion in 2016. Construction and maintenance funding across the Department totals $1.4 billion in 2018, not including the Bureau of Reclamation.

From my first day on the job, one of my top priorities has been to prioritize efforts to address the National Park Service maintenance backlog. Our National Parks have 73 percent of Interior's deferred maintenance backlog while hosting 324 million visitors last year. The 2018 budget for NPS includes $236.3 million for construction and deferred maintenance projects, an increase of $21.0 million from 2017. Total estimated funding for NPS maintenance and construction needs including estimated recreation fee revenue is $765.7 million, an increase of $34.7 million from FY 2017. This increase will support targeted and measurable upgrades to a number of the NPS' highest priority assets including the first phase of repairs to the Arlington Memorial Bridge project.

America's Lands

In my first days in office, I issued two Secretarial Orders to expand access to public lands and increase hunting, fishing, and recreation opportunities nationwide. The 2018 budget includes $4.4 billion for Interior's land management operations in the NPS, FWS, and the BLM, a reduction of $354.3 million from 2017. This includes funding for operational programs as well as management and maintenance of the national parks, national wildlife refuges, and BLM's network of national conservation lands. Within land management operations, the budget prioritizes funding to protect and conserve America's public lands and natural resources, provide access to public lands for the next generation of outdoor enthusiasts, and ensure visitor safety.

To support land management priorities, funding for lower priority activities, such as Federal land acquisition projects, is reduced. The 2018 budget emphasizes taking care of our current assets, rather than adding more by purchasing new land. Accordingly, the budget for land acquisition programs is $54.0 million, $129.1 million below 2017. A small amount of funding is maintained in each bureau for emergencies or acquisition of inholdings needed to improve management of established areas or to increase public access.

To better manage and balance these responsibilities, the Department relies on its front-line land managers, field scientists, and partners to monitor, assess, and collect information about the status of resource conditions. Interior's U.S. Geological Survey is the Nation's leading source of expertise in earth and natural sciences and works closely with other Interior bureaus and State, local, tribal and other Federal partners to help resource managers adapt to changing conditions on the ground. The 2018 budget includes $922.2 million for USGS programs, to focus on core science activities including land and water resources, energy and minerals, mapping, ecosystems, invasive species, natural hazards, and environmental health.

The 2018 request budgets responsibly for the Payments in Lieu of Taxes program. The budget includes $397 million for these payments as part of the discretionary request, to ensure continued support to the communities neighboring Interior and other Federal lands without assuming enactment of separate legislation. The 2018 level for PILT is reduced 12 percent below the 2017 CR level, consistent with the total reduction in the Interior budget.

A key component of Interior's land stewardship is management of wildland fire. The 2018 budget provides $389.4 million for wildfire suppression – the full 10-year average of suppression expenditures. This level of funding is projected to be sufficient to meet fire suppression needs in an average fire season without the risk of needing emergency transfers from other departmental accounts.

The 2018 budget also continues efforts to address the challenges of water availability and drought conditions. Within the jurisdiction of the Energy and Water Development Subcommittee, the budget invests $1.1 billion in Reclamation water resources to ensure millions of customers continue to receive the water and power that are the foundation of a healthy economy.

America's Trust Responsibilities

Interior maintains strong and important relationships with Native and insular communities, helping to promote efficient and effective governance and to support nation-building and self-determination. The Department provides services directly, or through contracts, grants or compacts, to 567 federally recognized Tribes with a service population of nearly two million American Indians and Alaska Natives. The budget prioritizes support for programs serving the broadest service population and proposes reductions in initiatives that are more narrowly focused. The President's budget maintains the Administration's strong support for the principle of tribal self-determination, and efforts to strengthen tribal communities across Indian Country. The budget includes full funding for Contract Support Costs and Tribal Grant Support Costs that Tribes incur from managing Federal Indian programs.

The 2018 budget request includes $786.4 million to continue support for core Indian education programs, including formula funding and operation and maintenance funding for elementary and secondary schools, and support for post secondary programs. The 2018 budget continues to meet Federal responsibilities outlined in enacted land and water rights claim settlements with Indian Tribes, and includes $160.8 million for authorized settlements and technical and legal support involving tribal water rights, to maintain the Department's ability to complete these settlement requirements within the statutory timeframes.

In recognition of the importance of the Nation's relationship with Palau and the Pacific national security strategy, the budget requests $123.9 million of discretionary Department of Defense appropriations to be transferred to the Department of the Interior to support enactment of the 2010 Compact Review Agreement with Palau.

Management and Reform

As part of the President's March 2017, Executive Order on a Comprehensive Plan for Reorganizing the Executive Branch, the Administration launched a government-wide effort to create a leaner, more efficient, and more responsive government. The Order directs agencies to begin planning to operate at the funding levels in the 2018 budget and develop a broader Agency Reform Plan to address long-term workforce reductions. Interior is moving prudently with implementation and has put in place hiring controls to enable limited hiring, prioritizing filling field positions rather than office positions, and limiting hires in the Washington, D.C., and Denver, Colorado, areas. This process enables the Department to continue to fill important positions as work is underway to develop a comprehensive and thoughtful agency plan.

The 2018 budget reduces lower priority programs $1.6 billion below 2017 and supports 59,968 full time equivalents. This represents an estimated reduction of roughly 4,000 full time equivalent staff from 2017. To accomplish this, the Department will rely on a combination of attrition, reassignments, and separation incentives. Actual attrition rates and acceptance of separation incentives will determine the need for further action to reduce staffing.

Reducing Interior's physical footprint and seeking ways to consolidate space and resources will continue to be management objectives going forward. Efforts will build on several multi-year actions to reduce Interior's nationwide facilities footprint and improve the efficiency and effectiveness of its information technology infrastructure and financial reporting capabilities. Ensuring Interior's cybersecurity strength continues to be a priority. The 2018 budget maintains $10.0 million in the appropriated working capital fund to continue the Department's remediation of its cybersecurity systems and processes.

Bureau Highlights

Bureau of Land Management – The 2018 request for the BLM is $1.1 billion, a decrease of $162.7 million below the 2017 CR level and $180.5 million below the 2017 enacted level. The budget proposes $963.2 million for Management of Lands and Resources and $89.8 million for Oregon and California Grant Lands, BLM's two primary operational appropriation accounts.

The BLM request features increases in oil, gas and coal management programs reflecting national energy security priorities. The budget proposes $75.9 million for Oil and Gas Management to support permitting and rights-of-way processing, streamline leasing, and modernize practices. The budget also includes $19.0 million to strengthen BLM's Coal Management program, an increase of $8.0 million from 2017.

To maintain the BLM's land stewardship responsibilities, the budget includes $67.8 million for Rangeland Management and $70.7 million for the Wild Horse and Burro Management program. As part of a broader effort to consider all necessary options to manage the unsustainable growth of this program, the budget proposes to eliminate current appropriations language restricting the BLM's ability to use the tools provided in the Wild and Free-Roaming Horse and Burro Act and enable BLM to manage on-range herds more effectively and humanely. The budget also proposes $47.2 million for Recreation Resources Management and $27.7 million to continue support for the National Conservation Land areas.

The budget includes $89.8 million for the Oregon and California Grant Lands programs. At this level, the budget prioritizes offering the allowable sale quantity in new resource management plans.

Mineral development on Federal lands is important to the national economy. However, a long-standing challenge is to provide a fair return to taxpayers for the use of these natural resources without discouraging development. To meet this challenge, the Department will conduct a study starting in 2017 to evaluate the production and development of hardrock minerals from Federal lands. The review will include an analysis of revenue recovered by other entities, including other countries, which permit mining on their land. The Department will also consult with other appropriate agencies, such as the Department of Agriculture. The findings will be considered as part of ongoing efforts to improve agency management and streamline permitting related to natural resources produced from Federal lands.

Bureau of Ocean Energy Management – The 2018 President's budget for BOEM is $171.0 million, slightly above the 2017 CR level, including $114.2 million in current appropriations and $56.8 million in offsetting collections from rental receipts and cost recoveries. The budget maintains a level program by increasing appropriated funding by $35.5 million to address a commensurate shortfall in estimated offsetting rental receipts and cost recoveries. The 2018 budget features a $10.2 million increase to support the development of a new Five-Year Plan for the OCS Oil and Gas Leasing Program.

Bureau of Safety and Environmental Enforcement – The 2018 President's budget request for BSEE is $204.9 million, slightly above the 2017 CR level, including $112.0 million in current appropriations and $92.9 million in offsetting collections from rental receipts, cost recoveries, and inspection fees. The budget maintains a strong offshore safety and environmental enforcement program by increasing appropriations and estimated inspection fee revenue to address anticipated shortfalls in offsetting rental receipts and other cost recoveries. The 2018 budget includes a $1.2 million increase for technical training to expand staff development efforts for BSEE's inspector, engineer, and geoscientist workforce, and $12.7 million for oil spill research, a reduction of $2.2 million from 2017.

Office of Surface Mining Reclamation and Enforcement – The 2018 budget request for OSMRE is $129.4 million in current appropriations, $110.7 million below the 2017 CR level. The majority of this reduction reflects the elimination of $89.9 million for Abandoned Mine Lands Economic Development Grants. Although beneficial, funding for this pilot program overlaps with existing mandatory Abandoned Mine Lands grants which continue without any

proposed changes. The budget includes $60.2 million for State and tribal regulatory grants, a level consistent with anticipated State and tribal program obligations.

U.S. Geological Survey – The 2018 budget request for the USGS is $922.2 million, $137.8 million below the 2017 CR level. The budget includes $70.9 million for satellite operations, which supports continued development of the Landsat 9 ground systems, supporting a launch date in early fiscal year 2021 to replace the Landsat 7 satellite, which is reaching the end of its usable life.

The request emphasizes energy and mineral development, supporting essential hazards monitoring, and providing scientific information to support decision making by resource managers and policy makers. The budget maintains support for nationwide networks of more than 8,000 streamgages and nearly 3,000 earthquake sensors. The request provides $17.3 million for nationwide efforts to counter invasive species and wildlife diseases such as white-nose syndrome and highly pathogenic avian influenza, and the budget maintains $17.3 million for 40 cooperative research units that support State-specific needs, particularly related to fish and game species. It continues acquisition of modern elevation data for Alaska and the three-year cycle of topographic map updates for the contiguous United States.

The 2018 request proposes to realign the 2018 budget structure to create a new Land Resources activity to reflect focused science related to on-the-ground land management and adaptive management challenges. As part of this request, the budget proposes $17.4 million for the National and Regional Climate Adaptation Science Centers, reflecting the proposed consolidation of eight regional centers to four.

Fish and Wildlife Service – The 2018 President's budget requests $1.3 billion for FWS programs, a decrease of $202.9 million from the 2017 CR level. The budget includes $1.2 billion for FWS operations, a decrease of $85.3 million below 2017. Within Resource Management, the budget prioritizes funding to maintain operations and maintenance for the National Wildlife Refuge System ($470.1 million) and the National Fish Hatchery System ($51.9 million). Funding will continue operations for all refuge areas and hatchery sites.

The budget includes $225.2 million for Ecological Services programs with an emphasis on species recovery and planning consultation activities. Consistent with efforts to focus adaptive management related science within the USGS, the request proposes to eliminate funding for Science Support at $17.0 million and Landscape Conservation Cooperatives at $13.0 million.

The budget is $118.6 million for FWS conservation grants including $52.8 million for State and Tribal Wildlife Grants, $33.6 million for the North American Wetlands Conservation Fund, $19.3 million for the Cooperative Endangered Species Conservation Fund, $9.0 million for the Multinational Species Conservation Fund, and $3.9 million for Neotropical Migratory Bird Conservation. Consistent with decreases in other land acquisition programs across the Department, the request proposes to eliminate funding for Cooperative Endangered Species Conservation Fund land acquisition grants.

National Park Service – The 2018 President's budget request for NPS is $2.6 billion, $296.6 million below the 2017 CR level.

The budget proposes $2.2 billion for NPS operations. Within this account, funding is prioritized for the care and maintenance of existing resources. The budget includes $99.3 million for repair and rehabilitation projects, which addresses the deferred maintenance backlog, as well as $112.7 million for cyclic maintenance projects, which ensures maintenance is conducted in a timely fashion to avoid increasing the deferred maintenance backlog.

The budget proposes $226.5 million for Construction projects, an increase of $34.0 million to help address deferred maintenance and allow for targeted and measurable upgrades to a number of the NPS's highest priority assets. Within this request is $18.2 million for phase one construction requirements for the Arlington Memorial Bridge. Also included in the request is $15.0 million in appropriated funds for the Centennial Challenge program to provide the Federal match to leverage partner donations for signature projects and programs. An additional $15.0 million from fee revenue is also anticipated for 2018 to support Centennial projects.

The request provides $37.0 million for National Recreation and Preservation programs to support local community efforts to preserve natural and cultural resources. The budget assumes savings of $18.8 million from the proposed elimination of payments to National Heritage Areas. The 2018 budget includes $51.1 million for the Historic Preservation Fund core grants-in-aid programs. The budget proposes to shift support for Land and Water Conservation Fund State Grants from appropriated to mandatory funding comparable to an estimated $90 million the program will receive from oil and gas activities from certain Gulf of Mexico offshore leases.

Indian Affairs – The 2018 President's budget request for Indian Affairs is $2.5 billion, $303.3 million below the 2017 CR level. Funding for Operation of Indian Programs totals $2.1 billion, a decrease of $181.1 million below 2017. In 2018, priority is given to programs serving the broadest audience rather than initiatives or pilots. Within this total is $786.4 million for Bureau of Indian Education programs where funding focuses on direct school operations and full funding for Tribal Grant Support Costs. The main operating account also includes $349.3 million for Public Safety and Justice programs and $277.5 million for Trust Services programs, which includes the elimination of the Tribal Climate Resilience program.

The budget fully funds Contract Support Costs at $241.6 million, $35.4 million below 2017, which will cover all anticipated requirements at the requested program funding level. The budget requests $143.3 million for Construction programs. The 2018 budget prioritizes dams, irrigation projects, and irrigation systems which deliver water to aid economic development as well as protect lives, resources, and property. The budget prioritizes funding within education construction for operations and maintenance of existing facilities. The budget also includes $14.0 million to provide payments to ongoing Indian Land and Water settlements and $6.7 million for the Indian Guaranteed Loan Program.

Departmental Offices

Office of the Secretary – The 2018 budget request for Departmental Operations is $123.9 million, $596.5 million below the 2017 CR. The majority of this reduction is $451.1 million associated

with the shift of the Payments in Lieu of Taxes program which was appropriated within Departmental Operations in 2017. In 2018, the budget proposes to fund PILT as discretionary funding within Department-wide Programs. The budget also reflects the proposed transfer of $140.3 million associated with the Office of Natural Resources Revenue to a new appropriation within Department-wide Programs. The proposed transfer of ONRR funding will increase transparency in the budget for the Department's energy revenue programs. The 2018 request for remaining Office of Secretary programs reflects a reduction of $4.0 million from central program management activities across the Office of the Secretary organization. Of this, $2.6 million is associated with reductions to the Office of Valuation Services consistent with the proposed Department-wide decrease for new land acquisition.

Office of Insular Affairs – The 2018 OIA budget request is $84.3 million, $19.0 million below the 2017 CR. In addition, the majority of OIA's budget proposal reflects a request to fully fund the renegotiated Compact with Palau by transferring $123.9 million from the Department of Defense, rather than $13.1 million in extended incremental annual payments. The Compact is an important element of the Pacific national security strategy.

Office of the Solicitor – The 2018 budget proposes $65.7 million for the Office of the Solicitor, the same as the 2017 CR level, to provide legal counsel, administer the Department's ethics program, and help resolve legal issues among bureaus and offices as they fulfill their duties.

Office of Inspector General – The 2018 budget proposes $50.0 million for the Office of Inspector General, the same as the 2017 CR level, to continue support for audit and investigations across the Department.

Office of the Special Trustee for American Indians – The 2018 budget requests $119.4 million for OST, $19.4 million below the 2017 CR level. The budget proposes a $3.7 million reduction below 2017 in Field Operations reflecting prioritization of services to continue operations at the beneficiary call center. A reduction of $3.1 million is proposed within Historical Trust Accounting in expectation of reduced requirements. Smaller additional reductions are taken across the organization.

Department-wide Programs

Payments in Lieu of Taxes – The 2018 budget proposes $396.9 million in discretionary funding for PILT, a decrease of $54.3 million from the comparable 2017 CR level of $451.1 million appropriated in Departmental Operations in 2016. This is a reduction of 12 percent, commensurate with the Department of the Interior's overall reduction from 2017 CR budget levels.

Office of Natural Resources Revenue – The 2018 budget request includes $137.8 million for ONRR's receipts management programs, a decrease of $2.5 million below the comparable 2017 CR level of $140.3 million. The 2018 budget request proposes to transfer ONRR's receipts management program from the Office of the Secretary's Departmental Operations account to a separate appropriation within Department-wide Programs to increase transparency of the program. The request includes $3.5 million for anticipated contract cost increases for the Minerals Revenue Management Support System.

Central Hazardous Materials Fund – The 2018 budget requests $2.0 million for the Central Hazardous Materials Fund, $8.0 million below the 2017 CR. The budget request funds program management and legal staff. The program will fund the highest priority remediation projects based on the availability of recoveries and focus resources on remediation projects with potentially responsible parties.

Wildland Fire Management – The 2018 budget request for the Wildland Fire Management Program is $873.5 million. The total request represents a decrease of $118.3 million from the 2017 CR level for the Wildland Fire Management and FLAME accounts. At this level the request provides $389.4 million for Suppression Operations to fully fund the 10-year average. To streamline financial management processes and improve the efficiency in allocating suppression funding, the Department proposes to fund all suppression activities in the Wildland Fire Management account and eliminate the separate FLAME Wildfire Suppression Reserve Fund account once all current balances in the FLAME account are drawn down. The request also includes $322.2 million for Preparedness activities, essentially level with 2017, and $149.5 million for Fuels Management, $20.2 million below 2017.

Natural Resource Damage Assessment and Restoration – The 2018 request for NRDAR is $4.6 million, a decrease of $3.2 million below the 2017 CR level. The budget includes funding needed for ongoing damage assessments and restoration activities.

Working Capital Fund – The 2018 budget proposes $59.5 million for the appropriated portion of the Department's Working Capital Fund, a decrease of $7.5 million from the 2017 CR level. The reduction is from funds requested for the Financial and Business Management System which is proposed at $46.3 million. The request maintains $10.0 million for Department-wide Cybersecurity needs.

Legislative Proposals

Bureau of Reclamation Title Transfer – The Administration is developing a proposal to better facilitate title transfer of Reclamation facilities to non-Federal entities when such transfers are beneficial to all parties. This proposal will allow local water managers to make their own decisions to improve water management at the local level, while allowing Reclamation to focus management efforts on projects with a greater Federal nexus.

Cancel Southern Nevada Public Land Management Act Account Balances – The budget proposes legislation to cancel $230.0 million in unobligated balances from the Southern Nevada Public Land Management Act program over a three year period. This would redirect a portion of the program balances to the Treasury for broader taxpayer use. The SNPLMA program is not proposed for elimination and viable conservation efforts will continue to be supported.

Gulf of Mexico Energy Security Act Payments – The Administration proposes to repeal revenue sharing payments to four coastal States – Alabama, Louisiana, Mississippi, and Texas – and their local governments, which are currently set to expand substantially starting in 2018. This proposal will ensure the sale of public resources from Federal waters owned by all Americans,

benefits all Americans. Mandatory funding for LWCF State Grants would continue, but this legislative proposal would replace GOMESA's complicated allocation formula with a fixed annual appropriation of a comparable dollar amount, starting at $90.0 million in 2018 and increasing to $125.0 million in 2022 and remaining at $125.0 million each year thereafter.

Land and Water Conservation Fund – The LWCF receipts authorization expires at the end of fiscal year 2018 and the Administration will review options for reauthorization, including consideration of a range of conservation-related investments that could be funded through the LWCF.

Oil and Gas Leasing in the Arctic National Wildlife Refuge – The Administration will propose legislation to allow oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge also known as the "1002 area." The budget assumes lease sales would begin in 2022 or 2023, allowing adequate time for the completion of appropriate environmental reviews and an updated assessment of the state of the oil and gas market and lease bidding potential prior to scheduling specific lease sales. An additional lease sale or sales would be held in 2026 or 2027. Lease sales in the ANWR are estimated to generate $3.5 billion in bonus bids to be split between the U.S. Treasury and the State of Alaska. The proposal is estimated to generate a net of $1.8 billion in new revenue to the Treasury over 10 years.

Reauthorize the Federal Land Transaction Facilitation Act – The budget assumes permanent reauthorization of FLTFA's land sale authority, allowing Interior to dispose of lands with low conservation value and use the proceeds to acquire lands with higher conservation values, consistent with the original FLTFA mandate.

Recreation Fee Program – The budget proposes to permanently reauthorize the Federal Lands Recreation Enhancement Act, which currently expires in September 2018. As a precaution, appropriations language is also submitted with the budget proposing a one-year extension through September 2019. The revenues collected by Interior from these recreation fees – nearly $290 million annually – are an important source of funding for land management operations, maintenance, and improvements to recreation facilities on public lands.

Termination of EPAct Geothermal Payments to Counties – The budget proposes to restore Federal geothermal leasing revenue allocations to the historical formula of 50 percent to the States and 50 percent to the U.S. Treasury by repealing Section 224(b) of the Energy Policy Act of 2005.

Offsetting Collections and Fees

Bureau of Safety and Environmental Enforcement Offshore Inspection Fees – The budget includes appropriations language to amend the current fee structure for BSEE inspection fees to better align with BSEE's inspection practices and program costs. The language structures fees charged for the inspection of offshore facilities to distinguish between those "without processing equipment" or "with processing equipment" and incorporate consideration of the number of wells and water depth. These changes to the fee structure are estimated to generate $65.0 million in 2018.

National Wildlife Refuge Damage Cost Recovery – The budget includes appropriations language to authorize the FWS to retain recoveries from responsible parties to restore or replace damages they cause. This is similar to authorities provided to the NPS for damages to national parks and monuments.

Conclusion

Thank you for the opportunity to testify on the President's 2018 budget request for the Department of the Interior.

In closing, this is a responsible budget to help balance the Federal budget by 2027. It maintains core functions important to the American people, including providing the public the unique American experience that comes from visiting our parks, refuges, and public lands. It reflects tough choices to prioritize and focus limited resources where investments have the most impact, but continues to deliver access and services which are critical to Americans. 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.

Ryan Zinke
Secretary of the Interior

Ryan Zinke was sworn in as the 52nd Secretary of the Interior on March 1, 2017.
A fifth-generation Montanan and former U.S. Navy SEAL Commander, Ryan Zinke built one of the strongest track records in the 114th Congress on championing sportsmen's access, conservation, regulatory relief, forest management, responsible energy development, and smart management of federal lands.

"As a former Navy SEAL, Ryan has incredible leadership skills and an attitude of doing whatever it takes to win," President Donald Trump said in nominating the former congressman, who built an impressive portfolio on Interior issues ranging from federal mineral leases to tribal affairs to public lands conservation.

Growing up in a logging and rail town near Glacier National Park, Ryan has had a lifelong appreciation for conserving America's natural beauty while honoring Teddy Roosevelt's vision of multiple-use on our public lands. He has consistently led the efforts to renew the Land and Water Conservation Fund in Congress, and has also been a firm advocate for our nation's sportsmen to gain access to our public lands with the SCORE Act and SHARE Act. Zinke also coauthored the Resilient Federal Forest Act, which initiated new reforms for revitalizing America's timber towns and preventing wildfires by emphasizing the collaborative process.

Zinke is widely praised for his voting record supporting the Teddy Roosevelt philosophy of managing public lands, which calls for multiple-use to include economic, recreation and conservation. He has pledged to explore every possibility for safely and responsibly repealing bad regulations and using public natural resources to create jobs and wealth for the American people.

"I am honored and humbled to serve Montana and America as Secretary of the Interior," Zinke said. "I shall faithfully uphold Teddy Roosevelt's belief that our treasured public lands are 'for the benefit and enjoyment of the people'. I will work tirelessly to ensure our public lands are managed and preserved in a way that benefits everyone for generations to come. Most importantly, our sovereign Indian Nations and territories must have the respect and freedom they deserve. I look forward to making the Department of the Interior and America great again."

As Secretary of the Interior, Zinke leads an agency with more than 70,000 employees who are stewards for 20 percent of the nation's lands, including national parks, monuments, wildlife refuges and other public lands. The department oversees the responsible development of conventional and renewable energy supplies on public lands and waters; is the largest supplier and manager of water in the 17 Western states; and upholds trust responsibilities to the 567 federally recognized American Indian tribes and Alaska Natives.

Ryan Zinke represented the state of Montana in the U.S. House of Representatives since 2014. Before that he served in the Montana State Senate from 2009 to 2011, but the bulk of his public service was 23 years as a U.S. Navy SEAL officer.

Zinke enlisted in the Navy in 1985 and was soon selected to join the elite force where he would build an honorable career until his retirement in 2008. He retired with the rank of Commander after leading SEAL operations across the globe, including as the Deputy and Acting Commander of Joint Special Forces in Iraq and two tours at SEAL Team Six. Zinke was the first Navy SEAL elected to the U.S. House and is the first SEAL to serve as a cabinet secretary.

Zinke holds a Geology degree from the University of Oregon, where he was an All-PAC 10 football player; a Master's degree in Business Finance from National University; and a Master's degree in Global Leadership from the University of San Diego. Ryan and his wife Lolita (Lola) have three children and two granddaughters. Zinke is proud to be an adopted member of the Assiniboine Sioux Tribe at the Fort Peck Reservation in Northeast Montana.

Olivia Barton Ferriter
Deputy Assistant Secretary
Budget, Finance, Performance, and Acquisition

Olivia Barton Ferriter is the Deputy Assistant Secretary for Budget, Finance, Performance and Acquisition for the U.S. Department of the Interior, Office of the Assistant Secretary – Policy, Management and Budget. She provides leadership and oversight for developing the Department's annual budgets, achieving clean audit opinions, implementing the Department's Strategic Plan, and providing Department-wide guidance on contracting, real property, museum and fleet management and other functions. She champions the Department's small business goals and ensures optimal performance of the Financial and Business Management System (FBMS).

Olivia has broad professional experience gained through U.S. Department of the Interior leadership and management roles, as a senior aide on Capitol Hill and as an award-winning journalist for a major daily newspaper. She served as the Deputy Director, Office of Policy Analysis, from January, 2011, to December 1, 2014, and in that role guided the development and implementation of a number of key Departmental policies. Prior positions at the Department include Director, Office of Conservation and Educational Partnerships; Chief of Staff, Budget and Audit Liaison, Office of the Assistant Secretary for Water and Science; and Congressional and Constituent Relations Specialist, U.S. Geological Survey.

Olivia served on Capitol Hill for 12 years as a House Appropriations Committee associate staffer and as a press secretary for a senior member of Congress. She also worked as a journalist for The Birmingham News, Birmingham, Alabama, and for Newhouse News Service, Washington, DC. She is a native of Alabama and currently resides in McLean, Virginia.

Denise A. Flanagan
Director
Office of Budget

Denise Flanagan joined the Department of the Interior as the Director of Budget in February 2010. Between 2003 and 2010, Ms. Flanagan was the Director of Financial Management in the Office of Naval Research at the Department of the Navy, where she managed a research and development budget of $2.6 billion including Navy's Science and Technology program. During her tenure, the Financial Management Office received eleven financial management awards from the Department of the Navy, the Department of Defense, and the American Society of Military Comptrollers.

Prior positions include Director of Financial Management for the Navy's Office of Civilian Human Resources, Director of Business Operations for the Navy's Human Resources Operations Center, Executive Assistant to the Deputy Assistant Secretary of the Navy (Civilian Personnel/Equal Employment Opportunity), and Human Resources Marketing Manager for the Defense Mapping Agency. Ms. Flanagan began her Federal career as a 1991 Presidential Management Intern with the U.S. Office of Personnel Management.

Ms. Flanagan grew up in Fargo, North Dakota and graduated from the University of North Dakota with a Bachelor of Science in Public Administration with Honors. She earned a Master of Public Administration with a Concentration in Public Finance from the Maxwell School of Citizenship and Public Affairs at Syracuse University, and a Master of Science in National Resources Strategy from the Industrial College of the Armed Forces at National Defense University. Ms. Flanagan is a Harry S. Truman Scholar, a Defense Leadership and Management Program Scholar, a Certified Defense Financial Manager, and honors include two Department of the Navy Superior Civilian Service Awards.

Mr. CALVERT. Thank you, Mr. Secretary. I am happy to yield time to our chairman emeritus, Mr. Rogers, for any questions he may have.

Mr. ROGERS. Thank you, Mr. Chairman, and thank you for letting me sit in. Welcome to our birthday party for our chairman. [Laughter.]

Mr. Secretary, welcome back to your old stomping grounds.

Mr. CALVERT. Is your mic on?

AML ECONOMIC GRANTS

Mr. ROGERS. I think so. Can you not hear me? Congratulations on your confirmation, and thanks for what you have told us. You are on top of the job, and we appreciate that very, very much.

As you know, I come from Coal Country, or what used to be Coal Country. Now these towns have more plywood windows than pane glass. I have lost 12,000 coal mining jobs just in my district in the last several years, a good part of which was caused by the United States Federal government under the last Administration. The war on coal is real, and unfortunately has had a devastating impact.

That is why the Congress, over the last 2 years, passed a pilot program to help reclaim abandoned mines that have been sitting there for all these years for the purpose of doing what we are supposed to do, reclaim these abandoned mines, but probably, more importantly, hopefully produce some jobs to keep these families from going completely under water.

So, for the last 2 years, this subcommittee wisely funded a pilot program within your Department focused on the reclamation of abandoned mine lands. The AML Pilot Program is a win-win. It is good for the environment, and it is good for jobs. It has bipartisan support here in the Congress, and we are seeing results, good results, of projects that have been undertaken and delivered with this 2-year pilot program. It is working, and it is helping in desperate areas of the country. It is limited to a few States where the impact has been the most severe.

That is why I was completely flabbergasted to see in your budget request the elimination of that program. This coming from an Administration that I had been led to believe was wanting to help Coal Country. In eliminating this kind of program, that sends not just a message, it sends a blaring, glaring message to these desperate people who had a big impact in the recent elections. My office had asked the Office of Surface Mining to draw up a report on the projects funded under the pilot project in Fiscal Year 2016. I am told now that OMB has ordered even that study to be canceled.

I just want to say to you, Mr. Secretary, that this is serious stuff, and I am hopeful that you can at least shake loose that report so we can see whether or not it is working. I maintain that it is, but we are entitled to have proof. I would hope that you could help us shake loose that report. Do you have any ideas about it?

Secretary ZINKE. Mr. Chairman, I have not heard about the report. I will do what I can to shake it loose. By and large, coal is up 16 percent. The President has said the war on coal is over. I will go back to this is what a balanced budget would look like. It is a good starting point.

And I, too, have spent time in the beautiful State of Kentucky, and I was just in Ohio with the coal miners there. I have seen communities hollowed out, and it is devastating.

Mr. ROGERS. Yes.

Secretary ZINKE. It is not just coal country. It is the small logging towns. It is along the coast line in Alaska, which has arguably the toughest conditions, and they have not had access to their livelihood.

RECLAIM ACT

Mr. ROGERS. Quickly, secondly, let me mention to you the RECLAIM Act, which is now a bipartisan, bicameral bill. Several at this table are co-sponsors of it. RECLAIM, which would take monies from the unused, unspent, Abandoned Mine Lands Fund, which has been in existence, as you know, for years, and has accumulated billions of dollars sitting there unused while the reclaimed mine lands out there are un-reclaimed, and employment is hard to come by.

So, the RECLAIM Act would take $2 billion from the Abandoned Mine Lands Fund to require it be used for what it was saved up for and authorized by law, to reclaim abandoned mine lands. This bill would do that, but it would also add an asterisk. The money must be used on reclaimed abandoned mine lands, but with a bent toward economic development potential for creating jobs at the same time with those funds.

It is a multistate bill. It has agreement in the West and the East of the U.S. and from both parties in both houses of the Congress. And I would hope, Mr. Secretary, that you would see your way clear to be supportive of that type of bill. Have you thought about that?

Secretary ZINKE. Thank you, Mr. Chairman. The Mine RECLAIM Act is interesting. The reclamation fund has about $13 billion dollars. Now, it is not sitting there anymore. The program was designed to collect revenue from energy activities at Federal dams, as an example, and then be distributed for water reclamation projects. There's $13 billion that has not been distributed. It is in Treasury. The same thing with LCWF at $20 billion as with the reclamation fund.

A lot of these programs, money was designed to be targeted to an area, but the process of how it has occurred has not allowed that to actually happen. And I do agree that in water reclamation, those are jobs, not only the construction jobs, but also improving our water distribution in the West, our canal systems when we can coordinate and work together with the Army Corps of Engineers. On mine reclamation, there are about 1,800 mines, I guess, that are on the list for reclamation.

But to turn those lands over to something productive, I think is beneficial to us all.

Mr. ROGERS. That is what the RECLAIM Act does, and is what it is intended to do. I am overstepping my time. Mr. Secretary, thank you for listening to me on this, and I hope we could confer further about it as we go along.

Secretary ZINKE. I look forward to it, Mr. Chairman.

Mr. ROGERS. Thank you.

Mr. CALVERT. Thank you. I suspect those obligations exist, but I suspect that money that is supposedly in those lockboxes does not. [Laughter.]

But we will get to that later. With that, Ms. McCollum, you are recognized.

Secretary ZINKE. There may be a call for a structural change. [Laughter.]

2018 BUDGET

Ms. MCCOLLUM. Thank you. It has been pointed out that the Fiscal Year 2018 budget request for the Interior programs under the subcommittee's jurisdiction is 13 percent below 2017 enacted level. Mr. Secretary, you have been quoted as saying, "I looked at the budget. I am not happy. We are going to fight about it. I think I am going to win at the end of the day," and you talked about this just being a start.

This committee has been made very much aware of how OMB plays a significant role in deciding how much funding a Department requests. But you have expressed some concerns on some cuts, so I am going to pop my questions together. One of the questions that I have is on the Department's ability to fulfill its responsibilities. I am very concerned about staffing cuts, as I pointed out, and some cuts in some other area programs.

LETTERS OF INQUIRY

Another question that I have, and I am going to give you something to take back with you, is I need to better understand your policies on whether you are going to respond to Democratic letters of inquiry, and how the time commitments are going to be filled between Democratic and Republican letters of inquiry. The reason why I ask this is I do not want to believe that this is true, but we have been told that the Administration's policy is not to respond to requests from the Minority.

And so, I have submitted a couple letters as Ranking Member, and I have had other Members contact me about letters that they have submitted going all the way back to February and have not heard anything yet. I just want to make you personally aware of this because from your statements I know you want to work collegially with this committee on these issues.

I will give this to the chair to give to you just to put this on your radar screen.

[The information follows:]

Congress of the United States
Washington, DC 20515

May 23, 2017

The Honorable Ryan Zinke
Secretary of the Interior
Department of the Interior
1849 C Street, N.W.
Washington, D.C. 20240

Dear Secretary Zinke:

Last week, the Interior and Environment Appropriations Subcommittee heard two days of testimony from tribal leaders during its American Indian and Alaska Native Witness Days. During the May 17th hearing, we were concerned to hear from Chairman Paul Torres of the All Pueblo Council of Governors (APCG) that many tribal members of the Pueblos and other rural areas are facing barriers to sharing their public input on the review of the Bears Ears National Monument because of difficulty accessing the internet in their communities.

As you are aware, public outreach and public input is a vital part of the responsible management of our public lands. Therefore, we object to the process that the Department of the Interior has initiated for the current review, which does not include a single public meeting and relies primarily on the regulations.gov website. We were distressed to read about your dismissal of the common concern of poor or nonexistent internet access for many tribal members when asked specifically about the ability of the Navajo to offer their input. During your trip to Utah, you reportedly responded, "Sure, there's tons of Navajo, and everybody, not just the Navajo, have access to regulations.gov."

Unfortunately, not everyone has easy access to regulations.gov. This problem is especially severe within Indian Country, where forty-one percent of people living on Tribal lands lack access to fixed broadband internet, compared to just 10 percent across the United States on average. While we acknowledge that you have also offered a write-in option to offer comments, it has been very poorly publicized. In fact, Chairman Torres and other public witnesses were surprised to learn during the hearings that it was even an option.

Adding to the difficulty of a primarily online comment process is the unreasonably rushed public comment period specifically for the Bears Ears National Monument, which is just 15 days. This creates an additional level of hardship for remote communities to weigh in on the review. This is particularly puzzling when one stated purpose of your review is to ensure that monument decisions are made with "adequate public outreach and coordination with relevant stakeholders". We believe that setting a review period of barely two weeks without a single public meeting is a failure to conduct adequate public outreach. Tribal nations have not felt meaningfully engaged as relevant stakeholders when the tribal leaders whose cultural heritage is at the heart of this monument received only a single hour of time with you during a four day listening tour of the Bears Ears area.

Therefore, in response to the concerns presented by tribal leaders and in the spirit of full public engagement, we ask that you extend the public comment period for the review of the Bears Ears National Monument to 60 days. Additionally, we request that you hold a public meeting in the Bears

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Ears Region, preferably within Indian Country, to incorporate the oral testimony of tribal leaders into your review.

The designation of the Bears Ears National Monument was the culmination of years of public input, including unified support from a broad coalition of tribal nations. The Bears Ears Inter-Tribal Coalition—which includes the Uintah and Ouray Ute Indian Tribe, the Navajo Nation, the Pueblo of Zuni, the Hopi Tribe, and Ute Mountain Ute Tribe—have led this effort, but a total of 30 tribes with ancestral, cultural, and current ties to the Bears Ears region support this designation. We know that you value respectful engagement with tribal nations and understand the importance of place-based tribal cultural traditions. Therefore, we ask that you work to ensure meaningful consultation with tribal leaders and full public input from Native communities is a part of the current review and any future monument decisions.

Sincerely,

Betty McCollum
Member of Congress

Ben Ray Luján
Member of Congress

CLIMATE CHANGE

Ms. MCCOLLUM. I would like to take a few minutes to talk about climate change. As I pointed out, the President's decision to withdraw from the Paris Agreement is very disappointing to me, extraordinarily disappointing. But there has been call for clarity about what the President and the Cabinet believes about climate change and what they are willing to do to address it, because the President has said that he is willing to discuss this.

You yourself have made conflicting statements about climate change over the years. In 2014, you said it is not a hoax, but it is not a proven science either. During your confirmation hearing, you acknowledged that humans are an influence on climate change, but you noted that since the U.S. Geological Survey is part of the Department of Interior, you will become a lot more familiar with it, and you are looking to work on objective-based science.

Could you clarify for us whether you do agree that climate change is caused by greenhouse gases, including carbon dioxide and methane that is being released into the atmosphere. In 2013, the oil and gas industry contributed 29 percent of the methane released into the atmosphere. Coal mining accounted for 10 percent. And so, because you have in the Department of Interior regulation over mining, oil, and gas development on public lands, how are you going to use your position to combat the threats of climate change as leases are put forward?

I believe that there needs to be a balance in development and conservation on our public lands. So, I am interested in learning what you see as an acceptable limit to energy production on Federal lands to achieve balance, and what actions are being proposed in the 2018 budget to mitigate or adapt to the effects of climate change on Federal lands. This is something that I have people from all over the country inquiring about. What we are going to do now that we are out of the Paris Agreement, so that we do not lose our leadership role and we do not become a rogue nation among other nations in this world with Syria and Nicaragua when it comes to addressing climate change.

2018 BUDGET

Secretary ZINKE. To go down the list real quick. I think the budget looks at core responsibilities. And, again, what does a budget look like if you did balance it in 10 years? This is the President's budget and I support it. This is what a budget would look like if we are going to balance it in 10 years without increasing revenue.

LETTERS OF INQUIRY

As far as responsiveness to both sides of the aisle, I have committed to come over to the Hill and talk to you personally every quarter. I also said that to Chairman Bishop's Committee in a bipartisan way.

Ms. MCCOLLUM. Mr. Secretary, I know you have, but I want to know what guarantee we have that the people who work for you will respond to our letters.

Secretary ZINKE. I will look at that, but I will come over personally, and certainly we want to be responsive on your issues as well, on both sides. I think that is just what government should do.

CLIMATE CHANGE

The Paris Agreement. It is about 20 pages, and as you go to about the 5th page, I think it was just a badly negotiated deal. We pay $3 billion, one billion dollars up front, cash. It lets China, India, Russia walk. The CO_2 in China actually increases until 2030 because the deal is structured on people. China has more people, so the world's greatest polluter takes a walk until 2030.

We have to immediately reduce ours. That puts us at a permanent disadvantage economically. Aside from the climate change argument, and then you look at the MIT report, at the end of the day, it makes an insignificant difference. The structure of the deal I think was less about climate change. It was just a bad deal.

And there were a couple bad deals. The Iranian deal, in my judgment, was a bad deal.

Ms. MCCOLLUM. Mr. Chairman, with all due respect, and, Mr. Secretary, I do not mean to cut you off. But could you then address what I asked you regarding what you think the Department should do? As much as you and I could get into a debate about the Iranian nuclear deal, this is not the purview of this committee.

Secretary ZINKE. But my point was, I think it was a bad deal. So, climate change. I have been pretty consistent in my views on climate change. I do not believe it is a hoax. I think man has had an influence. I think the climate is changing. In reference to Glacier Park, glaciers started melting in Glacier Park right after the end of the Ice Age. It has been a consistent melt, including Lake Missoula, which has an ice dam, and I grew up in Glacier Park.

I have seen the glaciers melt while eating lunch on a glacier. The problem is we do not understand what the effects are. There is no model that exists, and USGS has some terrific scientists. Some terrific scientists. There is no model that can predict yesterday from all the data we collect.

But certainly, the climate is changing in ways we do not understand. Man has had an influence, but man has had a negative influence not only on CO_2, but you look at arsenic. You look at chemicals. We have looked at agriculture. Man has not been a particularly good influence anyway on a lot of things, and CO_2 is a concern.

But what should we do about it? What can we do about it? What is the right path forward? I think we need a discussion away from politics and go to science, and I have full confidence in USGS. We have looked at some great leadership coming in. Let us just focus on science. Let us focus on absolute core science.

The budget. We had duplicative, redundant programs where even among our departments we were not together. On the climate issue in USGS, we combined activities in one division because I want to know from a division what is going on. That was the decision. Some activities were in the Fish and Wildlife Service, BLM, and the Park Service. We need to be on the same page so we can address what the conclusion is.

I invite you to work with us on that and we will be transparent. I will get your study out of there. But I am confident we have enough expertise, but I also want to redirect it into research to make sure we are addressing the core science of it.

Ms. MCCOLLUM. Thank you, Mr. Chairman. I look forward to seeing a detailed budget with the cuts that were in USGS on how you consolidated and kept all the research moving forward at a consistent level. Thank you.

Mr. CALVERT. I thank the gentlelady. Mr. Simpson.

Mr. SIMPSON. Thank you, Mr. Chairman, and thanks for being here, Secretary. I am sorry I could not be with you last Friday when you were in Idaho. I understand while you and Secretary Perdue were visiting NIFC, you had a chance to go see the famous blue turf.

Secretary ZINKE. It is there. [Laughter.]

Mr. SIMPSON. It is there, and it is blue, is it not?

Secretary ZINKE. It is. Mr. Chairman, it is blue.

Mr. SIMPSON. I also want to thank the chairman for mentioning that we are going to be reintroducing our wildfire bill today with a whole bunch of original co-sponsors.

LAND AND WATER CONSERVATION FUND

I am introducing another bill that you might be interested in that I would like the Department to take a look at. We are going to be introducing it today also. It is the Land Act, which is going to reauthorize the Land and Water Conservation Fund for 7 years under mandatory funding, half of it to go to the Land and Water Conservation Fund to be split between the State and Federal side, and the other half to be used in backlog maintenance in our parks and our other land management agencies for $450 million a year. Hopefully this will get at addressing that backlog maintenance in these various agencies.

As I said, it would be mandatory funding. We still have to find the offset for it, but we are hoping that we can maybe work that into the infrastructure package because it is infrastructure that we have the backlog on. So, I would like your Department to take a look at that and give us your thoughts on it.

CLIMATE CHANGE

I want to follow up just a little bit on what Ms. McCollum said. I do not think any of us deny that climate change is occurring, but I also realize that there is no one in this government that can tell me how much money government wide we spend on climate change because it is diverse. It goes everywhere, every department. That is the key phrase now. If you want to increase your budget, put money in for climate change. So, every agency has money in for climate change in their budget request.

I thought, at one time, I would take all the climate change money out of all the budgets and put it in one place, so that we could find out how much we are spending and that we are not being duplicative. In fact, I thought of the USGS because they are a great organization, and maybe that is where it should be. But right now, climate change is the key phrase everybody uses, every agency uses, when they want to get money in their budget.

After 9/11, it was national security. If you want to grow corn in Iowa, we did it for national security reasons. That was the key phrase you had to put in every budget. So, those terms change, and climate change has become the one now. But we need to do a better job of coordinating how we spend.

Now my question after all that. You did a secretarial order today, or you are going to, on sage grouse. Explain to me the secretarial order and what are the next steps that we take to address this issue.

SAGE GROUSE

Secretary ZINKE. I did sign a Secretarial Order. I had a conference with the Western governors last night, and this is what it did. On our side, it formed a task group, with the Fish and Wildlife Service, BLM, and with a coordinating reach to the Forest Service. We can actually begin a consultation process where we are on the same page.

Some of the complaints were BLM had a different view from Fish and Wildlife, so you would go down a path for a while, and BLM would give you some guidance, and then Fish and Wildlife would come in at the last moment and change that guidance or vice versa.

From our side of the house, the Secretarial Order did three things. One, it prioritized the effort as Secretary Zinke's priority. Two, it formed a task group so we could coordinate the plans better, and it opened up a State's ability to formulate a plan shaped to that State rather than just to us. We incorporated things like if a State feels comfortable about going on numbers vice habitat, captive breeding, predator control, we allowed the States more flexibility on how they approached it.

What the Secretarial Order did not do is it did not stop or mandate a revision of the work that has already been done because there has been a lot of really good work on sage grouse, and we do not want to reinvent the wheel. We just wanted to give the States flexibility, if they can think of or they want a more innovative approach according to their data, then it allows that. That is what occurred.

Mr. SIMPSON. What were the governors' reaction just out of curiosity? Characterize it.

Secretary ZINKE. Positive. One is the consultation. Many of the governors had not read it yet, but that is why we had the conference call to assure them that most of it was on our side, to form the task group, to make sure we are on the same page, and then give them more latitude. The governors are not all the same on the approach.

Mr. SIMPSON. Right.

Secretary ZINKE. You know, Utah is quite a bit different than even Wyoming, and I think that is a good thing to have some flexibility on approach. The evaluation is really not on habitat per se. It is on whether the numbers of the sage grouse are healthy.

Mr. SIMPSON. Right.

Secretary ZINKE. So, it does give another tool to evaluate their plan periodically as we look at what the numbers should be, whether their plan is effective or not.

Mr. SIMPSON. Well, thank you for working on that. I am sure it is something we will be revisiting with you many times over the coming years as we try to work this out. Thanks for being here today.

Mr. CALVERT. I thank the gentleman. Ms. Lowey.

Ms. LOWEY. Thank you very much. And before I go to another subject, I just want to say, Mr. Secretary, I appreciate your response to Ms. McCollum that you have agreed to really evaluate all these programs and not just discount them, not just accept the cuts, but make your own determination in areas where you think we should be taking positive action. I think that is really important. You are entitled to your own review, but what we are really asking is that it is as an objective a review as possible, and then report back to us your decision.

NATIONAL HERITAGE AREAS

But on another area, the National Heritage areas. The Heritage Partnership Program supports grants to local nonprofit groups in support of historical and cultural recognition, preservation, and tourism activities. This funding is so vital for the Hudson River Valley National Heritage Area, which happens to include my district, and it is truly an investment in the economy.

The Hudson River Valley National Heritage Area has an estimated economic impact of $584 million, sustains 6,530 jobs, brings in $67 million in tax revenue to local communities, giving taxpayers a good return on their investment. And yet your budget proposes to wind down Heritage Partnership Programs. Eliminating this initiative would mean there is no direct financial support to the National Heritage Areas, which are managed by nonprofit organizations, and just would not be able to make up these cuts.

Without this Federal assistance, I would like to know how many congressionally-designated National Heritage Areas will be self-sustaining.

Secretary ZINKE. I will find that number out, but you are right. I recognize the Heritage Program has been terrific over time and has done an enormous amount of good in communities that may not have all the resources to protect part of our Nation's history. The budget zeroes it.

[The information follows:]

NATIONAL HERITAGE AREAS

Sixteen of the 49 National Heritage Areas have undergone independent evaluation of their operational sustainability. Of the 16 NHAs evaluated, 11 have the governance and staff to operate a sustainable NHA organization. However, loss of federal funding would reduce activities in those areas. For the remaining five areas, loss of funding would have a significant negative impact on the ability of the coordinating entity to carry out the area's legislative purpose and activities necessary to reach a self-sustaining operating model.

Ms. LOWEY. That is right.

FACILITIES

Secretary ZINKE. The reason is the priority is addressing our holdings first. I mean, when we have Arlington House, when we have the battlefields, when we have our parks, we have our facilities, our fisheries, we have 2,400 facilities and sites across the

country. The view was in a balanced budget, what would it look like is that our stuff comes first.

We give $5.5 billion in grants out. I would love to give ourselves a grant for fixing what we have. The worst actually is Washington, D.C. If you look at the Jefferson Monument, it is going to take about $26 million because Jefferson sits on mud and is leaning now. We have to pump up the foundation for it. We still cannot figure out how to fix the Washington Monument elevator, which drives me nuts, believe me. And then I look around our parks, the fountains.

We need to fix our stuff; so the priority in this budget was fixing our stuff first. The $35 million plus-up in our infrastructure came at the expense of Heritage Areas and other things.

Ms. LOWEY. Let me just say I appreciate that you are just assuming these responsibilities, and that you and your staff, if you can afford your staff. I am not sure where that is right now. [Laughter.]

Secretary ZINKE. Well, we are making a lot of savings by not having anybody. [Laughter.]

We save money every day.

PARTNERSHIPS

Ms. LOWEY. Well, a judgment has probably been made that you are so talented and that you have that capacity. But in all seriousness, I know so many of these things are partnerships. Without mentioning names, there are philanthropists that had a major role with the Washington Monument. The same person is doing the Arlington Cemetery. The same person did the welcoming exhibit at the White House.

Secretary ZINKE. And terrific, terrific commitment to our country.

Ms. LOWEY. Yeah, he is quite extraordinary.

Secretary ZINKE. And an absolute first-class patriot.

Ms. LOWEY. He really is.

Secretary ZINKE. I wish we had a thousand people like that.

Ms. LOWEY. Well, maybe that is a good thing for you to do, reach out and explain the importance of all these projects. I am just saying that another commitment of the President and this Administration is creating jobs, and these historic areas with their grants do create very important partnerships.

So, I am not underestimating the importance of Arlington Cemetery and all the monuments, and we know they all have to be done. But as you are reviewing the entire budget and putting your own footprint—hopefully you will have staff to assist you in this effort—you remember the National Heritage Areas, not that they are going to take money from Arlington Cemetery. I am sure they will not, but it is an important project, and I would appreciate your consideration.

Secretary ZINKE. I certainly recognize the value of our country's heritage.

Ms. LOWEY. And if you need any more numbers or facts, I am very happy to share.

Secretary ZINKE. Thank you.

Ms. LOWEY. Thank you very much.

Mr. CALVERT. I thank the ranking member. Mr. Cole.

Mr. COLE. Thank you very much, Mr. Chairman. First of all, Mr. Secretary, it is a pleasure to have you here. Everybody around this table certainly knows, we appreciate your service to our country in uniform, we appreciate your service when you were here as one of our colleagues, and we appreciate your service now as Secretary. I do not think the President could have made a better appointment. And we may agree or disagree on something, but, look, you are the perfect person for this job given your background, your values, and the commitment in Indian Country. So, thank you for doing it.

I want to run through some things really quickly, and then I want to get to some questions, particularly on tribal energy development. In some places, I am going to agree with you, and in some I am going to disagree.

CLIMATE CHANGE

I am going to start with agreeing with you and the President of the United States on the Paris Climate Accord. Thank you and thank the President for pulling us out of I think what you described perfectly as a very bad deal. And in my part of the world, believe me, that was an extremely popular decision by the President of the United States, and we think it was the right one. And I applaud him for being willing to negotiate and saying we are happy to sit down and talk with you. We are just not going to stay here with a bad deal for the United States of America. I think that is exactly what he did.

ENERGY

I also want to thank you for sticking up for the oil and gas industry. You know, that is pretty important in my part of the world, and everybody here sure likes $2 a gallon gas rather than $4. And you will know this as a military guy. The biggest strategic advantage we have probably developed in the last 30 years is we are finally energy independent again, you know, and that is a big deal. There is a wonderful article today about us exporting a million barrels a day right now to other parts of the world, so that is a pretty big change. And finally, the biggest raise any American have gotten in last decade is $2 a gallon gasoline and the cheaper cost of heating and cooling their home. And that is largely driven by private energy, and initiatives, and enterprise.

NATIVE AMERICAN PROGRAMS

I am going to agree or disagree with you a little bit. I am going to agree with my good friend, the ranking member, Ms. McCollum. The cuts in some of these Indian programs are just not acceptable. I mean this is the poorest part of our population. This committee has struggled, as she rightly pointed out, on a bipartisan basis to try and make some progress in these areas, and you do not balance the budget on the back of your poorest citizens. So, I think that some of these decisions are driven more by numbers than by equity in looking after people.

And, frankly, in this case, these are treaty obligations, and tribes have taken us to court before and beaten us for not living up to our treaty obligations. And I know you take those seriously.

Finally, I am going to disagree with you also that this is a budget that balances. You know, I was sent to the Budget Committee. I do not know how I offended Chairman Rogers, but he sent me there. [Laughter.]

And so, I am now in my 7th year. He liberated Calvert, and you kept me there. I mean, I do not know what I did, but I did learn a few things there. And I do not say this critically of the President. He made some commitments. But we will see a serious balanced budget when we see serious entitlement reform. That is just the fact of it.

You know, we are trying to leave 75 percent of the budget untouched and balanced within the rest, and meet the priorities that we need to do in terms of defense, and I think your budget is a victim of that. I think other budgets are a victim of that. I hope next year we actually do have serious discussions or the year after at some point about how you really balance a budget. But you do not leave Social Security and Medicare out of the equation and think you are going to balance it.

NATIVE AMERICAN PROGRAMS

So now, an area we do agree because I know how much you value sovereignty, and, frankly, your commitment on Native American issues because I got to work with you here. We always talk about gaming revenue, but one of the most important sources of revenue for tribes, of course, is energy development, particularly oil, gas, and coal. And Interior plays a very important role in that.

The whole issue of permitting, I mean, at the end of the day we sometimes treat Indian land like it is public land. It is not. It is owned by the Indian tribes. We hold it in trust for them. But we have an obligation obviously to do the best we can to enable them to develop their resources, and, frankly, that works to our advantage because they reinvest in their people, and it actually lowers some of the demands that we have in these critical areas like law enforcement and healthcare.

So, could you give me an overview of what you are doing to try to help those tribes that are blessed with natural resources to develop those resources as rapidly as possible?

Secretary ZINKE. Thank you, Mr. Chairman. Overall in Indian Country, at least on contract support costs, that was fully funded, and the tribal grant support costs were also fully funded. So, that part of the budget. The self-determination and support for tribal administration those are there. We have had a couple of water settlements, so that is moving forward. We are meeting our obligations.

We are looking at some of the water settlement issues. What I did not realize, and maybe I should have, is that funding for some settlements goes into an account, but they cannot withdraw from the account until the account is full, and making the account full takes years.

Mr. CALVERT. Will the gentleman yield for a second?

Mr. COLE. Certainly.

Mr. CALVERT. Why can Interior not use the judgment account out of the Justice Department in order to settle some of these water rights issues?

Secretary ZINKE. Mr. Chairman, we are actually looking at that. We are also looking at other tribal settlement issues because if you are looking at a $40 million project and you have to wait 10 years, it is not going to be $40 million. It is going to be $60 million. This is where tribal sovereignty would make sense. If a tribe wants to, as money goes into the account, if they want to use it, maybe we should allow them a path to use it. We are looking at that.

If they have money in the account and they have a water project and the water compact specifies they can get started on it, let us distribute funds rather than locking it up for a generation by the time the account is full. We are looking at that as well.

ENERGY

On the energy side, it includes about $27.4 million in BIA for energy. But I can tell you from looking at the structure of what it is like to live on an Indian reservation and to try to get through the hurdles for development as opposed to non-reservation land. Energy, in my view, is the right of the tribe to decide. It is not the U.S. government's right to decide whether they should develop or cannot. We just want to make sure that sovereignty should mean something. We have to look at our permitting process and how it is much more encumbered on Indian territory than it is off.

At least it should be on par, but it is not. We are looking at making sure we are actually a partner rather than an adversary on such things, and pushing more authority if a tribe wants to develop their energy. Again, it is their decision. Then we should honor that and actually be helpful. In some cases, the system is so complicated and has hurdles.

PERMITTING

What we are also looking at, which I think will be helpful, is how can we, as a Department, be more integrated. How can we improve the permitting process, rather than having the hurdles of going through Fish and Wildlife, and then BLM, and then cross decks over to the Army Corps of Engineers, and then to NOAA, because if you have a trout and a salmon in the same stream, who has jurisdiction? Well, trout are Fish and Wildlife. Salmon are NOAA. You might have irrigation, which is Bureau of Reclamation, and you might have Army Corps. And of the three, you might have two which are in conflict with each other, that is not reconcilable.

We have to look at how we, as a government, can act jointly, and we are looking at a model a lot like a combatant command and a lot like how we fight forest fires. At least from the government side, we should be able to offer an industry or a tribe a permitting process that early in the development they should know whether or not it is possible or not.

ENERGY REGULATION

Mr. COLE. Well, let me give you a quick suggestion on the energy part, as you think through this, as you know, where Indian res-

ervations are at, there is Indian reservation land, and most of them have state regulatory systems that decide who can drill. I have talked to some of the people that developed the Bakken shale from Oklahoma. And this was before they had gone on to three affiliated tribes' land, which now have substantial energy development, and it is benefitting those tribes.

But I asked why are you guys not dealing with Indian reservation land, and one of them told me, it is real simple. He said, on one side of the imaginary line, I have got a State regulatory system that I can get a permit in 3 weeks and it costs about $250. On the other side of this imaginary line on the reservation where the feds are doing it, it costs about $6,000, and it takes almost a year. So, guess where we drill?

It is not like North Dakota does not know how to regulate drilling—it does—or Oklahoma or these other States. So, we ought to try to mirror image the State regulatory system. I even suggested, although the tribes were not too keen on this, I said, why do not you compact with the State and have them come on your land, and they can do the regulatory process. But, there is deep concern about violation of sovereignty, and there is a lot of tension between State and local governments.

But if we are going to do it through the feds, we ought to just basically look at what is the State system here that seems to be acceptable to most people, and we should operate accordingly. Try to match their timelines, and their costs, and not propose something that might or might not be appropriate on public lands. But it certainly should not be imposed on Indian lands once they have made, as you rightly point out, the decision that they want to develop. I agree with you a hundred percent.

Totally their decision whether they want to do it. But if they do, then we ought to give them the same kind of speed that, private land get, in State-regulated areas that are immediately adjacent to the reservation.

With that, anyway, you have been very generous, Chairman. Thank you. Yield back.

Mr. CALVERT. Thank you. I thank the gentleman. Ms. Pingree.

Ms. PINGREE. Mr. Chair, with your permission, I would like to yield to Ms. Kaptur, who has another meeting she needs to go to.

Mr. CALVERT. Without objection.

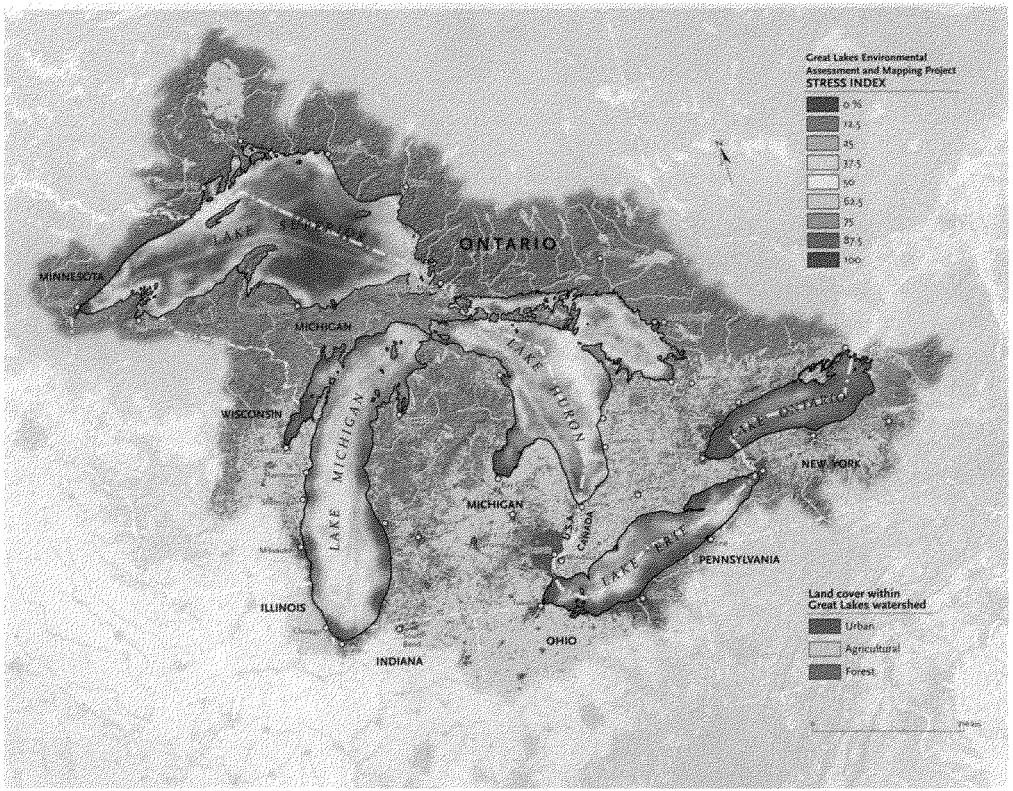
GREAT LAKES

Ms. KAPTUR. I want to thank Congresswoman Pingree very much for that.

Mr. Secretary, welcome back. I am going to be passing out a little map here of the Great Lakes to any committee member who is interested. And my questions will actually involve USGS and the substantial cuts your Administration proposes.

[The information follows:]

Environmental Stress on the Great Lakes



MAINTENANCE BACKLOG

Ms. KAPTUR. But in listening to the conversation this morning, and thank you for your testimony and for your commitment to our country, you referenced an $11 billion backlog of——

Secretary ZINKE. $11.3 billion. It is just in parks.

Ms. KAPTUR. Just in parks. Okay.

Secretary ZINKE. That represents about 73 percent of our total maintenance backlog.

WORLD WAR II MEMORIAL

Ms. KAPTUR. Okay. Let me share an experience. In 1987, I began the long quest to build a World War II Memorial here in Washington, and it took us 17 years. Not a penny of Federal dollars went into it. At that time, there was a deficit also. You know, every decade there is a deficit, so we said, well, okay, how are we going to do this?

And we began with the issuance of minting coins that raised the first $7 million dollars. We did not do postage stamps, although I am thinking of something in that regard, adding a penny or two to a postage stamp for a certain purpose. The Postal Service has the ability to do that. A private committee was set up. Senator Dole helped lead that committee. FedEx contributed, and thousands and thousands of other companies did, and individuals. And the total cost of the memorial was probably about a half a billion dollars, all told.

What happened at the beginning was that the fountain was restored. I actually fought against the Department of Interior getting the World War II Memorial because I wanted it to be with the American Battle Monuments Commission. They had to transfer ownership. But to date, the Department has done a very commendable job.

But what happened at the beginning was the first major expense we had was that Americans were coming to the site, and just like three coins in a fountain, they were throwing money in the fountain. So, rather than the Department of Interior figuring out, hey, wait a minute, the American people want to help here, they put up signs, "Do not throw money and coins." [Laughter.]

And then, the signs got bigger, and I thought, wait a minute, this is nuts. The people want to help. Why do not you find a way for them to help? Well, I guess now there may be an app or something that somebody can find somewhere that they can contribute. But I really think with your background and your leadership, you could put together the most gangbuster concept to engage the American people to help our national parks, and to help to raise the money that is necessary to fix this stuff.

I am all for Federal appropriation or I would not be here in Congress, so I agree with that, but I know what we were able to mobilize. It has been 30 years now since we began that effort. It took us 17 years to finally dedicate in 2004. But I learned a lot from that experience, and I learned about the generosity of the American people. I learned about how difficult it was to work with the government of the United States to try to get donations. So, there is something wrong at the Department of Interior.

Now, I do not want a McDonald's sign over Mount Rushmore. This is not what I am getting at, all right? But I know what we did with the World War II Memorial, and we continue to this day. There are NGOs, like there is 501(c) called Friends of the World War II Memorial, that sits out there with a chair, with a committee. Many sites have these kinds of organizations.

I really would urge you to consider using that example in kind of looking at other assets that we must manage. Imagine what the American people would do if they really understood what was needed at Arlington. Every State would adopt a section. I mean, the creativity that is needed here is someone who thinks about fundraising and has a great national commitment, and the baby boom generation is about to retire with the largest transfer of wealth in American history.

So, I just think there's a lot there. So, I just want to put that on the record this morning.

Mr. CALVERT. If the gentlelady would yield on one point. I know we talked about this. If you go to Canada, you pay more to go to a Canadian national park than canadians. I know a substantial number of people that come to our national parks are not U.S. citizens. I would just put that out there as a suggestion.

Secretary ZINKE. Well, I will say, I have commissioned a quick study. Everyone loves their parks. Absolutely. It is amazing that about half of the parks do not charge at all. We do not charge at all. We divided our parks into tiers for charging fees, and a lot of our parks do not follow that, the tier system.

We want to make sure our parks are a value, especially for families who want to go to our parks. We are not Disneyland, to your point, about our fee.

Ms. KAPTUR. Right.

PUBLIC/PRIVATE PARTNERSHIPS

Secretary ZINKE. But I think we have got to be innovative. I am forming a committee on public/private partnerships——

Ms. KAPTUR. Yes.

Secretary ZINKE [continuing]. Because there are things like Wi-Fi that we should be able to do. The airlines do it, so, we should be able to have Wi-Fi. On our fees coming in, there has been an incentive for a superintendent to at least follow the rules. And the incentive is that a lot of that should come back to that specific park and give some latitude how to spend it. There has to be an incentive structurally how to do it.

There are a lot of really good people that love our parks.

Ms. KAPTUR. Oh, absolutely. My cousin just walked the Appalachian Trail. We cannot find him. He is out there somewhere.

Secretary ZINKE. The trail needs a little work, too, by the way. [Laughter.]

Ms. KAPTUR. Yes. But the point is, you know, I think enlivening the spirit of the American people, if you give them a target, they will reach it. They just do not know. I think you are divided up into so many subcomponents, people lose sight of you. I am just using stamps. I have been doing my bills. I do not do bills by the Internet. I do it by hand.

Secretary ZINKE. Mr. Chairman, also——

Ms. KAPTUR. Based on all these pictures of wild animals, you know, I am thinking is the Park Service getting an extra penny for this?

Secretary ZINKE. We talk a lot about the National Park Service, but Interior reminds me every day that there are wildlife refuges. There are other assets that are not Parks. I remind them if I talk about BLM a lot on the East Coast, people do not know what I am talking about because the face to a degree of Interior is the parks.

Ms. KAPTUR. Right.

Secretary ZINKE. When you go to a park, you should be in the right uniform and the bathrooms should be clean. We will just start there. We are re-emphasizing, I would say, infrastructure and clean bathrooms to begin with.

GREAT LAKES

Ms. KAPTUR. Okay. Now, I will get to my question very quickly. Very quickly. I have been discouraged, but I understand the pressures you are under, with OMB. But being a Great Lakes representative, I have to say that the State I represent means many rivers. "Ohio," that is what the word means. And you were at the Ohio River, I believe, just recently? I do not know if you saw the Asian carp jumping out, but they are there. They have eaten up all the local species.

And my question and the map I have handed out points at what is happening to the Great Lakes, particularly relative to algal blooms. Your budget proposes an 18 percent cut in the National Water Quality Program. And I would really direct your attention to that because language in your submission states that with that cut, you would have to lay off 108 full-time equivalent employees. You would suspend studies about how nutrients, carbon, and sediment are transported and delivered to small streams in the agricultural Midwest.

You will note those lakes, particularly at Toledo that I represent where there was a major water crisis 3 years ago, where a toxin called microcystin got into the fresh water, we have to have data to understand the emerging contaminants and their threat to fresh drinking water supplies. Lake Erie is the most drawn upon of the lakes, serves the most people in the United States and Canada.

This really is a very dangerous proposal with USGS because when the crisis happened just so you know, and I was flailing around on the weekend trying to find the right person in the Federal government to help us understand what level of microcystin can people drink. Guess what? We do not really have a standard. So, the United States defaults to the world standard of 1 part per billion. And we needed proper testing. We needed a regimen. You do not want to know how bad that system is in our country.

So, USGS is important. I would urge you to revisit that part of your budget, and, believe me, I am going to try to help you. But we do not need to threaten fresh water supplies across our country.

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

Mr. CALVERT. I thank the gentlelady. I appreciate it. Mr. Joyce.

Mr. JOYCE. Thank you, Mr. Chairman, and happy birthday as well. And, Mr. Secretary I would echo and second the comments already made by Mr. Cole, and I am glad to have you here today.

I would like to talk about sage grouse. [Laughter.]

ASIAN CARP

No, I do not want to steal Mr. Amodei's thunder. You get tag teamed here by the Lake Erie people, and so I want to follow——

Secretary ZINKE. We put $13.5 million in for the carp. [Laughter.]

I have never seen one, but I know they are there. [Laughter.]

Mr. JOYCE. Well, I am surprised you did not get a picture because Congresswoman Kaptur has sent one around with the ugliest looking fish that I think she could ever find, and she sent it around and captured everyone's attention when we were at a full committee meeting one day when we were talking about carp.

Secretary ZINKE. And I do not mean to joke about it because I understand how serious it is.

Mr. JOYCE. Yes, it is.

Secretary ZINKE. It is a serious issue.

Mr. JOYCE. It is game, set, match if they get in the Lakes.

Secretary ZINKE. Yeah.

GREAT LAKES RESTORATION INITIATIVE

Mr. JOYCE. Lake Erie is very important and critical for drinking water, but it also supports commercial and sport fishing, to name only a few of the benefits. Visitors to Ohio's Lake Erie region spent more than $14.1 billion in 2015. Approximately 124,000 northern Ohio jobs, including jobs in my and Congresswoman Kaptur's districts, are directly linked to Lake Erie.

The Great Lakes Restoration Initiative, or GLRI, aims to restore the Great Lakes ecosystem under one single initiative. The GLRI is guided by an Action Plan with detailed performance goals. An interagency task force, led by the U.S. EPA, is coordinating Federal efforts and directing funding to other Federal agencies, States, cities, and non-governmental entities.

As you know, the President's Fiscal Year 2018 budget request eliminates funding for the GLRI. As of February 2017, Department of the Interior agencies have received significant funding under the program. For example, the U.S. Fish and Wildlife Service has received more than $356 million to implement 814 GLRI projects, and the U.S. Geological Survey has received more than $100 million to implement 152 GLRI projects in the region.

Can you describe for this committee the consequences your agencies would face if you eliminate or significantly reduce funding for the GLRI Program? Can you give us examples of Department of the Interior projects that would end or be significantly curtailed if these cuts were to take place?

ALGAL BLOOMS

Secretary ZINKE. Well, let me pivot and tell you what we are doing. The USGS, I am not sure how many studies were under way, but there are multiple studies on it, but there are some conclusions that have been made. About 43 human deaths and animal illness have been related to the blooms. We know that. We know the blooms primarily are coming from nutrients in agricultural

areas. That is what is causing the blooms, so it is the chemicals and nutrients from ag. We have to address that, and that is both EPA and ourselves, as well as the Army Corps of Engineers. We know just in Lake Erie about 400,000 residents went without water for days, so we understand the consequences and the importance of it.

GREAT LAKES

At Interior, the budget as far as the Great Lakes goes includes about $65.9 million, and it includes about $13.5 million, which is about the same funding level as in 2017 for the carp. And the restoration part, I will have to get with you on line by line on that part of it.

Again, I understand the importance of it. I would think this budget is a baseline, and I will work with you on it, and Congress gets the last chop.

GREAT LAKES RESTORATION INITIATIVE

Under the Great Lakes Restoration Initiative, the Department has received funding from the Environmental Protection Agency to support habitat restoration, to strategically target the biggest threats to the Great Lakes ecosystem, and to accelerate progress toward long term goals for this important ecosystem. DOI funded 193 projects valued at $64.7 million in 2016. Between 2010 and 2016, the Department allocated more than $330 million to more than 1,250 projects through the Bureau of Indian Affairs, the Fish and Wildlife Service, the National Park Service, and the U.S. Geological Survey. Funded projects address the highest restoration priorities in and around the Great Lakes including:

- Cleaning up toxics and areas of concern;
- Combating invasive species;
- Promoting nearshore health by protecting watersheds from polluted run-off;
- Restoring wetlands and other habitats; and
- Tracking progress, education and working with strategic partners.

Mr. JOYCE. I appreciate that, and we managed to insert funding for the GLRI of $300 million a year for 5 years. As you well know, a lot of these studies and the things that we are doing are very important because they have to have some continuity to them. You cannot stop and start some of these studies in order to make them effective and worthwhile.

But I also take pride in the fact that the vote was 407 to 18, and not that I have those 18 names laminated. [Laughter.]

But, taking the time to explain to people who are normally, as you well know, voting no on everything, that this is the way we should operate because all these task forces, all these agencies share information and work in concert to produce the desired result of trying to clean up this problem. And I agree with you, it is an agriculture problem. Of course, we have reached out to the States and tried to explain to farmers that it is, in fact, a problem, and that they can yield more with less fertilizer, and that takes time in the education process.

So, I would appreciate working with you and offer any time to come down to your office and go through the budget on a line-by-line basis. You are more than welcome to come to the Great Lakes, you and Chairman Calvert, and I promise we will highlight the visit with some fishing, and you can see firsthand all the work that Governor, and Senator Voinovich, has done to restore the sport fishing to Lake Erie and the Great Lakes.

Mr. CALVERT. Hopefully it is walleye and not carp. [Laughter.]

Mr. JOYCE. I hope so.

Mr. CALVERT. We have a large Great Lakes contingent on this committee.

REORGANIZATION

Secretary ZINKE. If I could talk to the Great Lakes just for a second, we are looking at reorganizing how we do business with Interior because the carp issue is an example. It is important to the Great Lakes, but if you go across to Florida, they do not know what it is. Even our areas within our different regions in Interior, how you rack and stack the importance of things, a lot of really important issues locally and within the State get lost.

We are looking at different models rather than, well, USGS reporting to their region, the Parks report to their region. We have these huge regions, but we are looking at actually breaking them up a little and going to a joint model in smaller areas based on based on drainages. Powell suggested it back at the turn of the century. He and Pinchot were late, and when Roosevelt left, it became out of favor. We are looking at more of a model on smaller ecosystems to base a reorganization. And rather than everyone report to their own region, they would report to a joint management area, like combat commands, so these smaller areas can focus on the problems that are within their smaller regions.

We think the one-size-fits-all model in D.C., and as over time we developed these huge regions that sometimes gloss over issues that are incredibly important, need to be prioritized. I will go through with it with you and in some detail the next time where we sit on it.

I talked to Department of Agriculture. They are going to help us with the joint command because I think if we can, among our bureaus, be a little more joint in how we do it, I think we are all better served.

Mr. JOYCE. I commend you on that thoughtful strategy to getting this developed. I was recently in the Everglades because they have the same algal bloom issue that we are having in Ohio. While they do not have Asian carp, they have pythons, which are a problem. You drive down 41, as you go across the Everglades, there is no road kill. The Pythons manage to eat everything. And so, the problems are alike, but different slightly. But that is a great strategy to try to combat the water crisis throughout the country.

Mr. CALVERT. I thank the gentleman.

Ms. MCCOLLUM. Would the gentleman from the Great Lake of Erie yield for just a microsecond to the gentlewoman from a Lake Superior State?

Mr. JOYCE. If I have any more time left, Mr. Chairman?

Mr. CALVERT. The gentlelady is recognized.

ASIAN CARP

Ms. MCCOLLUM. Mr. Secretary, when the Great Lakes Restoration Fund was set up, Asian carp and the funding for Asian carp was not part of it. When Asian carp needed to be funded, they came and looked at the Great Lakes Restoration because we are concerned about invasive species.

So, invasive species, as the gentleman from Ohio pointed out, is one issue we have to look at. But the Great Lakes Restoration has already been nicked once with some of the work that it can do. They are willing to help out with Asian carp, but I just wanted to make sure that the record was clear that the Great Lakes Restoration originally did not have any funding dedicated towards Asian carp.

Thank you.

Mr. CALVERT. Thank you. Ms. Pingree.

Ms. PINGREE. Thank you, Mr. Chair. Welcome back again, Mr. Secretary. It is nice to have a chance to chat with you again. I forgot when you came before that I meant to tell you I spent a wonderful time on a pack trip in the Bob Marshall Wilderness area. It was one of the greatest experience of my and my children's life several years ago. And I do think we have some things in common between our M States—Montana and Maine—just because you have mountains and we have ocean. We have some similarities.

Also, Mr. Chair, happy birthday. I do not know if you know, but this is also the 110th birthday of the Antiquities Act, so I am sure it is a joint party.

VOICE. Because they are about the same age. [Laughter.]

Mr. CALVERT. Yeah. Sometimes I feel that way.

Ms. PINGREE. You would be a great grandchild or something of the Antiquities Act.

KATAHDIN WOODS AND WATERS

Anyway, so, Mr. Secretary, when you came before, we had a chance to talk a little bit about Katahdin Woods and Waters. I did not know and I was kind of disappointed to find out that it was the next day that it got added to the list. So, maybe you did not know that day, but obviously it was under consideration. And since I did not know it was going to be added, now you will have the benefit of hearing everything I have to say about it and why I am concerned about it being on the list.

It is not a hundred thousand acres, which was your original criteria. I understand that one of the reasons it is being looked at again is to see if there was sufficient public process. I just want you to know from my perspective and so many others there was a lot of public process. It goes way back in this area, and also just the north woods of Maine have been talked about for a very long time.

I brought this little folder of the 200 letters I received in my office and this nice sticker. But I realize that I have to get a privacy waiver on every one to give them to you, so I cannot do that, although if you would like to see them, I will call each person personally and make sure I get a privacy waiver so you can see them.

I hope you do get a sense of how much public comment and how much dialogue there has been. I have heard or I understand you might be coming to Maine in the next week or two to visit?

Secretary ZINKE. I am coming to that exact site next week.

Ms. PINGREE. Wonderful. Well, if you need any assistance, I am happy to welcome you, even though it is in the 2nd Congressional District, but we all kind of care about the State as an entirety. I am thrilled that you are going to be there because I think you will

have an opportunity to see what a wonderful area it is. And you can hear firsthand from the communities, many of whom have gone through a transition over the years, at first deeply concerned, partly because of the loss of the paper industry and the wood products industry, and some real economic changes up there, and worried about what the impact of this area might be to them.

But after years of public dialogue and debate, the area was designed in a—in a very good way. And now a lot of those people, many of whom I served with in the State legislature—I know them very well—have come around to the other side and said, "you know what? Now we are in this, and we want to take advantage of the economic opportunity."

Just as a reminder, the Park Service director, Jon Jarvis, came up and held a meeting, which had about 1,400 people. My understanding is 1,200 of them were monument supporters. By the way, in this pile I have of 200 letters, those are 200 letters in favor. I got a handful of people who raise concerns, but not very many. So many business owners have talked to us, been to visit us here, talked about the opportunities and the support, whether it is for inns and restaurants, tourism businesses, or new businesses that they hope to create.

There have been 5 years of this public dialogue and discussion. Elected officials, as I said, have come around. Chambers of commerce have been writing to us. City councils, rotary clubs, so many traditional and nontraditional groups have come around to say, it is here. It has been donated to us. The money is behind it, and we want this to continue, particularly since the decision has been made.

I do not know if you will meet with our governor. He has been in opposition to this, but I think he is increasingly becoming a lone voice, and I hope that you will take that into consideration in your conversation with him. CNN named the area one of the best places to visit in 2017, showing that there has been a lot of attention to this. I myself have been up there. I think it is a great place to be.

So, I hope you see all that, and I hope you see and have a chance to talk to some of those groups and individuals who have really started to see this as a great economic opportunity for that area. Visitors are starting to come in big numbers, especially as we begin our very short summer season.

So, one of the things I am puzzled about that I would like to get you to comment, I know the governor has suggested and others, does this not just become a State park. It is right up against the Katahdin area, which is a State park, maybe three times the size with many, many more restrictions than the Katahdin Woods and Waters have. Some have suggested it go to the Forest Service.

In keeping with what you were talking about before, I appreciate all you had to say about the fact that everybody loves national parks. We have Acadia National Park. It is one of the most visited parks in the country. Parks create jobs, as Mr. Kilmer has noted for us and you have agreed. People see the face of our parks, and they do not say, oh, "I think I will go visit a national forest." They say I want to see a national park, or I want to see a national monument. It has a lot of significance and brings behind huge economic opportunities.

So, can you tell me if you have had conversations or thinking about this idea of let us call it a national forest or something else, or you can give me your overall thoughts about this and what your current concerns are.

Secretary ZINKE. I was tasked by the President, as you know, in the Executive Order, to review parks that are 100,000 acres and above, and from 1996 forward, and Maine was not included in that. I have learned more about the Antiquities Act in the last few months than I think most people, probably even the people that designed it.

It is singular, so the Antiquities Act does not require a NEPA. It does require public consultation. It is the power of the President to do it. Under the law, it does state minimum area that is compatible to protection of the object, and the definition of the object because the Antiquities Act itself is not very long.

My sense is that I do not intend to rip off band-aids. Many of our monuments are, to a degree, settled. There are some that are more controversial than others, but is it in the best public interest. I have to be consistent in my review of it, and I will make my recommendations.

I do not really have any preconceived notions. I have talked to Senator King, Senator Collins. I have not talked to the governor in person. We have an open process where the public can comment, it is regulations.gov. When I evaluated the Bears Ears, I think I talked to Nature Conservancy and spent an enormous amount of time, and then reviewing the thousands of comments on it.

I cannot wait to see it. My understanding is I am going to go canoeing, which is something Maine is known for. But if you want to talk about your experience, I would love to hear that. But I do not have any preconceived recommendations because I just want to see it. I am talking to the family that gave the property with, I believe, somewhere around a $40 million endowment. I will ask what was their intent on the property? I have heard, although it has not been verified, that at one time a national park was looked at, which would take an act of Congress to do.

It is interesting just as a point, in some of the monuments that were recently created, they were created over things, like over a wilderness or a proposed wilderness area. How does that work? Because you have a proposed area that is wilderness that operates as a wilderness until Congress takes action, which many times is more restrictive than what the monument proclamation is. So, what takes precedence?

I think no doubt my recommendations are going to be I am going to ask Congress to clean up some of the ambiguity to clarify when you place a monument over on top of something else, how do I manage that property, and what should it be at the end the day? Is the monument the right vehicle? Is a national park the right deal? In some places, it is a national recreation area? And parks and national recreation areas are authorized by Congress, not the President.

My basic look at such things in Maine is, is the decree settled? Are people comfortable with it? Are the majority of elected officials that are responsible for their voice, are they comfortable with it, and is it in the best interests of the public? And then looking at

what is the right vehicle for this and make a recommendation. There is no question that I am going to have a recommendation for Congress to help clean up some of the management side of it.

BEARS EARS

I can tell you when I when I visited Bears Ears, there are some unbelievably important sites culturally for the American Indians there and some dwellings, but you pull up along the road, there is no sign. There are no lavatories. There is no parking lot. There is no infrastructure. There is no structure in place to protect exactly what the intent was to do.

There is a visitor experience, but also you have to monitor and put in place some basic protections for the resources. Including something as simple as a bathroom along a trail because if there is not a bathroom, we all know what happens. I think in some cases we need to walk through from bow to stern, in a canoe analogy, to make sure that when it is a monument, there is a responsibility to manage it for the proclamation, but that management piece, we have to make sure it makes sense and we are not in conflict with other land classes within it.

Mr. CALVERT. I thank the gentlelady.

Ms. PINGREE. Thank you, Mr. Secretary.

Mr. CALVERT. Mr. Stewart.

Mr. STEWART. Thank you, Mr. Chairman. And once again, Mr. Secretary, thank you. I have a number of times to congratulate you, and I just have to add my voice to Mr. Cole and others what a wonderful choice I think you are for this position. I understand the responsibilities you have, and our desire is to help you in those responsibilities.

CLIMATE CHANGE

I have to say before I get to my issues, and that is thank you, thank the President for his decision on the Paris Agreement. I know there is some disagreement here among the committee. But if you care about climate change, and if you think climate change is important to the future of our country, then you cannot support the Paris Agreement because it did almost nothing to address the problem, and came at the cost of trillions of dollars. And I do think we can do better than that if you feel like that is an issue that is important to our future.

PUBLIC LANDS IN UTAH

Thank you for coming out to Utah. It was great to spend a few days with you touring the Grand Staircase Escalante and Bears Ears, and spent some time flying in helicopters that you have both done. And if I could just make one comment and then get to my issues, and that is, as you know, having spent some time in my State, and it will not surprise you anyway. These communities are tiny islands in a sea of Federal lands. I have got three counties. They only have 7 percent of their county as privately owned, and the rest is Federal or State lands, and mostly Federal lands.

The last thing my constituents want to do is get up in the morning and think about Washington, D.C., to think about policies that

are taking place here in Congress. They do not want to be part of Washington. That is why they live where they do, many of them. They want to just have Washington leave them alone. And yet, the irony is that Washington has enormous impact on their lives, far more than most Americans because of the fact they are surrounded by Federal lands and the problems that brings.

MINIMUM WAGE AND OVERTIME RULES

So, if I could address two things, Mr. Zinke, and ask for your help on these. And the first one is not as dramatic. I am going to save the more dramatic one for the second. But that is the previous Administration had an executive order that required minimum wage and overtime rules for Federal employees. Well, I think this order unintentionally spilled over to hunters and guides.

I love to run river. I run by myself sometimes, but in other cases it is unfamiliar. I have had to hire a guide to do it. There are scenic guides. There are hunting guides. There are a lot of that where people from the East Coast, for example, who do not know the West, they will not come out enjoy this land without someone guiding them and showing them how to do it. And yet, this minimum wage and overtime rule is literally driving small mom and pop businesses out of business, because they cannot do it.

Look, if you are a college kid and you love to run river, and you say, I will pay you a couple thousand dollars a month to come run river, they will go. I would do that for free. But they cannot do that in many cases now because they are working at McDonald's. They do not have any choice because that company no longer exists.

And, Mr. Secretary, we have talked about this. I hope you will work with us on trying to refine this rule. I know it mostly falls under Labor purview, but it is a ridiculous over extension of Federal policy that is really having negative impacts on not just Western lands and families, but, frankly, on everyone around the country who wants to enjoy those lands.

And I do not ask you a question. If you have a response to that, I would be happy to. But we just look forward to working with you and continue try to fix this problem after what has been a frustrating 2 or 3 years.

Secretary ZINKE. Well, I am painfully aware because I have many friends that are outfitters, and I understand the Administration is looking at it. I do not know where it is, but I can ask, and I will work with you because it is causing havoc for some people. You know, short seasons.

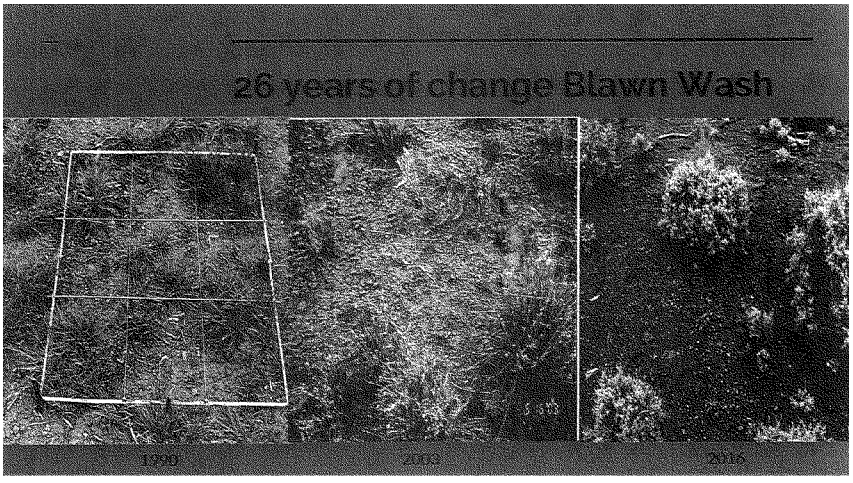
Mr. STEWART. Seasonal work, exactly.

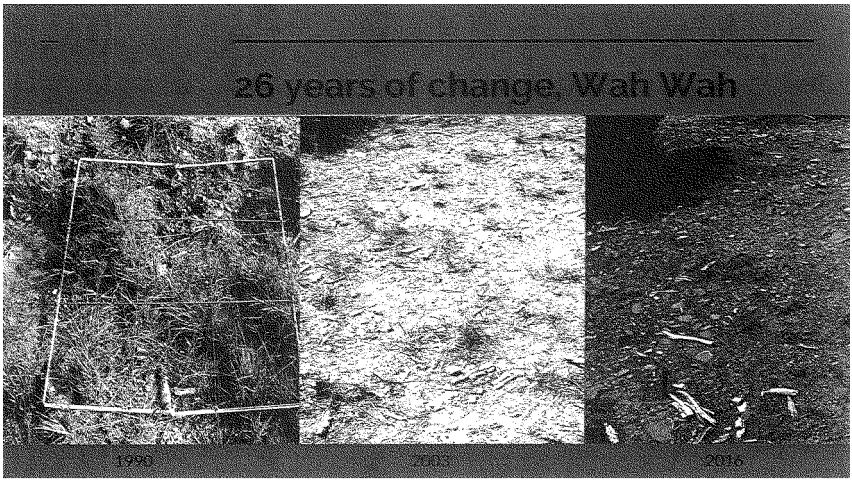
Secretary ZINKE. And it is tough. And one size does not fit all.

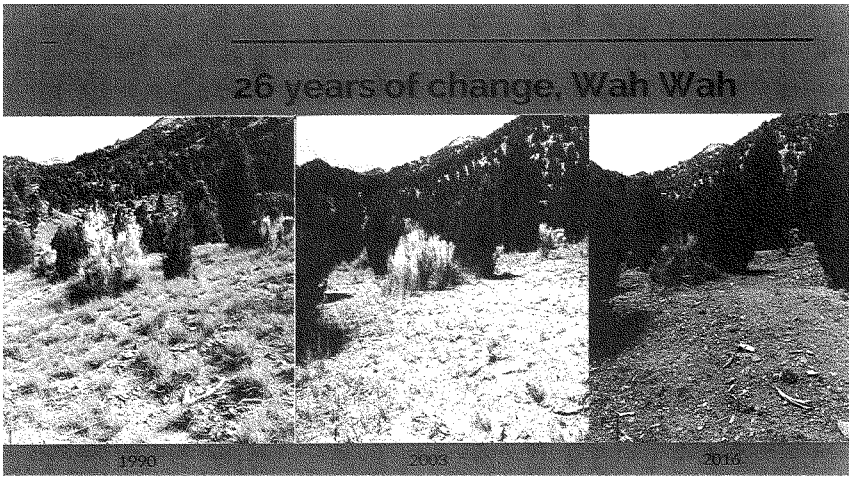
Mr. STEWART. Yes, I am asking for the same exemption that the ski resorts were given, again, seasonal work. And if you would lend your voice to that, we would, of course, appreciate that.

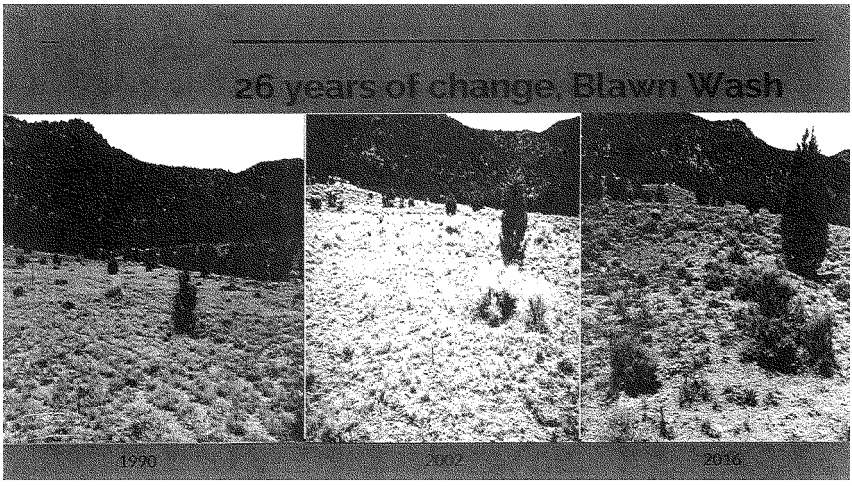
The second one is a little harder. Like Mr. Amodei has the sage grouse. Chris Stewart has the horses. That is because it has just such an enormously adverse impact on my State, but it is not just my State. It is, frankly, the West. And I have a couple of visuals here I am going to pass around.

[The information follows:]


26 years of change Blawn Wash
1990
2013
2016


26 years of change, Wah Wah
1990
2003
2016


26 years of change, Wah Wah
1990
2003
2016


26 years of change, Blawn Wash
1990
2002
2016



Cage built in 2011. Last years picture 2010

Mr. STEWART. And, again, Mr. Secretary, I know you know this, but it is something that is worth showing.

This shows a 26-year history. This is what the range used to look like in my district 26 years ago. Healthy grasses could support wildlife, and support horses. This is what it looks like now. It is just dirt. I have page after page of examples of this.

Again, this is what it used to look like. This is what it looks like now. It is just dirt because of the abundance, over abundance, of wild horses. And this is what it leads to, and this is the last thing I will show. This is a horrible picture, but this is what people need to recognize. This is what it leads to. It is like building a zoo, and not feeding the animals and starving them to death.

And you have these, otherwise, beautiful animals that you and I both love. I love the fact you drove into—you should not drive. [Laughter.]

Actually, you drove a horse. You rode your horse into the office on the first day. I grew up ranching and farming. I love these animals, and we are trying to help these animals.

And one last just anecdotal piece of evidence. An individual I know, he is a horseman. He loves these animals as well. He has a 10-year permit, 330 cows he was supposed to be given on his permit. Some years he is given between 30 and 50 permits is all. And instead of for 4 months, it is for 1 month, and it is because this is what his range looks like because of the horses.

And I am asking not only you, Mr. Secretary, but, frankly, this committee and Congress to help us solve these problems. I know there are some horse advocates out there, but I am telling you, if you care about these horses, you cannot look at this and say that is okay. You cannot have thousands of them starving to death and go, well, that is all right with me. We have got to do better.

And if you would give us your thoughts on that, we would really appreciate it.

Secretary ZINKE. Thank you, and here is where we sit on the horses. By science, the ranges can accommodate around 26,000 horses or so. That is what the range can sustain. We have about 117,000 horses, and about 45,000 of those horses are in a degree of captivity, in which we feed the horses, we pay the vet bills, et cetera.

No one loves a horse more than I do, but I am going to host a wild horse seminar in the great State of Nevada, because Nevada has most of the problems. We have to figure out a path forward. We spend about $80 million a year on the horse program. The birth control part of the horse program has been, by and large, a failure. You have to shoot the horse twice with a dart in 24 hours. Trying to find a horse in the woods, the same horse, is almost an impossibility.

Mr. STEWART. At a cost of several thousand dollars per horse by the time you round it up and shoot it, yes.

Secretary ZINKE. Absolutely. And the horses are unique. Some folks look at a horse as a pet, some folks look at horses as livestock, but it is not being managed as either. The horses are unique—and the burros—are another unique animal we have decided we are not going to manage other than captive, put them in a corral and going to feed.

I think we have to have a seminar with all parts, and this is a good point because it is unaffordable at $80 million. It is not only unaffordable, it is inhumane to watch horses over populate the same ground and starve. If you have ever seen a horse starve, it is not a pretty picture. This is what happens when you kick the can down the road long enough, and it becomes a crisis.

I think we should have a roundtable, include everybody, but let us get a plan on how to manage the population the way it is. Again, if it was 23,000 or so, it would not be an issue, but 108,000. We are not adopting that many. You know, when the adoption program began it was fairly successful, but I think we went through that and now we adopt out, you know, 3,000 or 4,000 horses a year, and the population doubles I think every 4 years.

I would love to work with you, but this is a joint issue between the Executive, no doubt, and probably all three branches. I have gotten some very creative judgments recently in the courts as we try to even round up the horses.

Mr. STEWART. Again, thank you, Ryan. I appreciate it. And please let us help you with that conference. We would love to participate. This is going to destroy BLM budgets if we do not get a handle on it, and putting these horses in these dusty corrals where you have got hundreds and hundreds of them packed together, that is not a good life for them either. We can do better. That is the bottom line. And we look forward to working with you.

Mr. Chairman, thank you. I yield back.

Mr. CALVERT. I appreciate it. Mr. Kilmer.

Mr. KILMER. Thank you, Mr. Chairman, and thank you for being back with us.

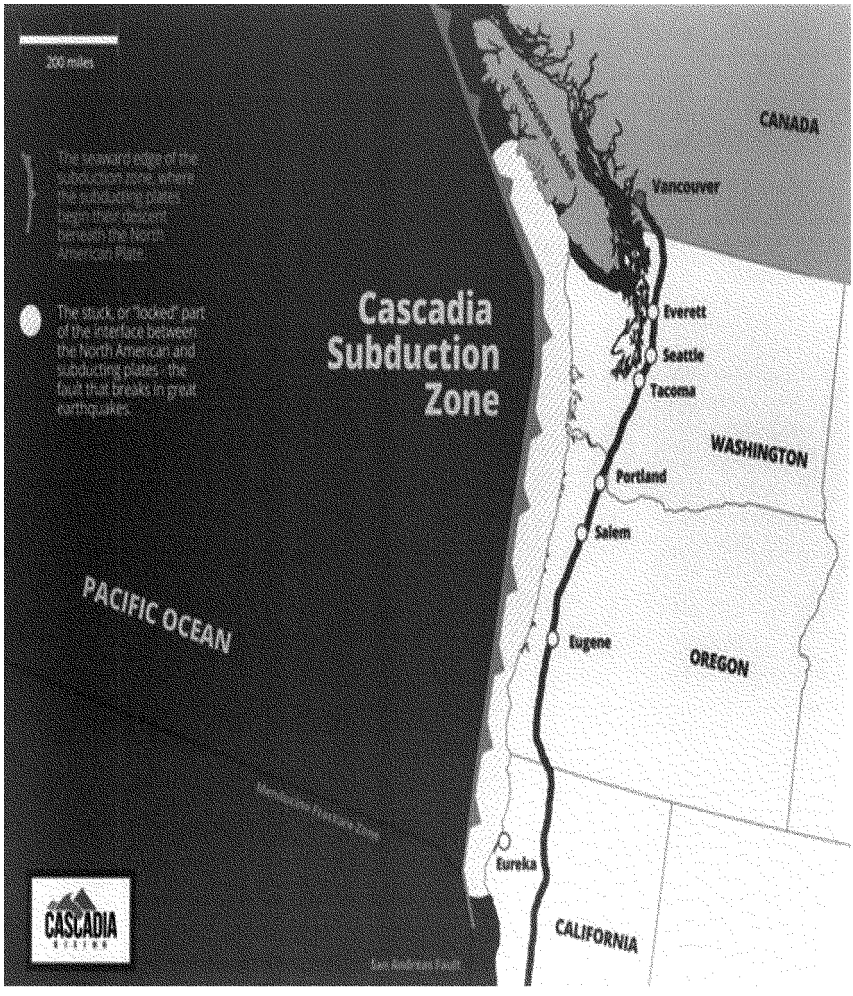
You have some history representing a very large rural district. Yours was a bit bigger than mine, but I think you probably understand that for a lot of rural communities and for Indian Country, this budget has a lot of challenges. And to that end, it was hard to decide what to focus on today. A number of my colleagues addressed some of the issues, whether it be stewardship programs, or climate programs, or investments in Indian country. So, I wanted to just focus on two issues in particular: public safety and jobs.

EARTHQUAKES

Let me start with public safety. A couple years ago, The New Yorker did an article about the Cascadia subduction zone, and the article was entitled, "The Really Big One." It suggested that when a significant earthquake hits along the Cascadia subduction zone, it will be absolutely devastating. It could be the biggest natural disaster in the history of our continent.

I brought you a map and a copy of the article. I encourage you not to read it at bedtime because literally it has caused me sleepless nights. I am going to hand that to you if that is all right.

[The information follows:]


200 miles
The seaward edge of the subduction zone, where the subducting plate begins its descent beneath the North American Plate
The stuck, or "locked" part of the interface between the North American and subducting plates - the fault that breaks in great earthquakes
Cascadia Subduction Zone
PACIFIC OCEAN
Mendocino Fracture Zone
CANADA
Vancouver
Everett
Seattle
Tacoma
WASHINGTON
Portland
Salem
Eugene
OREGON
Eureka
CALIFORNIA
CASCADIA RISING

Save paper and follow @newyorker on Twitter

ANNALS OF SEISMOLOGY
JULY 20, 2015 ISSUE

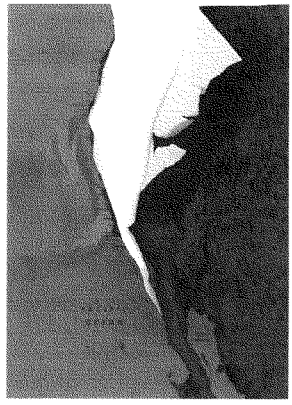
THE REALLY BIG ONE

An earthquake will destroy a sizable portion of the coastal Northwest. The question is when.

BY KATHRYN SCHULZ

The next full-margin rupture of the Cascadia subduction zone will spell the worst natural disaster in the history of the continent.

ILLUSTRATION BY CHRISTOPH NIEMANN; MAP BY ZIGGYMAJ / GETTY



When the 2011 earthquake and tsunami struck Tohoku, Japan, Chris Goldfinger was two hundred miles away, in the city of Kashiwa, at an international meeting on seismology. As the shaking started, everyone in the room began to laugh. Earthquakes are common in Japan—that one was the third of the week—and the participants were, after all, at a seismology conference. Then everyone in the room checked the time.

Seismologists know that how long an earthquake lasts is a decent proxy for its magnitude. The 1989 earthquake in Loma Prieta, California, which killed sixty-three people and caused six billion dollars' worth of damage, lasted about fifteen seconds and had a magnitude of 6.9. A thirty-second earthquake generally has a magnitude in the mid-sevens. A minute-long quake is in the high sevens, a two-minute quake has entered the eights, and a three-minute quake is in the high eights. By four minutes, an earthquake has hit magnitude 9.0.

When Goldfinger looked at his watch, it was quarter to three. The conference was wrapping up for the day. He was thinking about sushi. The speaker at the lectern was wondering if he should carry on with his talk. The earthquake was not particularly strong. Then it ticked past the sixty-second mark, making it longer than the others that week. The shaking intensified. The seats in the conference room were small plastic desks with wheels. Goldfinger, who is tall and solidly built, thought, No way am I crouching under one of those for cover. At a minute and a half, everyone in the room got up and went outside.

It was March. There was a chill in the air, and snow flurries, but no snow on the ground. Nor, from the feel of it, was there ground on the ground. The earth snapped and popped and rippled. It was, Goldfinger thought, like driving through rocky terrain in a vehicle with no shocks, if both the vehicle and the terrain were also on a raft in high seas. The quake passed the two-minute mark. The trees, still hung with the previous autumn's dead leaves, were making a strange rattling sound. The flagpole atop the building he and his colleagues had just vacated was whipping through an arc of forty degrees. The building itself was base-isolated, a seismic-safety technology in which the body of a structure rests on movable bearings rather than directly on its foundation. Goldfinger lurched over to take a look. The base was lurching, too, back and forth a foot at a time, digging a trench in the yard. He thought better of it, and lurched away. His watch swept past the three-minute mark and kept going.

Oh, shit, Goldfinger thought, although not in dread, at first: in amazement. For decades, seismologists had believed that Japan could not experience an earthquake stronger than magnitude 8.4. In 2005, however, at a conference in Hokudan, a Japanese geologist named Yasutaka Ikeda had argued that the nation should expect a magnitude 9.0 in the near future—with catastrophic consequences, because Japan's famous earthquake-and-tsunami preparedness, including the height of its sea walls, was based on incorrect science. The presentation was met with polite applause and thereafter largely ignored. Now, Goldfinger realized as the shaking hit the four-minute mark, the planet was proving the Japanese Cassandra right.

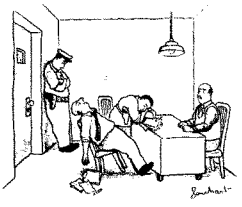
For a moment, that was pretty cool: a real-time revolution in earthquake science. Almost immediately, though, it became extremely uncool, because Goldfinger and every other seismologist standing outside in Kashiwa knew what was coming. One of them pulled out a cell phone and started streaming videos from the Japanese broadcasting station NHK, shot by helicopters that had flown out to sea soon after the shaking started. Thirty minutes after Goldfinger first stepped outside, he watched the tsunami roll in, in real time, on a two-inch screen.

In the end, the magnitude-9.0 Tohoku earthquake and subsequent tsunami killed more than eighteen thousand people, devastated northeast Japan, triggered the meltdown at the Fukushima power plant, and cost an estimated two hundred and twenty billion dollars. The shaking earlier in the week turned out to be the foreshocks of the largest earthquake in the nation's recorded history. But for Chris Goldfinger, a paleoseismologist at Oregon State University and one of the world's leading experts on a little-known fault line, the main quake was itself a kind of foreshock: a preview of another earthquake still to come.

Most people in the United States know just one fault line by name: the San Andreas, which runs nearly the length of California and is perpetually rumored to be on the verge of unleashing "the big one." That rumor is misleading, no matter what

the San Andreas ever does. Every fault line has an upper limit to its potency, determined by its length and width, and by how far it can slip. For the San Andreas, one of the most extensively studied and best understood fault lines in the world, that upper limit is roughly an 8.2—a powerful earthquake, but, because the Richter scale is logarithmic, only six per cent as strong as the 2011 event in Japan.

"Perhaps I've said too much."



Just north of the San Andreas, however, lies another fault line. Known as the Cascadia subduction zone, it runs for seven hundred miles off the coast of the Pacific Northwest, beginning near Cape Mendocino, California, continuing along Oregon and Washington, and terminating around Vancouver Island, Canada. The "Cascadia" part of its name comes from the Cascade Range, a chain of volcanic mountains that follow the same course a hundred or so miles inland. The "subduction zone" part refers to a region of the planet where one tectonic plate is sliding underneath (subducting) another. Tectonic plates are those slabs of mantle and crust that, in their epochs-long drift, rearrange the earth's continents and oceans. Most of the time, their movement is slow, harmless, and all but undetectable. Occasionally, at the borders where they meet, it is not.

Take your hands and hold them palms down, middle fingertips touching. Your right hand represents the North American tectonic plate, which bears on its back, among other things, our entire continent, from One World Trade Center to the Space Needle, in Seattle. Your left hand represents an oceanic plate called Juan de Fuca, ninety thousand square miles in size. The place where they meet is the Cascadia subduction zone. Now slide your left hand under your right one. That is what the Juan de Fuca plate is doing: slipping steadily beneath North America. When you try it, your right hand will slide up your left arm, as if you were pushing up your sleeve. That is what North America is not doing. It is stuck, wedged tight against the surface of the other plate.

Without moving your hands, curl your right knuckles up, so that they point toward the ceiling. Under pressure from Juan de Fuca, the stuck edge of North America is bulging upward and compressing eastward, at the rate of, respectively, three to four millimetres and thirty to forty millimetres a year. It can do so for quite some time, because, as continent stuff goes, it is young, made of rock that is still relatively elastic. (Rocks, like us, get stiffer as they age.) But it cannot do so indefinitely. There is a backstop—the craton, that ancient unbudgeable mass at the center of the continent—and, sooner or later, North America will rebound like a spring. If, on that occasion, only the southern part of the Cascadia subduction zone gives way—your first two fingers, say—the magnitude of

the resulting quake will be somewhere between 8.0 and 8.6. *That's* the big one. If the entire zone gives way at once, an event that seismologists call a full-margin rupture, the magnitude will be somewhere between 8.7 and 9.2. That's the very big one.

Flick your right fingers outward, forcefully, so that your hand flattens back down again. When the next very big earthquake hits, the northwest edge of the continent, from California to Canada and the continental shelf to the Cascades, will drop by as much as six feet and rebound thirty to a hundred feet to the west—losing, within minutes, all the elevation and compression it has gained over centuries. Some of that shift will take place beneath the ocean, displacing a colossal quantity of seawater. (Watch what your fingertips do when you flatten your hand.) The water will surge upward into a huge hill, then promptly collapse. One side will rush west, toward Japan. The other side will rush east, in a seven-hundred-mile liquid wall that will reach the Northwest coast, on average, fifteen minutes after the earthquake begins. By the time the shaking has ceased and the tsunami has receded, the region will be unrecognizable. Kenneth Murphy, who directs FEMA's Region X, the division responsible for Oregon, Washington, Idaho, and Alaska, says, "Our operating assumption is that everything west of Interstate 5 will be toast."

In the Pacific Northwest, the area of impact will cover* (#editorsnote) some hundred and forty thousand square miles, including Seattle, Tacoma, Portland, Eugene, Salem (the capital city of Oregon), Olympia (the capital of Washington), and some seven million people. When the next full-margin rupture happens, that region will suffer the worst natural disaster in the history of North America. Roughly three thousand people died in San Francisco's 1906 earthquake. Almost two thousand died in Hurricane Katrina. Almost three hundred died in Hurricane Sandy. FEMA projects that nearly thirteen thousand people will die in the Cascadia earthquake and tsunami. Another twenty-seven thousand will be injured, and the agency expects that it will need to provide shelter for a million displaced people, and food and water for another two and a half million. "This is one time that I'm hoping all the science is wrong, and it won't happen for another thousand years," Murphy says.

In fact, the science is robust, and one of the chief scientists behind it is Chris Goldfinger. Thanks to work done by him and his colleagues, we now know that the odds of the big Cascadia earthquake happening in the next fifty years are roughly one in three. The odds of the very big one are roughly one in ten. Even those numbers do not fully reflect the danger—or, more to the point, how unprepared the Pacific Northwest is to face it. The truly worrisome figures in this story are these: Thirty years ago, no one knew that the Cascadia subduction zone had ever produced a major earthquake. Forty-five years ago, no one even knew it existed.

"I'll do what everybody does—sell this startup just before we have to hire a female employee."



In May of 1804, Meriwether Lewis and William Clark, together with their Corps of Discovery, set off from St. Louis on America's first official cross-country expedition. Eighteen months later, they reached the Pacific Ocean and made camp near the present-day town of Astoria, Oregon. The United States was, at the time, twenty-nine years old. Canada was not yet a country. The continent's far expanses were so unknown to its white explorers that Thomas Jefferson, who commissioned the journey, thought that the men would come across woolly mammoths. Native Americans had lived in the Northwest for millennia, but they had no written language, and the many things to which the arriving Europeans subjected them did not include seismological inquiries. The newcomers took the land they encountered at face value, and at face value it was a find: vast, cheap, temperate, fertile, and, to all appearances, remarkably benign.

A century and a half elapsed before anyone had any inkling that the Pacific Northwest was not a quiet place but a place in a long period of quiet. It took another fifty years to uncover and interpret the region's seismic history. Geology, as even geologists will tell you, is not normally the sexiest of disciplines; it hunkers down with earthly stuff while the glory accrues to the human and the cosmic—to genetics, neuroscience, physics. But, sooner or later, every field has its field day, and the discovery of the Cascadia subduction zone stands as one of the greatest scientific detective stories of our time.

The first clue came from geography. Almost all of the world's most powerful earthquakes occur in the Ring of Fire, the volcanically and seismically volatile swath of the Pacific that runs from New Zealand up through Indonesia and Japan, across the ocean to Alaska, and down the west coast of the Americas to Chile. Japan, 2011, magnitude 9.0; Indonesia, 2004, magnitude 9.1; Alaska, 1964, magnitude 9.2; Chile, 1960, magnitude 9.5—not until the late nineteen-sixties, with the rise of the theory of plate tectonics, could geologists explain this pattern. The Ring of Fire, it turns out, is really a ring of subduction zones. Nearly all the earthquakes in the region are caused by continental plates getting stuck on oceanic plates—as North America is stuck on Juan de Fuca—and then getting abruptly unstuck. And nearly all the volcanoes are caused by the oceanic plates sliding deep beneath the continental ones, eventually reaching temperatures and pressures so extreme that they melt the rock above them.

The Pacific Northwest sits squarely within the Ring of Fire. Off its coast, an oceanic plate is slipping beneath a continental one. Inland, the Cascade volcanoes mark the line where, far below, the Juan de Fuca plate is heating up and melting everything above it. In other words, the Cascadia subduction zone has, as Goldfinger put it, "all the right anatomical parts." Yet not once in recorded history has it caused a major earthquake—or, for that matter, any quake to speak of. By contrast, other subduction zones produce major earthquakes occasionally and minor ones all the time: magnitude 5.0, magnitude 4.0,

magnitude why are the neighbors moving their sofa at midnight. You can scarcely spend a week in Japan without feeling this sort of earthquake. You can spend a lifetime in many parts of the Northwest—several, in fact, if you had them to spend—and not feel so much as a quiver. The question facing geologists in the nineteen-seventies was whether the Cascadia subduction zone had ever broken its eerie silence.

In the late nineteen-eighties, Brian Atwater, a geologist with the United States Geological Survey, and a graduate student named David Yamaguchi found the answer, and another major clue in the Cascadia puzzle. Their discovery is best illustrated in a place called the ghost forest, a grove of western red cedars on the banks of the Copalis River, near the Washington coast. When I paddled out to it last summer, with Atwater and Yamaguchi, it was easy to see how it got its name. The cedars are spread out across a low salt marsh on a wide northern bend in the river, long dead but still standing. Leafless, branchless, barkless, they are reduced to their trunks and worn to a smooth silver-gray, as if they had always carried their own tombstones inside them.

What killed the trees in the ghost forest was saltwater. It had long been assumed that they died slowly, as the sea level around them gradually rose and submerged their roots. But, by 1987, Atwater, who had found in soil layers evidence of sudden land subsidence along the Washington coast, suspected that that was backward—that the trees had died quickly when the ground beneath them plummeted. To find out, he teamed up with Yamaguchi, a specialist in dendrochronology, the study of growth-ring patterns in trees. Yamaguchi took samples of the cedars and found that they had died simultaneously: in tree after tree, the final rings dated to the summer of 1699. Since trees do not grow in the winter, he and Atwater concluded that sometime between August of 1699 and May of 1700 an earthquake had caused the land to drop and killed the cedars. That time frame predated by more than a hundred years the written history of the Pacific Northwest—and so, by rights, the detective story should have ended there.



But it did not. If you travel five thousand miles due west from the ghost forest, you reach the northeast coast of Japan. As the events of 2011 made clear, that coast is vulnerable to tsunamis, and the Japanese have kept track of them since at least 599 A.D. In that fourteen-hundred-year history, one incident has long stood out for its strangeness. On the eighth day of the twelfth month of the twelfth year of the Genroku era, a six-hundred-mile-long wave struck the coast, levelling homes, breaching a castle moat, and causing an accident at sea. The

Japanese understood that tsunamis were the result of earthquakes, yet no one felt the ground shake before the Genroku event. The wave had no discernible origin. When scientists began studying it, they called it an orphan tsunami.

Finally, in a 1996 article in *Nature*, a seismologist named Kenji Satake and three colleagues, drawing on the work of Atwater and Yamaguchi, matched that orphan to its parent—and thereby filled in the blanks in the Cascadia story with uncanny specificity. At approximately nine o'clock at night on January 26, 1700, a magnitude-9.0 earthquake struck the Pacific Northwest, causing sudden land subsidence, drowning coastal forests, and, out in the ocean, lifting up a wave half the length of a continent. It took roughly fifteen minutes for the Eastern half of that wave to strike the Northwest coast. It took ten hours for the other half to cross the ocean. It reached Japan on January 27, 1700: by the local calendar, the eighth day of the twelfth month of the twelfth year of Genroku.

Once scientists had reconstructed the 1700 earthquake, certain previously overlooked accounts also came to seem like clues. In 1964, Chief Louis Nookmis, of the Huu-ay-aht First Nation, in British Columbia, told a story, passed down through seven generations, about the eradication of Vancouver Island's Pachena Bay people. "I think it was at nighttime that the land shook," Nookmis recalled. According to another tribal history, "They sank at once, were all drowned; not one survived." A hundred years earlier, Billy Balch, a leader of the Makah tribe, recounted a similar story. Before his own time, he said, all the water had receded from Washington State's Neah Bay, then suddenly poured back in, inundating the entire region. Those who survived later found canoes hanging from the trees. In a 2005 study, Ruth Ludwin, then a seismologist at the University of Washington, together with nine colleagues, collected and analyzed Native American reports of earthquakes and saltwater floods. Some of those reports contained enough information to estimate a date range for the events they described. On average, the midpoint of that range was 1701.

It does not speak well of European-Americans that such stories counted as evidence for a proposition only after that proposition had been proved. Still, the reconstruction of the Cascadia earthquake of 1700 is one of those rare natural puzzles whose pieces fit together as tectonic plates do not: perfectly. It is wonderful science. It was wonderful *for* science. And it was terrible news for the millions of inhabitants of the Pacific Northwest. As Goldfinger put it, "In the late eighties and early nineties, the paradigm shifted to 'uh-oh.'"

Goldfinger told me this in his lab at Oregon State, a low prefab building that a passing English major might reasonably mistake for the maintenance department. Inside the lab is a walk-in freezer. Inside the freezer are floor-to-ceiling racks filled with cryptically labelled tubes, four inches in diameter and five feet long. Each tube contains a core sample of the seafloor. Each sample contains the history, written in seafloorese, of the past ten thousand years. During subduction-zone earthquakes, torrents of land rush off

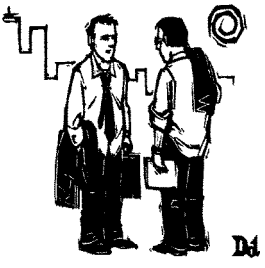
the continental slope, leaving a permanent deposit on the bottom of the ocean. By counting the number and the size of deposits in each sample, then comparing their extent and consistency along the length of the Cascadia subduction zone, Goldfinger and his colleagues were able to determine how much of the zone has ruptured, how often, and how drastically.

Thanks to that work, we now know that the Pacific Northwest has experienced forty-one subduction-zone earthquakes in the past ten thousand years. If you divide ten thousand by forty-one, you get two hundred and forty-three, which is Cascadia's recurrence interval: the average amount of time that elapses between earthquakes. That timespan is dangerous both because it is too long—long enough for us to unwittingly build an entire civilization on top of our continent's worst fault line—and because it is not long enough. Counting from the earthquake of 1700, we are now three hundred and fifteen years into a two-hundred-and-forty-three-year cycle.

It is possible to quibble with that number. Recurrence intervals are averages, and averages are tricky: ten is the average of nine and eleven, but also of eighteen and two. It is not possible, however, to dispute the scale of the problem. The devastation in Japan in 2011 was the result of a discrepancy between what the best science predicted and what the region was prepared to withstand. The same will hold true in the Pacific Northwest—but here the discrepancy is enormous. "The science part is fun," Goldfinger says. "And I love doing it. But the gap between what we know and what we should do about it is getting bigger and bigger, and the action really needs to turn to responding. Otherwise, we're going to be hammered. I've been through one of these massive earthquakes in the most seismically prepared nation on earth. If that was Portland"—Goldfinger finished the sentence with a shake of his head before he finished it with words. "Let's just say I would rather not be here."

"This heat is killing me. Let's get a drink in Little Antarctica."

JULY 20, 2009



The first sign that the Cascadia earthquake has begun will be a compressional wave, radiating outward from the fault line. Compressional waves are fast-moving, high-frequency waves, audible to dogs and certain other animals but experienced by humans only as a sudden jolt. They are not very harmful, but they are potentially very useful, since they travel fast enough to be detected by sensors thirty to ninety seconds ahead of other seismic waves. That is enough time for earthquake early-warning systems, such as those in use throughout Japan, to automatically perform a variety of lifesaving functions: shutting down railways and power

plants, opening elevators and firehouse doors, alerting hospitals to halt surgeries, and triggering alarms so that the general public can take cover. The Pacific Northwest has no early-warning system. When the Cascadia earthquake begins, there will be, instead, a cacophony of barking dogs and a long, suspended, what-was-that moment before the surface waves arrive. Surface waves are slower, lower-frequency waves that move the ground both up and down and side to side: the shaking, starting in earnest.

Soon after that shaking begins, the electrical grid will fail, likely everywhere west of the Cascades and possibly well beyond. If it happens at night, the ensuing catastrophe will unfold in darkness. In theory, those who are at home when it hits should be safest; it is easy and relatively inexpensive to seismically safeguard a private dwelling. But, lulled into nonchalance by their seemingly benign environment, most people in the Pacific Northwest have not done so. That nonchalance will shatter instantly. So will everything made of glass. Anything indoors and unsecured will lurch across the floor or come crashing down: bookshelves, lamps, computers, cannisters of flour in the pantry. Refrigerators will walk out of kitchens, unplugging themselves and toppling over. Water heaters will fall and smash interior gas lines. Houses that are not bolted to their foundations will slide off—or, rather, they will stay put, obeying inertia, while the foundations, together with the rest of the Northwest, jolt westward. Unmoored on the undulating ground, the homes will begin to collapse.

Across the region, other, larger structures will also start to fail. Until 1974, the state of Oregon had no seismic code, and few places in the Pacific Northwest had one appropriate to a magnitude-9.0 earthquake until 1994. The vast majority of buildings in the region were constructed before then. Ian Madin, who directs the Oregon Department of Geology and Mineral Industries (DOGAMI), estimates that seventy-five per cent of all structures in the state are not designed to withstand a major Cascadia quake. FEMA calculates that, across the region, something on the order of a million buildings—more than three thousand of them schools—will collapse or be compromised in the earthquake. So will half of all highway bridges, fifteen of the seventeen bridges spanning Portland's two rivers, and two-thirds of railways and airports; also, one-third of all fire stations, half of all police stations, and two-thirds of all hospitals.

Certain disasters stem from many small problems conspiring to cause one very large problem. For want of a nail, the war was lost; for fifteen independently insignificant errors, the jetliner was lost. Subduction-zone earthquakes operate on the opposite principle: one enormous problem causes many other enormous problems. The shaking from the Cascadia quake will set off landslides throughout the region—up to thirty thousand of them in Seattle alone, the city's emergency-management office estimates. It will also induce a process called liquefaction, whereby seemingly solid ground starts behaving like a liquid, to the detriment of anything on top of it. Fifteen per cent of Seattle is built on liquefiable land, including seventeen day-care centers and the homes of some thirty-four thousand five hundred people. So is Oregon's critical energy-

infrastructure hub, a six-mile stretch of Portland through which flows ninety per cent of the state's liquid fuel and which houses everything from electrical substations to natural-gas terminals. Together, the sloshing, sliding, and shaking will trigger fires, flooding, pipe failures, dam breaches, and hazardous-material spills. Any one of these second-order disasters could swamp the original earthquake in terms of cost, damage, or casualties—and one of them definitely will. Four to six minutes after the dogs start barking, the shaking will subside. For another few minutes, the region, upended, will continue to fall apart on its own. Then the wave will arrive, and the real destruction will begin.

Among natural disasters, tsunamis may be the closest to being completely unsurvivable. The only likely way to outlive one is not to be there when it happens: to steer clear of the vulnerable area in the first place, or get yourself to high ground as fast as possible. For the seventy-one thousand people who live in Cascadia's inundation zone, that will mean evacuating in the narrow window after one disaster ends and before another begins. They will be notified to do so only by the earthquake itself—"a vibrate-alert system," Kevin Cupples, the city planner for the town of Seaside, Oregon, jokes—and they are urged to leave on foot, since the earthquake will render roads impassable. Depending on location, they will have between ten and thirty minutes to get out. That time line does not allow for finding a flashlight, tending to an earthquake injury, hesitating amid the ruins of a home, searching for loved ones, or being a Good Samaritan. "When that tsunami is coming, you run," Jay Wilson, the chair of the Oregon Seismic Safety Policy Advisory Commission (OSSPAC), says. "You protect yourself, you don't turn around, you don't go back to save anybody. You run for your life."

The time to save people from a tsunami is before it happens, but the region has not yet taken serious steps toward doing so. Hotels and businesses are not required to post evacuation routes or to provide employees with evacuation training. In Oregon, it has been illegal since 1995 to build hospitals, schools, firehouses, and police stations in the inundation zone, but those which are already in it can stay, and any other new construction is permissible: energy facilities, hotels, retirement homes. In those cases, builders are required only to consult with DOGAMI about evacuation plans. "So you come in and sit down," Ian Madin says. "And I say, 'That's a stupid idea.' And you say, 'Thanks. Now we've consulted.'"

These lax safety policies guarantee that many people inside the inundation zone will not get out. Twenty-two per cent of Oregon's coastal population is sixty-five or older. Twenty-nine per cent of the state's population is disabled, and that figure rises in many coastal counties. "We can't save them," Kevin Cupples says. "I'm not going to sugarcoat it and say, 'Oh, yeah, we'll go around and check on the elderly.' No. We won't." Nor will anyone save the tourists. Washington State Park properties within the inundation zone see an average of seventeen thousand and twenty-nine guests a day. Madin estimates that

up to a hundred and fifty thousand people visit Oregon's beaches on summer weekends. "Most of them won't have a clue as to how to evacuate," he says. "And the beaches are the hardest place to evacuate from."

Those who cannot get out of the inundation zone under their own power will quickly be overtaken by a greater one. A grown man is knocked over by ankle-deep water moving at 6.7 miles an hour. The tsunami will be moving more than twice that fast when it arrives. Its height will vary with the contours of the coast, from twenty feet to more than a hundred feet. It will not look like a Hokusai-style wave, rising up from the surface of the sea and breaking from above. It will look like the whole ocean, elevated, overtaking land. Nor will it be made only of water—not once it reaches the shore. It will be a five-story deluge of pickup trucks and doorframes and cinder blocks and fishing boats and utility poles and everything else that once constituted the coastal towns of the Pacific Northwest.

To see the full scale of the devastation when that tsunami recedes, you would need to be in the international space station. The inundation zone will be scoured of structures from California to Canada. The earthquake will have wrought its worst havoc west of the Cascades but caused damage as far away as Sacramento, California—as distant from the worst-hit areas as Fort Wayne, Indiana, is from New York. FEMA expects to coördinate search-and-rescue operations across a hundred thousand square miles and in the waters off four hundred and fifty-three miles of coastline. As for casualties: the figures I cited earlier—twenty-seven thousand injured, almost thirteen thousand dead—are based on the agency's official planning scenario, which has the earthquake striking at 9:41 A.M. on February 6th. If, instead, it strikes in the summer, when the beaches are full, those numbers could be off by a horrifying margin.

Wineglasses, antique vases, Humpty Dumpty, hip bones, hearts: what breaks quickly generally mends slowly, if at all. OSSPAC estimates that in the I-5 corridor it will take between one and three months after the earthquake to restore electricity, a month to a year to restore drinking water and sewer service, six months to a year to restore major highways, and eighteen months to restore health-care facilities. On the coast, those numbers go up. Whoever chooses or has no choice but to stay there will spend three to six months without electricity, one to three years without drinking water and sewage systems, and three or more years without hospitals. Those estimates do not apply to the tsunami-inundation zone, which will remain all but uninhabitable for years.

How much all this will cost is anyone's guess; FEMA puts every number on its relief-and-recovery plan except a price. But whatever the ultimate figure—and even though U.S. taxpayers will cover seventy-five to a hundred per cent of the damage, as happens in declared disasters—the economy of the Pacific Northwest will collapse. Crippled by a lack of basic services, businesses will fail or move away. Many residents will flee as well.

OSSPAC predicts a mass-displacement event and a long-term population downturn. Chris Goldfinger didn't want to be there when it happened. But, by many metrics, it will be as bad or worse to be there afterward.

On the face of it, earthquakes seem to present us with problems of space: the way we live along fault lines, in brick buildings, in homes made valuable by their proximity to the sea. But, covertly, they also present us with problems of time. The earth is 4.5 billion years old, but we are a young species, relatively speaking, with an average individual allotment of three score years and ten. The brevity of our lives breeds a kind of temporal parochialism—an ignorance of or an indifference to those planetary gears which turn more slowly than our own.

This problem is bidirectional. The Cascadia subduction zone remained hidden from us for so long because we could not see deep enough into the past. It poses a danger to us today because we have not thought deeply enough about the future. That is no longer a problem of information; we now understand very well what the Cascadia fault line will someday do. Nor is it a problem of imagination. If you are so inclined, you can watch an earthquake destroy much of the West Coast this summer in Brad Peyton's "San Andreas," while, in neighboring theatres, the world threatens to succumb to Armageddon by other means: viruses, robots, resource scarcity, zombies, aliens, plague. As those movies attest, we excel at imagining future scenarios, including awful ones. But such apocalyptic visions are a form of escapism, not a moral summons, and still less a plan of action. Where we stumble is in conjuring up grim futures in a way that helps to avert them.

That problem is not specific to earthquakes, of course. The Cascadia situation, a calamity in its own right, is also a parable for this age of ecological reckoning, and the questions it raises are ones that we all now face. How should a society respond to a looming crisis of uncertain timing but of catastrophic proportions? How can it begin to right itself when its entire infrastructure and culture developed in a way that leaves it profoundly vulnerable to natural disaster?

The last person I met with in the Pacific Northwest was Doug Dougherty, the superintendent of schools for Seaside, which lies almost entirely within the tsunami-inundation zone. Of the four schools that Dougherty oversees, with a total student population of sixteen hundred, one is relatively safe. The others sit five to fifteen feet above sea level. When the tsunami comes, they will be as much as forty-five feet below it.

In 2009, Dougherty told me, he found some land for sale outside the inundation zone, and proposed building a new K-12 campus there. Four years later, to foot the hundred-and-twenty-eight-million-dollar bill, the district put up a bond measure. The tax increase for residents amounted to two dollars and sixteen cents per thousand dollars of property value. The measure failed by sixty-two per cent. Dougherty tried seeking help from

Oregon's congressional delegation but came up empty. The state makes money available for seismic upgrades, but buildings within the inundation zone cannot apply. At present, all Dougherty can do is make sure that his students know how to evacuate.

Some of them, however, will not be able to do so. At an elementary school in the community of Gearhart, the children will be trapped. "They can't make it out from that school," Dougherty said. "They have no place to go." On one side lies the ocean; on the other, a wide, roadless bog. When the tsunami comes, the only place to go in Gearhart is a small ridge just behind the school. At its tallest, it is forty-five feet high—lower than the expected wave in a full-margin earthquake. For now, the route to the ridge is marked by signs that say "Temporary Tsunami Assembly Area." I asked Dougherty about the state's long-range plan. "There is no long-range plan," he said.

Dougherty's office is deep inside the inundation zone, a few blocks from the beach. All day long, just out of sight, the ocean rises up and collapses, spilling foamy overlapping ovals onto the shore. Eighty miles farther out, ten thousand feet below the surface of the sea, the hand of a geological clock is somewhere in its slow sweep. All across the region, seismologists are looking at their watches, wondering how long we have, and what we will do, before geological time catches up to our own. ♦

* (#correctionasterisk)An earlier version of this article misstated the location of the area of impact.

Watch: A radioactive site in Queens that may become New York City's next Superfund site.

Mr. KILMER. And you can see from the map the district I represent is really ground zero.

I guess I will give you the good news. The good news is that there are really smart people that are working on an earthquake early warning system to give people time to take cover, to shut down rail systems and power plants, to alert hospitals so if someone is in the middle of surgery, they can put down the scalpel and secure their patient, to open fire house doors so first responders can actually get deployed.

We have been making real progress on this. In fact, this April we were able to connect sensors in Washington, Oregon, and California to create a unified West Coast network because earthquakes do not know State boundaries. So I honestly do not know how to explain to my constituents why the President's budget zeros this out.

The Seattle Times, after interviewing the folks who are running and working to deploy that system, ran an article with the headline "Trump Budget Would Likely Kill West Coast Earthquake Early Warning System." The experts on this say that if the Federal government commitment goes away, this gets shut down.

So, I am hoping you can help me understand the rationale for suspending this program, not to mention other hazard monitoring programs, like the Advanced Lahar Warning System on Mount Rainier, when there are literally millions of lives at stake.

Secretary ZINKE. I also attended the University of Oregon. Again, this budget is what it would look like to have a balanced budget. Obviously, you have the last say on it. Overall, it makes some very tough choices. It funds the core and, USGS does a lot of volcanology, and they do sensitive programs on the high side, too. It funds the core monitoring, but the expansion of that program is not in this budget. If you look at it, it funds about $54.9 million in this budget, and that is down about $9 million. Not all of the Earthquake Program is cut but the early warning program is, looking at it, I think it is bare bones on it.

I will be glad to work with you on it. I understand it is important. My alma mater, the President came, and certainly that system goes all the way down the west coast. Your Chairman has talked to me about it as well, expressed his support for that system. Glad to work with you on it.

EMPLOYMENT

Mr. KILMER. Thank you, and I thank the chairman for that, too. If I can switch gears, I would like to talk to you about how this proposal would impact jobs in my district and other rural communities across our country.

I think everyone at this table knows that national parks are not just about recreation and enjoyment. They also create a lot of jobs. I am conscious of that. My grandfather was a road paver and helped pave the road up Hurricane Ridge in the Olympic National Park.

Last year we saw a record number of visitors, 3.3 million, who infused $280 million into the local economies around Olympic National Park, and it is just a huge economic driver. You have talked with us before about some of the challenges in terms of maintain-

ing existing facilities to support that growth in visitation, and to make sure the visitors have a good experience. I think in responding to Ms. Kaptur you talked about the maintenance backlog of $11 and a half billion. Well, over half a billion dollars of that backlog is for repairs needed in my home State.

There are more than 60 miles of road in Olympic National Park, and some places have become completely inaccessible due to maintenance issues. Drivers who head down Olympic Hot Springs Road have to navigate a single lane, temporary bridge because of frequent washouts. A lot of the visitor centers have aging water and wastewater systems, and they simply cannot accommodate the number of visitors. I know these are concerns that you share.

I recently introduced a bill with Will Hurd from Texas to address that maintenance backlog. I think previous Administrations, both Republican and Democrat, have supported creating a dedicated funding stream to address the maintenance backlog. I would love to get your view on this Administration's stance on Congress providing a dedicated funding stream to address that maintenance backlog?

DEFERRED MAINTENANCE BACKLOG

Secretary ZINKE. Well, I agree on the backlog. I have done a couple of things. One is I tasked, internally, a review on the best revenue options, the most flexible, or the ones at the gate on that. But when about half the parks do not charge at all, it is very inconsistent what we do charge. A lot of our passes are more or less are free. Whether or not we are going to take the same or propose the same model as Canada does, U.S. citizens, non-U.S. citizens.

Does it affect the value, but also does it affect people, families that do not have a lot of disposable income, because we do not want to make the parks exclusive. We are conscious of that. We are looking at that.

When you drop $15 and a half billion in revenue, life is a lot happier when we have money. We are looking at our revenue stream, and we are looking at direct revenue to address our infrastructure. Offshore revenue, for instance, funds LWCF. But the mechanism of the LWCF is it goes into Treasury, and the fund builds up to, currently around $20 billion. Would it not be nice if you could direct some of that into infrastructure, and onshore, we basically do not touch.

Mr. KILMER. That is the plan.

Secretary ZINKE. Onshore we do not touch. It is not just oil and gas. I am all-of-the-above. I do not favor oil and gas over coal, over wind, over nuclear. I am just all-of-the-above because I think being energy independent and, in some cases, energy dominant is in our best interest of the country. We all want clean, affordable, reliable, abundant energy.

But that is part of our royalty review, too, is that are we getting a fair value on our royalties? We will make a recommendation to you on how to fund our infrastructure. I do not think there is anyone on this committee and anyone on my leadership team that does not recognize that our infrastructure affects jobs. Our lack of roads when we shut down a road that natively impacts the experience in our parks.

I care about the experience of a park. You drive in, the rangers going have the right uniform, the bathrooms are clean, the facilities are great, the trails are marked. I want to protect the experience of the park so the next generation holds it in as a high esteem as we do. And the experience in the parks also is not just the parks anymore. When we have 330 million visitors through our parks, it is time to look at public property around the parks and make sure those trail systems connect, the wildlife corridors connect, the watersheds make sense.

The camp grounds are not just in the park anymore, and the camp grounds, quite frankly, were developed in the Eisenhower years when most people camped in a tent with a station wagon. The RV business is booming, and people have larger cars, and so our campgrounds have to be reconfigured to what people really use, and not all of it is going to be in the parks. There are some parks already looking at that. Yosemite as an example—I have never been there—I was shocked how small Yosemite actually is, the valley. The experience at Yosemite for many people anymore is an I–5 traffic jam.

Now, it is time to look at how to move people through. That is probably partnering with somebody who can really think of transporters and that kind of thing. That is an opportunity to make additional income and have someone else run that transportation system, but I am open. I am going to ask to work with you because we both care about it enough. But we have to address and have a mechanism to do it.

We are not going to make it at $500 million a year on infrastructure. We are not going to make it on $750 million when we are $11.3 billion behind. There is going to need to be a national push to address the infrastructure, and then put a stream in place so we do not constantly run behind. And, again, I leave it at this. This is not a partisan issue. This is a bipartisan issue. I think the American public demands rightfully that we take care of our parks.

Mr. KILMER. Thank you. Thanks, Chairman.

Mr. CALVERT. Thank you. Mr. Amodei.

Mr. AMODEI. Thank you, Mr. Chairman. Mr. Secretary, it is good to see you. I want to publicly thank the ranking member for coming out to sage hen country a couple of months ago to see firsthand what was going on at the horse sorting facility north of Reno, and then out into the central area of the State, hunting visually for chickens.

The reason that Mr. Stewart, the record should reflect, has horses and I have sage is because I got first pick. [Laughter.]

SAGE GROUSE

And so, let us just start with that briefly. And I want to thank you for your effort to get together beforehand, but I know schedules are what they are. What I would like to do is just kind of hit on some areas that we can then schedule before we go through this committee's work to visit with you or your folks that are appropriate for those subject areas. And the first one kind of gets to your deal yesterday.

Obviously, I am concerned about, it sounds like a great idea. We are going to be interested in what the timelines are for that, or

generally, or whatever, or if there are none. We are certainly concerned about the focal area establishments since you have mentioned the courts earlier, and a judge in Nevada who is not exactly known as being in the tank for any side of the issue, and has referred the focal area finding back because there was not any in the process. And so, kind of want to talk to your folks about, listen, if we need to protect certain areas more than others, that is fine, but let us talk about what criteria go into that instead of just having that come out between draft and final EIS.

The same issue with the mineral entry stuff that is going on. There is on the books in your existing regulations a fairly specific process that provides due process for that. And so, the main concern will be if you are going to follow that, great. But if it is going to be a hurry up thing, then we have obviously got concerns about that.

The final thing, Mr. Secretary, on that is during the previous Administration, some of us had challenged your predecessor to, hey, with all this sage hen stuff going on and tasking private owners in States to do their parts in the stuff, you folks had not even asked for money. Not, hey, we asked and those jerks in Congress did not give it to us. And to her credit she asked for it, and this committee initiated giving $65 million, and it is, like, okay. And the discussion on that, I may need some tune up on history.

But, so we followed up on that and said, okay, so how did you do that? What States did, we then go to this State and that State and see how you did it, and we got back a document that I am going to leave with your folks that says of the $65 million, $35.8 stayed in D.C.

Mr. AMODEI. Now, there may be a real good reason for that, and I would love to hear it. But when we are talking about, at least at that point in time, it was habitat loss and fragmentation. All the court orders, all the Fish and Wildlife stuff, habitat, not numbers, to get a document, I think this is from BLM, but we will certainly give it to you. So, to say that $35 million of it stayed in D.C. is, I will just pick the word "surprising" and leave it at that.

So, those are kind of the three areas on the sage hen update. And, by the way, you are willing to come to us. I would love to come there if it is either after lunch or before lunch because the cafeteria, as you can tell from my figure, at the basement of the Department of Interior building is a great one. So, I would be happy to do that.

Secretary ZINKE. For the record, I think you look great. [Laughter.]

Mr. AMODEI. I am glad you finally said it publicly instead of—— [Laughter.]

Mr. JOYCE. Mr. Chairman, I would like to move. [Laughter.]

Mr. AMODEI. What you do not know is that Mr. Simpson is looking for somebody to sit on his other side. [Laughter.]

REALTY STAFFING

Mr. AMODEI. Do not tell Mr. Cole. The second thing is kind of an operational thing in terms of my district has an urban in western Nevada, Reno Sparks, Truckee Meadows, that sort of stuff. And so, in the district office there, you have got a fairly active real es-

tate portfolio in terms of government's right of way, stuff like that. And, quite frankly, and this maybe gets back to the budget discussion; we have got incidents where we have got a 20-year airport lease that they are being told because there is one person in an office that is slated for four, and no help on the horizon because you cannot just tap somebody and create a realty specialist. You have got to send them to BLM land university or whatever I think is in Phoenix.

But, I mean, we have got folks with right-of-way requests that lie within existing rights-of-way that the Bureau has granted to the Department of Transportation to put utilities in there, and the existing grant says, well, it is only for highway. And they are saying, hey, we cannot look at that for 2 years. And so, you sit there and look at that stuff. And, I mean, I can do some more, but I will not take your time up.

But I would say that it is something where for routine and things that have categorical exclusions that clearly apply, and they are saying we cannot even look at that for 6 months. You are sitting there going, hey, this is a bottleneck. It is not NEPA skirting or anything else like that, but it is something that, quite frankly, we want to talk with you with your folks about. Now, this is a BLM issue, but to say, hey, we have got to staff these things.

I am not a guy who thinks money is the answer to everything, but, quite frankly, when you talk about the budget overall, probably—do not tell anybody I said this—but I am thinking maybe the last resource administration was Teddy Roosevelt. And so, when we talk about cuts in an area, especially as a westerner, and I do not have any maps like the Great Lakes people do or pictures like my colleague from Utah.

But when you talk about the importance of the majority land homeowners not being funded to take care of things, like grazing, or minerals, or real estate stuff, it gets to be a point where I think the Department is being given a rap that is avoidable when we talk about that stuff. So anyhow, that is one of the areas we would like to talk about.

FEDERAL REGISTER PUBLISHING

The other couple real quick are the Federal Register publishing has always been a struggle in terms of when you folks get ready to do an action. You had indicated concerns about the process, and that for NOAs to be published, maybe put that down to the State level or something like that. So, we would be interested in seeing how that is going just because it is something that we have talked about at the Federal level. Sometimes it is pretty good, sometimes it is not, but it is recurring.

LAND TRANSFERS

And the last one that I would like to put on your radar screen, if I could, Mr. Secretary, is the whole idea of land transfer bills, because the discussion started out with this Administration of opposition to wholesale transfer. And it is like, you know what? In my neck of the woods, those people heard that. And so, those ideas of saying, hey, we want to transfer a bunch of stuff to the State just because are done, and they are over with.

But I have a concern, and especially when a budget seeks to sweep the Southern Nevada Public Lands Management Act Fund when we talk about budget challenges, where on the one hand, we are happy to take the money from land transfers, transferring half of it to the U.S. Treasury, which is an awful place to put it, that is otherwise available to the Department to do good work, resource related, up and down your jurisdiction, and then to have, for instance, a county lands bill that is supported by the resource community, the sportsman's community, everything else, and get what I think—maybe I am wrong—was if we come testify, we are going to have to oppose it because of a philosophical issue.

I would only say I look forward to that discussion because, just like you mentioned in climate change where it is like I want this to be based on facts, and I want this to be based on science and empirical stuff, I think land bills ought to be judged on that, too, since the history in Nevada is pretty good in terms of bipartisan support, and creating wilderness areas, and bringing on the sportsman's community, and doing the right thing on a scale that is, quite frankly, pretty tiny compared to the Federal 56 million acres ownership.

The last fact I will leave you with, when we talk about facts, Southern Nevada Public Lands Management Act is going to be 20 next year. Some of us think it is the most successful public lands legislation in the history of the West. And obviously that transferred at public auction, completely transparent from the Bureau of Land Management to private developers, land in and around Las Vegas to allow the Clark County folks to grow and do what they wanted to as they grew. And when we look at that experience and say, oh my god, it is Las Vegas, and it is growth, and it is all this stuff. And it is, like, the total transferred in almost 20 years is 68,000 acres.

So, I would submit to you in the hot real estate market of Las Vegas, in a State that was one of the top two or three in growth in the last 20 years in the Nation percentage wise, if they can absorb 68,000 in 20 years, it is not a threat to the Federal ownership picture in the State of Nevada. And by the way, I do not want anybody to lose sight of the fact that that was for value, which, unless it is stripped, creates funding for your Department to do some pretty good resource work in areas around that State.

And with that, I yield back, Mr. Chairman. I look forward to seeing you, and let me know what color you like. I will make sure and wear the right color outfit when I come. [Laughter.]

Mr. CALVERT. I thank the gentleman.

LAND TRANSFER AND SALE

Secretary ZINKE. Just a couple. On the Southern Nevada Public Land Management program, there is a balance of $542 million in it. What was proposed to take is just a portion. We just did a sale on that program, 17 parcels. I do not know what the income was on it, but we just did a sale. But the thoughts were about the funding balance and the reduction, there is enough money there to continue historically in the last 10 years what has been offered. There are enough balances in there to continue the program. If we are wrong, I would love to work with you on it. I talked to Senator

Heller about it, and we just had a release on, I think was 17 parcels on that.

You know, philosophically, I am just not an advocate for a sale or transfer of public land, but I am an advocate for good stewardship programs. Within the Department of Agriculture there was a bipartisan effort that transferred management as long as all parties agree with what that management would look like. I think that is on the table.

In some places you are stacked up. You have local management, State management, and the Federal management on the same piece of property. Is that really in the best interest of the country on how you manage the property? I think that is always an open dialogue.

PERMIT PROCESS

The permit processes is universally broken considering that Boy Scout troops are not going in the wilderness in some places and the monuments because the monument permit process does not allow more than 11 people to go in. It should be just for such things or groups going in, if you want to film a documentary, why is it so difficult to get a permit for our filming industry to film documentaries on public property? It should be more or less on a website going online, pay a small fee if you are a Boy Scout troop or you are an organized troop, where you are going to go so someone knows you are in there. Where are you going to camp? Have you ever done this before? Do you have a compass, you know? [Laughter.]

RIGHT-OF-WAY

These type of things, we should be able to do online rather than make it so difficult where a lot of people are being restricted, I think, too much to use our public lands just on the simple permits. Then you get on a right-of-way. We did add, by the way, $16 million in it to address some of the right-of-way issues. But you are right, it is just not putting more people behind a desk.

If it is a Cat. Ex, then who should be able to sign off? At the lowest level, the office should be able to sign these things off. But I can tell you the policy has been, and there is a lot of frustration, believe me, out in the field. You would think being a park ranger or superintendent would be the best job ever. Among our employees, we are ranked 11 out of 18 Departments, and the bureaus were ranked about 300 out of 320 or so. These are our employees. Is it because they have just been micromanaged too much? I think we are too short in the field, and we are too heavy in middle management and upper management.

We have got to push more resources to the front line, give them the authority in a lot of cases. And these permits, they should just be signed at the local level, especially if they are Cat. Ex and if it is a right-of-way issue, they just need to be renewed. Why are they coming up to me?

Mr. CALVERT. Mr. Jenkins.

Mr. JENKINS. Thank you, Mr. Chairman. Mr. Secretary, it is great to be with you. As you and I both know, the class of 2014 in Congress is maybe the best class ever.

Secretary ZINKE. With some exceptions. I got kicked out. [Laughter.]

Mr. JENKINS. I am wondering what you did right and I did wrong. Congratulations.

Thank you for your love of country. So many people around this table have acknowledged your incredible service to our country, our safety, and thank you for all you have done. And we are very excited about your new capacity.

CLIMATE CHANGE

I want to thank you, like so many around this table, for the clear articulation of why the Paris Accord was such a bad deal. I think many, many people, just because of the way it was labeled, because of the way it was sold, it has taken on a different life and perception than reality, and we know in many respects perception is reality. Your clarity, this Administration's clarity, of describing those 20 pages, describing what is and, most importantly, what is not in it, and why it is a bad deal is critical. Thank you for the clarity with which you have brought to this decision to withdraw. I think it was the right decision, and I thank you and the Administration for that.

WHITE SULPHUR SPRINGS NATIONAL FISH HATCHERY

Like so many also around this table, we all have incredible assets in our State. I invite you to come to the National Fish Hatchery. 9.2 million rainbow trout eggs are spawned, in White Sulphur Springs. We had a devastating flood, a thousand-year event, last June, and the National Fish Hatchery was devastated. But working with Fish and Wildlife, working with the Federal Highway Administration and other resources, it is back, it is open, and it has a great history to build on that we have already enjoyed since 1902.

There still are some funding needs to fully return to its true capabilities and capacities. And I invite you to visit this treasure. The eggs from this hatchery go to and are shipped to 26 other Federal and State hatcheries around the country. So, again, literally, millions of rainbow trout start in little White Sulphur Springs, West Virginia.

AML PILOT PROGRAM

In addition to the fish hatchery and your continued support, I want to associate myself with the comments from Chairman Rogers relating to the AML pilot project that I had the honor of working with him and Chairman Calvert over these last 2 years. And Chairman Rogers said in no uncertain terms how he feels about the zeroing out of that program. I, again, associate myself with his feelings and sentiments, and will fight tooth and nail to make sure that that program continues. I am also a proud co-sponsor of the RECLAIM Act he talked about.

Virtually everybody around this table has described a project, a program, an initiative in their State. And with all the compliments to you and your leadership style, and this Administration and the new direction that we have from this Agency, one of the issues is

staffing. I want to give you the opportunity to talk about your efforts for a culture change.

My frustration with the OSM has been on this AML pilot program where we had very clear directive from Congress on how that was to be administered. And OSM took it a 180-degree different route and applied AML standards when we were not dealing with AML funding. It just happened to be used as an entity to administratively handle it, but we got shouldered with all AML criteria when it was not AML funds, simply because we ran this through the Office of Surface Mining.

REORGANIZATION

So, my question is, Mr. Secretary, what are you able to do, and what is your process moving forward, to take these incredible leadership skills that you have displayed on the battlefield and now bring to this administrative capacity, to bring about a culture change where we can get at the staff level the kind of support, the actions that you are demonstrating on the administrative leadership level in this Administration?

Secretary ZINKE. Well, I agree with you, and the issue is that one size does not fit all. As a former SEAL commander, I view much of my job at Interior as just one big command of 70,000 folks divided in different services. By and large we have good people, and, without question, we have great assets. So, I am actually an optimist.

What has occurred over time is every cost-cutting measure has regionalized assets up. And a lot of it was for the right idea. The priorities have become too D.C.-centric and not out in the field.

For the restructuring and reorganization, we are looking at taking the super regions and about this 6,500 people we have in D.C., and pushing those assets to smaller units out there. Quite frankly, we think based on watersheds and population, it is hard to do an ecosystem approach because there is a lot of variables to it. There are wildlife corridors. There are watersheds. There are terrain temperature States. But we have done a map, and we were looking at about 13 areas we think of these as you divide the country.

We want to focus more on the efforts in those ecosystems so we can, when money is given by Congress and it is for a purpose for an area, we want it to be executable in that priority area. Carp is an example. Again, if you are in Nevada, you do not really care about the Asian carp, because you do not live with it every day. But in that area in the Great Lakes, you care about carp all the time. The same thing with wild horses and burros. If you are in the area, that is what you really care about.

And somehow, we have got to push to get the priorities out of D.C. and focus on a smaller unit so you address the problems that are there. We are diverse country. We are a large country. We are a great country. But sometimes when it is moved just from D.C., again, the one-size-fits-all sometimes does not fit everybody. We are trying to push more of the authority out in the field and redesign Interior.

I guess, in a Teddy Roosevelt analogy, the last time Interior really was reorganized was about a hundred years ago. When Roosevelt put a park system in place and made some really large changes on

how we view public land in the West. I think it is time to have a look, a visionary look at what Interior should be the next hundred years. Think about what Interior should be a hundred years from now, because our public lands, there is going to be continued stress on our public lands, and it is going to change.

We have 330 million visitors through just our park system. I surmise it will probably increase over a period of time. Recreation is going to be a bigger piece of our public lands experience, and we are going to have to coordinate the classes of public lands better so the water systems connect, the sewer systems connect, the wildlife corridors are connected. Wildlife corridors do not just stay in a park. They go out to State land, and they go out to private land. They go sometimes into different jurisdictions, and we are going to have to figure out on the government side how to make them more joint, and have the State also at the table early on these projects.

That is what the reorganization is doing, and we intend to do it with your help. The power of the Secretary, I can reorganize the troops pretty much, but I am committed to work with you. The funding should not really matter because the Forest Service does not have to walk over. On these JMAs, we just have to have an MOU to work together. But we should have this discussion because it matters to us all to make sure we go ahead and do it right. One can argue the current system is not working as well as it should.

Mr. JENKINS. Thank you.

Mr. CALVERT. Thank you. I appreciate it. I know we have been here for a while. I have a couple of questions that maybe I can ask you that are short, and then we can submit the rest for the record.

GAO HIGH RISK PROGRAM IN INDIAN COUNTRY

One issue I want to bring up is the GAO High Risk Program in Indian Country. It is a real problem. I hope you take a very close look at that report and get back to us, to commit to making these programs one of your top priorities in the Department, because this is something that has to be dealt with.

ENDANGERED SPECIES ACT

The other issue, of course, the Endangered Species Act. We did not get into that too much, but obviously it has not been reauthorized in some time. Obviously, you know the act as well as anybody, and we need to deal with that as far as what is the future of that.

EARTHQUAKE EARLY WARNING SYSTEM

I mentioned payments in lieu of taxes. Obviously, and you mentioned it in your testimony, that is something that is very important in the West especially. And I want to also double down on what Mr. Kilmer commented on, the USGS earthquake early warning system. We have invested a substantial amount of money into that program. California is very concerned about this, and I am, too. I live pretty close to a fault myself, so I certainly care about what we are going to do on that.

Secretary ZINKE. How could you not live to close to one when you are in California?

SCHOOL CONSTRUCTION

Mr. CALVERT. There are faults everywhere. And Mike Simpson, and I share this concern, on school construction and the BIE. I have talked to you privately about this. Some of these schools you cannot fix. There is no amount of maintenance you can put in there to make it work. I mean, these schools are just old and decrepit, and some of these tribes, are very remote and have no resources. And so, I hope we can work together to find revenue for these schools.

You know, as you know in your experience with DOD, we went through a program to rebuild all the schools throughout the Department of Defense. It was very successful. We had a public/private partnership on that program. A little more difficult in Indian Country I know, but if we could put our minds together, hopefully we can find a solution to this problem, because it is not going to go away.

And so, I will submit this record, and we will get that all to you.

[The information follows:]

Questions

Mr. Simpson:

The subcommittee has worked extremely hard to provide adequate resources for IHS, BIA, and school construction at BIE. With that said, this budget is simply not good enough for tribes. I know you are working under challenging circumstances but I want you to know this budget will be harmful to Indian Country.

Question: Does the President have a special advisor on Native American Affairs at the White House?
Answer: Both the Deputy Director of Intergovernmental Affairs and the Executive Director of the White House Council on Native American Affairs have represented the White House in meetings with Tribal leaders under this administration.

Question: What can this subcommittee do to raise this issue with the new Administration?
Answer: President Trump is interested in improving economic situations for all people. The Administration welcomes constructive collaborations with Congress to enhance the quality of life, promote economic and education opportunities, and carry out the responsibility to protect and improve the trust assets of American Indians, Indian Tribes, and Alaska Natives.

This subcommittee worked very hard to increase the school construction budget at BIE. We had to make up for the dramatic decreases from 2004-2011 (see chart).

Question: How can we build these schools and honor our commitment without money in the budget for school construction?

Answer: Available funding allows replacement of the remaining schools on the 2004 school replacement list and design for the ten schools on the 2016 school replacement list. Under the current schedule, several schools on the 2016 list are expected to complete the design process in summer 2018. Based on individual school readiness, funding provided in 2017 for school replacement would be made available for the construction of one school on the 2016 school replacement list.

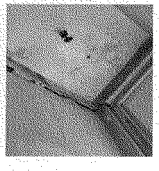
The 2018 funding request focuses on facility improvement and repair at existing schools. The 2018 budget temporarily suspends funding for Replacement School and Replacement Facility construction programs while the program focuses on effective management of the 2016 school replacement list.



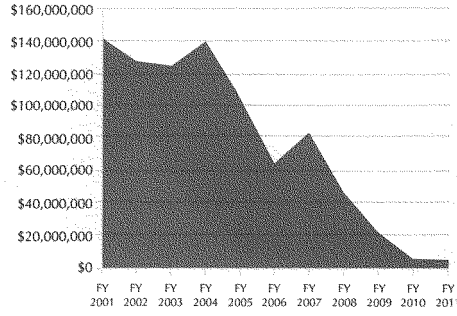
"All thirteen years I've been told that education is very important, but it's hard for me to believe this when I see how my school looks compared to other schools."

– As insightfully revealed by a student at the Bug-O-Nay-Ge-Shig School

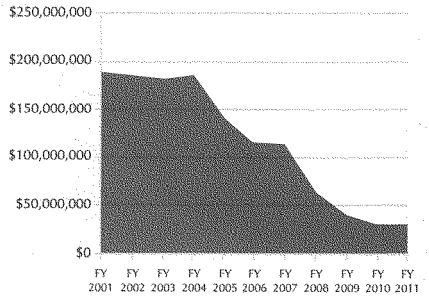




Funding for Replacement Schools*



Total Education Construction Funding FY 2001 to FY 2011*



These charts illustrate the dramatic decrease in funding appropriated for school construction overall and the Replacement School Program in the past decade.
Source: OFMC, 2011.

**Does not include FY09 ARRA Funding of $244,239,342.*

Mr. CALVERT. And with that, Ms. McCollum, I understand you have——

Ms. MCCOLLUM. Well, thank you, Mr. Chair. And let me wish you happy birthday again, and I hope you enjoy your little piece of cake later.

Mr. CALVERT. I will, yeah.

BEARS EARS

Ms. MCCOLLUM. I have a couple of comments, and we can move forward on getting answers with staff. One of the letters that I mentioned when we handed you the lists of letters was a letter from Mr. Lujan and I about Bears Ears National Monument, and it addresses tribal sovereignty. I take you at your word that you want to be respectful of tribal sovereignty, so I look forward to a response from that latter.

BWCA MINING

Another thing I am going to touch on just briefly and follow up with is when Secretary of Agriculture Perdue was here, we talked about the BWCA mining threat. I understand from Secretary Perdue's comments that he had met with you about the issue, and that you are looking to have the study go forward to have sound science guiding the outcome.

I have a few more questions, and I will submit those for the record to you.

GRAND CANYON URANIUM MINING

Additonally there has been discussion about uranium mining in the Grand Canyon, and this is an issue that I started working on—cleanup in the Grand Canyon—when I first came to Congress on the Oversight Committee. That was bipartisan, bicameral work. Mr. Udall is over in the Senate working on it, because the past mining has left polluted sites in Arizona that are inhabited by Native Americans. The Navajo unwittingly let their livestock drink from pools of water that were contaminated, their children playing in mine debris pile sites. There is a lot of concern about that, and a lot of people have died due to kidney failure.

So, until we clean that up, I am very hesitant about looking at doing any more expansion of mining in that area because of legacy pollution that has not been addressed yet. Now taxpayers are on the hook for it. In my area, the Great Lakes Restoration, it is legacy mining from taconite tailings. We have learned a lesson. We do not dump our taconite that way anymore, but there are still people cleaning up the pollution from that.

That is where I come from when I am talking to you about mining. It is taxpayers on the hook for legacy cleanup. And I know you have got a big backlog of that that we could talk about.

CLIMATE CHANGE

Lastly, could you direct me to who in the staff I can work with to understand better what you are doing with climate change? You talked about how you were consolidating things, and then I just heard you talk about how you were trying to take things out of

Washington. Let me tell you why I want to know who I should be speaking with.

For USGS, you go from eight climate centers to four, so that is more centralization, or maybe it is not. I need to understand. You are not funding carbon sequestration. That has been cut. You are not funding climate research development. That is out. Fish and Wildlife, you eliminate funding for the LLCs. You eliminate funding for adaptive strategies. You eliminate funding for science support. Bureau of Land Management takes a $5 million cut in ecosystem assessments. You do not fund $2 million in adaptation strategies.

So, I want to understand what was left over that you are consolidating. I agree with you about having agencies be in the lead. When Mr. Joyce and I worked on the Great Lakes Restoration Initiative for some of the funding on that, we had all the partners at the table, including the White House, and we said what makes the most sense here. I had been kind of inclined to think, we should have USGS be in charge, and other people thought it should be the Army Corps. But all of us when we were done around the table realized it needed to be Fish and Wildlife working on it because that is what made the most sense in the Great Lakes region.

So, I get the idea of what you are saying about how to pull things together, but I just see all these negative numbers on climate change and the work and the research that needs to be done on it. I take you at your word that you are going to continue to research and work on it. I need to understand what is going on so that where we can be supportive of one another on these issues, we can be supportive.

So, Mr. Chairman, thank you, and we will follow up on that. Thank you so much. You have been just very, very thoughtful and very accommodating with all the questions. So, I want to thank you for being here.

Mr. CALVERT. Thank you. Ms. Pingree, you have a brief question?

CLIMATE CHANGE

Ms. PINGREE. 2-second question? Well, thank you again. I agree you have put in a lot of time here with the committee this morning, and I will be brief. I want to echo the concerns many of my colleagues have already raised about both the changes to the climate accord, the Paris Accord, and also just the cuts at the Department, and the ranking member listed them very well.

But coming from a State where we have so much coastline, and our fishermen are already worried about ocean warming. Our residents are worried about inability to get insurance and mortgages on sea level rising, ocean acidification which hurts our shellfish industry. We just cannot walk away from these issues, and the USGS is an important part of the science and the monitoring.

So, while I know there has been this talk about consolidating and making sure it all comes, to one place, I think we observe in the President's budget something very different, and that is just everything is cut everywhere. It is not clear where that consolidation is coming together, so we will look forward to talking with you more about that.

I want to again say I am very happy that you are coming to Maine, and I think you are going to have a great experience visiting our national monument. I think you will see that the infrastructure development to make it a good experience for the visitors has already started. I will send them an email and say make sure the bathrooms are clean before the Secretary gets there. [Laughter.]

Secretary ZINKE. That now precedes me.

Ms. PINGREE. Get your uniforms pressed. [Laughter.]

I think I should warn you, this is black fly season in Maine. I do not know if you have that in Montana, but just come prepared because we do not want to see you with all kinds of scars and bumps when you come back.

Mr. CALVERT. Thank you. Mr. Secretary, as you can tell, this is going to be a challenge. This budget season is going to be a challenge, not just for this committee, for a number of committees that I am on. And we have a short time, short window here that we have to solve this. And so, we are going to be working hard on this committee. We certainly thank you for your time.

We are adjourned.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Budget Hearing: Department of the Interior
June 8, 2017

Questions for the Record – Secretary of the Department of the Interior

Questions from Mr. Calvert

Reorganization of the Department of the Interior

In March, the President issued an executive order to reorganize the executive branch which led to OMB issuing instructions to Federal agencies to develop plans over the next year to reduce their workforce and consider eliminating or merging programs and offices. Such an examination can be useful to eliminate duplication of programs and offices. However, I also know that there is some concern that this effort could result in understaffing across the Department of the Interior, including the National Park Service, which would be felt at headquarters and in Park Service units across the country.

Calvert Q1: Given the fact that this subcommittee will be following this effort closely, do you plan to keep the subcommittee apprised on a timely basis?

Response: Yes, we will.

Calvert Q2: With the public comment period associated with the executive order ending having ended, what are the next steps for the Department with regard to this workforce reduction exercise?

Response: The formal process requires agencies to submit a high-level plan to the Office of Management and Budget by the end of June. At that point discussions start with OMB who will be looking at the high-level plans proposed across the government. It is expected outcomes from those discussions will be folded into the FY 2019 President's Budget. Beyond that no next steps have been determined. I would be glad to keep you apprised of the Department's efforts.

Calvert Q3: Does the Department have specific goals or outcomes in mind?

Response: As Secretary, I am committed to restoring trust and being a good neighbor and steward. This drives the decisions and goals I set for the Department, particularly when it comes to staffing. I believe the closer our resources are to the ground, the more effective Interior can be in the field where our impact on local communities is greatest.

Calvert Q4: What process will the Department use in identifying programs to eliminate or consolidate within its various bureaus?

Response: I have tasked my team to review all programs across the Department to determine if there is duplication, and if so, how to efficiently and effectively consolidate. This review process remains ongoing, but I remain committed to coordinating with you.

Payments in Lieu of Taxes (PILT)

The Payments in Lieu of Taxes (PILT) program is a critical priority of many members of this subcommittee, particularly those of us in the West. The fiscal year 2018 budget request proposes $397 million in discretionary funding for the PILT program. This is a $68 million reduction from the fiscal year 2017 enacted level of $465 million—which fully funded the program for the current fiscal year.

Calvert Q5: Knowing that "full funding" for PILT varies from year to year based on the rate of inflation and other criteria, does the amount requested in your budget fully fund PILT for fiscal year 2018? If not, can you share the anticipated shortfall?

Response: The 2018 budget reflects a 12 percent reduction to the 2017 CR level – consistent with the overall savings in Interior's budget. Estimating the full PILT payment level in advance is difficult because payments are based on annual reporting from the States and counties on eligible acreage, prior year payments, inflation and population. The FY 2018 full PILT payment calculation is further complicated by the status of Secure Rural School payments which are not yet authorized or appropriated for FY 2017. If SRS payments are not made by the end of FY 2017, they would not be factored into the FY 2018 PILT formula, increasing the eligible payment amount from the PILT program. Estimating the PILT full payment amount without FY 2017 SRS payments is difficult and has a high risk of error.

Setting aside the SRS issue, the current estimate for full funding of PILT is about $483 million. This is based on a historical trend analysis adjusting for anticipated changes in the critical variables, like inflation. The increase from 2017 largely reflects rising inflation rates used to calculate the payment, which went from 0.67 percent for FY 2017, to the current estimate of 1.94 percent for FY 2018. Looking at a rough estimate adjusting for timber payments on FY 2017 PILT requirements, we expect the outcome of SRS payments could impact PILT requirements by over $100 million.

The Department's confidence in our estimate for the FY 2018 full funding requirements improves as the inflation factors are finalized and we receive information from the States and counties.

National Park Service Deferred Maintenance

With the National Park Service maintenance backlog now exceeding $12 billion—and half of that related to roads and bridges—there is a need for innovation and leadership to address this long-term challenge. The written testimony points out that our national parks have 73 percent of Interior's deferred maintenance backlog while hosting 324 million visitors last year. Congress took another step last year with the creation of a Park Service endowment. And, the Centennial

Challenge matching grant program is also making a difference. But, even with these steps, and the additional funding Congress provided in 2017, we have a long way to go.

Calvert Q6: What are your thoughts on how we tackle the enormous Park Service deferred maintenance challenge long-term?

Response: The current estimate for the NPS deferred maintenance backlog is $11.3 billion which is difficult to address fully using only annual appropriations. NPS continues to pursue innovative public/private partnerships and uses the Recreation Fee program to reduce some of the backlog. For example, many of the Centennial Challenge projects tackle deferred maintenance and beginning in FY 2018, parks are required to obligate 55 percent of new recreation fee program allocations to deferred maintenance projects. NPS will continue to work on developing innovative funding ideas to reduce the backlog.

Calvert Q7: Are discussions taking place about addressing some of these needs through the President's infrastructure package?

Response: Interior's unique presence all across America, particularly in rural communities, and the importance of the National Park Service's iconic sites to America's heritage and local economies, make a compelling case for inclusion in an infrastructure investment package. The Department continues to make this case as discussions continue on the Administration's infrastructure investment proposal.

National Park Service Operations

One area of the budget request that is raising some concerns is the proposed $378 million funding reduction from the fiscal year 2017 enacted level for the National Park Service. Of this amount, nearly $200 million in reductions are proposed within the operations account. The Park Service budget received an $81 million increase in the recently passed Omnibus with much of this increase targeted to operations and to addressing deferred maintenance in our parks.

Calvert Q8: Recognizing that the budget request may not be exactly what you would have proposed, given the enormous popularity of our national parks, and the costs to operate them, where do you believe savings can be achieved?

Response: The NPS will continue to focus resources on fulfilling core mission requirements and will utilize various strategies on a park-by-park basis to identify and achieve savings. Parks will seek reductions in non-personnel expenses, such as contracted support, supplies, materials, and training. To achieve additional savings, parks may limit the use of, or close certain areas such as campgrounds and facilities; and reduce, adjust, or eliminate hours of operations and visitor services in times of low visitation. Adjustments to non-personnel costs and service levels may not generate sufficient savings for some parks. Those that already implement similar strategies or do not have periods of lower visitation or a way to limit public access would be required to institute further measures to achieve savings. This may include further reductions to services, operating hours, and the number of full-time and seasonal employees. Servicewide, these measures could include the elimination of thousands of seasonal employees, leaving vacancies

for key positions unfilled, and offering early retirement or separation incentives to existing employees.

National Park Service - Scotty's Castle

Scotty's Castle Visitor Center, a historical landmark within Death Valley National Park in California, was closed following flash floods in October, 2015. Four inches of rain over two days brought mud and debris, which measured 4 feet thick in certain areas, and ruined roads, the landmark's visitor center, and exhibits and artifacts in the museum. While I am pleased to see that funding for repair of Scotty's Castle Visitor Center is included in the Park Service Construction account for needed repairs, my understanding is that some work was scheduled to begin last year.

Calvert Q9: Can you provide a status update on the repairs to this historic landmark?

Response: The Park has installed a temporary water line, partially repaired the electrical system, and has repaired the fire suppression system so that it is functional. Museum collections have been temporarily relocated out of the park for protection. Most projects are nearing the end of the design process; cultural and environmental compliance review is in progress; and construction will start on many major projects this winter.

Designs for Bonnie Clare Road, which provides access to Scotty's Castle, are 70% complete. All other flood-damaged park roads have been repaired and reopened.

Calvert Q10: Are the funds in the budget request sufficient to complete necessary repairs?

Response: The total cost of recovery from Death Valley National Park's 2015 flash floods is more than $50 million. The budget request fully funds restoration of Scotty's Castle Visitor Center, however there are additional projects related to flood recovery included within the estimate. Funding has been identified for approximately $42 million of that total, from both NPS and U.S. Department of Transportation. The NPS is currently reviewing options for funding the remaining amounts.

Calvert Q11: What is the anticipated date for completion of this work and the reopening of this historic landmark?

Response: Given the current pace of work, the NPS anticipates completing all critical repairs by 2020, allowing Scotty's Castle to reopen to the public at that time.

Wild Horses and Burros

The budget request proposes to reduce funding for the wild horse and burro program by $10 million. It also proposes to eliminate the appropriations prohibition against euthanizing and the selling of healthy, unadopted wild horses and burros. I think it is fair to say that this Subcommittee recognizes the current situation is unsustainable – we know the significant funding issues associated with a continuation of the status quo, and that some herds have too

many animals, which can damage the range and reduce other beneficial activities, such as grazing. I believe all options must be on the table, and that decisions must be made soon.

Calvert Q12: What is the status of the comprehensive plan that the Committee required in the FY 17 Consolidated Appropriations Act?

Response: The BLM will produce a plan as required by the Consolidated Appropriations Act of 2017 (Public Law 115-31), by November 2017.

Calvert Q13: Is the Department considering all reasonable proposals and working with all parties?

Response: The BLM will continue to work with all parties and consider all serious proposals. The Department and BLM leadership has encouraged staff at every level to consider and explore new and different management approaches, emphasizing partnerships with stakeholders and local communities. We look forward to working with Congress to achieve reasonable and necessary reforms, including enacting the 2018 Budget proposal.

Calvert Q14: Other than the proposed change in appropriations language is the Department considering asking for statutory changes to the Wild Free-Roaming Horse and Burro Act?

Response: The Department and the Administration are carefully reviewing potential proposals for consideration by the authorizing committees of the House and Senate, including recommendations for potential statutory changes to the Wild Free-Roaming Horse and Burro Act of 1971.

Calvert Q15: Please provide information regarding each Herd Management Area (HMA). The information should be provided in table form and include the State and location of the HMA, its size (in acres), its condition (such as good or poor), its designated appropriate management level, and current (or estimated) herd size.

Response: All of the requested information is included in Table 1 (below) except for rangeland conditions in HMAs. Rather than categorizing rangeland condition in qualitative terms such as good or poor, the BLM has been conducting Land Health Assessments to determine if established Land Health Standards are being met.

Table 1: Information of Herd Management Areas

State	HERD AREA NAME	BLM Acres	Total Acres	Horse AML High End	Estimated Horse Pop	Burro High End AML	Estimated Burro Pop
Arizona	ALAMO (4)	189,084	189,379	0	0	160	718
Arizona	BIG SANDY (4)	192,342	243,389	0	0	139	1,381
Arizona	BLACK MOUNTAIN	543,307	773,136	0	0	478	1,725
Arizona	CERBAT MOUNTAINS	60,420	83,004	98	80	0	0
Arizona	CIBOLA-TRIGO	185,132	634,218	150	181	285	750
Arizona	HAVASU (4)	267,286	269,168	0	0	166	236
Arizona	LAKE PLEASANT	60,836	103,473	0	0	208	633
Arizona	Outside HMAs [2]			0	105	0	798
California	BITNER (from CA0260) (3)	47,766	53,748	25	64	0	0
California	BUCKHORN (from CA0270) (3)	67,415	76,590	85	225	0	0
California	CARTER RESERVOIR (from CA0260) (3)	21,591	23,468	35	187	0	0
California	CENTENNIAL	71,350	318,499	168	547	0	515
California	CHEMEHUEVI (8)	120,861	138,333	0	0	108	970
California	CHICAGO VALLEY	258,867	278,105	12	12	0	0
California	CHOCOLATE-MULE MOUNTAINS (9)	192,220	203,539	0	0	133	345
California	COPPERSMITH (from CA0270) (3)	60,246	73,422	75	133	0	0
California	FORT SAGE (4)	13,666	15,967	29	73	0	0
California	FOXHOG	121,086	127,122	226	312	0	0
California	HIGH ROCK	94,612	94,708	120	447	0	0
California	LEE FLAT	71,964	73,380	0	0	15	0
California	MASSACRE LAKES	36,084	39,942	45	217	0	0
California	NEW RAVENDALE	23,428	32,137	25	49	0	0
California	NUT MOUNTAIN (from CA0261 & CA0265) (5)	38,396	40,245	55	92	0	0
California	PIPER MOUNTAIN	87,909	96,261	17	7	82	0

Table 1: Information of Herd Management Areas

State	HERD AREA NAME	BLM Acres	Total Acres	Horse AML High End	Estimated Horse Pop	Burro High End AML	Estimated Burro Pop
Arizona	ALAMO (4)	189,084	189,379	0	0	140	718
Arizona	BIG SANDY (4)	192,142	243,389	0	0	139	1,381
Arizona	BLACK MOUNTAIN	543,307	773,136	0	0	478	1,725
Arizona	CERBAT MOUNTAINS	60,420	83,006	99	80	0	0
Arizona	CIBOLA-TRIGO	185,132	634,218	150	181	285	750
Arizona	HAVASU (4)	267,286	269,168	0	0	166	236
Arizona	LAKE PLEASANT	60,836	103,473	0	0	208	633
Arizona	Outside HMAs *			0	103	0	798
California	BITNER (from CA0268) (3)	47,766	53,748	25	64	0	0
California	BUCKHORN (from CA0270) (3)	67,415	76,596	85	225	0	0
California	CARTER RESERVOIR (from CA0260) (3)	21,591	23,468	35	187	0	0
California	CENTENNIAL	71,350	318,499	161	547	0	535
California	CHEMEHUEVI (8)	128,861	138,333	0	0	168	970
California	CHICAGO VALLEY	258,867	278,105	12	12	0	0
California	CHOCOLATE-MULE MOUNTAINS (9)	193,220	203,539	0	0	133	345
California	COPPERSMITH (from CA0270) (3)	60,246	73,422	73	133	0	0
California	FORT SAGE (4)	13,666	15,967	29	73	0	0
California	FOXHOG	121,086	127,122	226	312	0	0
California	HIGH ROCK	94,612	94,708	128	447	0	0
California	LEE FLAT	71,964	73,180	0	0	15	0
California	MASSACRE LAKES	36,084	39,542	45	217	0	0
California	NEW RAVENDALE	23,428	32,137	25	49	0	0
California	NUT MOUNTAIN (from CA0264 & CA0268) (3)	38,396	40,245	55	92	0	0
California	PIPER MOUNTAIN	87,909	96,261	17	7	82	0

California	RED ROCK LAKES	13,413	18,541	25	49	0	0
California	TWIN PEAKS	635,356	758,128	758	2,025	116	428
California	WALL CANYON (from CA0264)(3)	39,119	41,158	25	57	0	0
California	WAUCOBA-HUNTER MOUNTAIN**	22,098	22,670	0	0	11	77
California	ROUND MOUNTAIN (Devils Garden Plateau)*	7,635	7,759	10	108	0	0
California	Outside HMAs *			0	486	0	1,322
Colorado	LITTLE BOOK CLIFFS WILD HORSE RANGE	35,178	36,100	150	165	0	0
Colorado	PICEANCE-EAST DOUGLAS CREEK	158,332	190,036	235	454	0	0
Colorado	SAND WASH BASIN	151,435	156,502	362	599	0	0
Colorado	SPRING CREEK BASIN	21,043	21,395	65	66	0	0
Colorado	Outside HMAs *			0	409	0	0
Idaho	BLACK MOUNTAIN	47,434	50,904	60	48	0	0
Idaho	CHALLIS	156,545	167,848	253	292	0	0
Idaho	FOUR MILE	15,441	18,034	60	134	0	0
Idaho	HARD TRIGGER	60,090	67,882	130	5	0	0
Idaho	SAND BASIN	9,392	11,724	64	6	0	0
Idaho	SAYLOR CREEK	94,992	101,876	50	78	0	0
Idaho	Outside HMAs *			0	0	0	0
Montana	PRYOR MOUNTAIN WILD HORSE RANGE**	27,094	35,640	120	166	0	0
Montana	Outside HMAs *			0	0	0	0
Nevada	AMARGOSA VALLEY	8,124	8,819	0	0	0	0
Nevada	ANTELOPE (from NV0496 & NV0495)(3)	327,385	399,761	324	1,271	0	0
Nevada	ANTELOPE VALLEY (from NV0106)	496,167	504,734	259	1,320	0	0
Nevada	ASH MEADOWS	96,448	115,143	0	0	0	0
Nevada	AUGUSTA MOUNTAINS	176,208	177,570	508	570	0	0
Nevada	BALD MOUNTAIN	139,693	139,875	215	359	0	0
Nevada	BLACK ROCK RANGE (original name Black Rock East) (6)	185,478	183,520	186	492	0	0
Nevada	BLUE WING MOUNTAINS	17,854	17,854	36	0	28	17
Nevada	BUFFALO HILLS	125,207	131,161	314	762	0	28

Nevada	BULLFROG	146,701	157,180	0	0	91	237
Nevada	CALICO MOUNTAINS	158,086	160,831	333	438	0	0
Nevada	CALLAGHAN (from NV0687 & NV0689) (3)	152,726	156,156	237	425	0	0
Nevada	CLAN ALPINE	298,064	302,226	979	882	0	0
Nevada	DESATOYA (from NV0688)	157,838	161,678	180	476	0	0
Nevada	DIAMOND (13)	145,341	166,612	151	343	0	0
Nevada	DIAMOND HILLS NORTH	70,511	71,564	37	189	0	0
Nevada	DIAMOND HILLS SOUTH (original name Railroad Pass)	20,082	20,012	22	150	0	0
Nevada	DOGSKIN MOUNTAINS	6,497	6,523	15	54	0	0
Nevada	EAGLE (from NV0404 & NV0521) (3)	659,188	660,610	210	1,350	0	0
Nevada	EL DORADO MOUNTAINS	15,120	16,525	0	0	0	0
Nevada	FISH CREEK (from NV0698)	250,244	252,771	180	476	0	0
Nevada	FISH LAKE VALLEY** (13)	64,007	67,015	34	149	0	0
Nevada	FLANIGAN	16,319	17,147	124	288	0	0
Nevada	FORT SAGE (4)	1,939	1,950	34	73	0	0
Nevada	FOX-LAKE RANGE	172,692	177,724	264	532	0	0
Nevada	GARFIELD FLAT	123,420	142,716	125	295	0	44
Nevada	GOLD BUTTE	170,354	178,564	0	0	98	423
Nevada	GOLD MOUNTAIN	106,522	107,638	0	8	78	1
Nevada	GOLDFIELD	52,965	62,367	0	38	37	56
Nevada	GOSHUTE	266,045	267,277	123	1,015	0	0
Nevada	GRANITE PEAK	3,981	4,081	18	24	0	0
Nevada	GRANITE RANGE	92,016	103,804	258	117	0	0
Nevada	HORSE MOUNTAIN (13)	49,572	49,779	118	0	0	0
Nevada	HOT CREEK (13)	54,231	54,671	41	0	0	0
Nevada	JACKSON MOUNTAINS	276,634	283,775	217	688	0	0
Nevada	JOHNNIE** (from NV0527 & NV0528) (3)	177,237	179,568	0	159	108	259
Nevada	KAMMA MOUNTAINS	54,416	57,396	77	183	0	0
Nevada	LAFONTAN	4,937	5,578	10	93	0	0

Nevada	LAVA BEDS	232,940	233,008	148	465	16	402
Nevada	LITTLE FISH LAKE** (13)	28,122	28,744	39	90	0	0
Nevada	LITTLE HUMBOLDT	15,741	17,152	80	31	0	0
Nevada	LITTLE OWYHEE	452,538	460,284	298	786	0	0
Nevada	MARIETTA WILD BURRO RANGE	64,466	66,045	0	48	104	341
Nevada	MAVERICK-MEDICINE (from NV0106)	318,760	323,562	276	1,349	0	0
Nevada	MCGEE MOUNTAIN	41,160	41,160	0	0	41	23
Nevada	MONTEZUMA PEAK (13)	76,437	77,876	4	69	10	130
Nevada	MUDDY MOUNTAINS	77,196	78,705	0	19	0	0
Nevada	NEVADA WILD HORSE RANGE	0	1,301,657	500	858	0	59
Nevada	NEW PASS-RAVENSWOOD (13)	284,475	285,878	566	643	0	0
Nevada	NORTH STILLWATER	176,800	178,927	205	633	0	1
Nevada	OWYHEE	336,233	339,103	231	139	0	0
Nevada	PALMETTO	115,359	118,273	76	10	0	0
Nevada	PANCAKE** (from NV0442 & NV0405) (3)	849,613	849,922	493	1,300	0	0
Nevada	PAYMASTER (original name Paymaster-LoneMountain)	98,880	100,590	32	42	0	28
Nevada	PILOT MOUNTAIN (from NV0815 & NV0650)	473,440	477,133	415	651	0	0
Nevada	PINE NUT MOUNTAINS	95,391	104,316	179	646	0	0
Nevada	RED ROCK** (from NV0525) (original name Red Rock-BirdSpring) (3)	157,443	161,969	27	167	49	30
Nevada	REVEILLE (13)	104,500	105,499	138	90	0	0
Nevada	ROBERTS MOUNTAIN (13)	99,321	99,988	150	596	0	0
Nevada	ROCK CREEK	98,185	121,434	250	448	0	0
Nevada	ROCKY HILLS (original name North Sonoma Peak)	81,435	83,988	143	132	0	0
Nevada	SAND SPRINGS WEST	152,277	152,277	49	213	0	0
Nevada	SAULSBURY**	134,508	135,081	40	201	0	0
Nevada	SEVEN MILE** (original name Antelope (HA)) (13)	96,772	97,654	50	257	0	0
Nevada	SEVEN TROUGHS	131,413	148,884	156	603	46	123
Nevada	SHAWAVE MOUNTAINS II (7)	177,204	179,552	136	997	0	102
Nevada	SILVER KING (from NV0410, NV0522, & NV0521) (3)	574,562	575,460	123	850	0	0

Nevada	SILVER PEAK (13)	239,801	242,442	0	31	6	0
Nevada	SNOWSTORM MOUNTAINS	103,802	117,169	140	310	0	0
Nevada	SOUTH SHOSHONE	132,461	133,093	100	606	0	0
Nevada	SOUTH STILLWATER	9,773	9,773	16	28	0	0
Nevada	SPRUCE-PEQUOP	234,975	240,744	82	1,170	0	0
Nevada	STONE CABIN** (from NV0609)	402,567	407,706	364	452	0	0
Nevada	STONEWALL (13)	23,780	23,887	0	0	8	41
Nevada	TOBIN RANGE	186,654	198,236	42	27	0	0
Nevada	TRIPLE B** (from NV0403, NV0407, & NV0406) (3)	1,230,579	1,232,494	518	1,702	0	0
Nevada	WARM SPRINGS CANYON	91,105	91,710	175	220	24	23
Nevada	WASSUK	51,626	51,743	165	145	0	0
Nevada	WHEELER PASS** (from NV0529) (3)	273,858	273,575	66	108	35	59
Nevada	WHISTLER MOUNTAIN (from NV0618) (3)	42,660	43,245	24	30	0	0
Nevada	HICKISON SUMMIT*	57,275	57,275	0	0	45	52
Nevada	MONTGOMERY PASS*	49,023	50,815	81	238	0	0
Nevada	NORTH MONITOR* (13)	11,277	11,512	8	30	0	0
Nevada	Outside HMAs *			0	3,734	0	472
New Mexico	BORDO ATRAVESADO	16,487	19,614	60	58	0	0
New Mexico	CARRACAS MESA* (original name Rose Community) (3)	8,019	8,959	23	110	0	0
New Mexico	Outside HMAs *			0	0	0	0
Oregon	BEATYS BUTTE	399,725	438,140	250	202	0	0
Oregon	COLD SPRING	29,889	32,664	150	202	0	0
Oregon	COYOTE LAKE/ALVORD TULE SPRINGS (4)	584,854	588,432	390	396	0	0
Oregon	HOG CREEK	21,819	22,383	50	88	0	0
Oregon	JACKIES BUTTE	65,211	65,251	150	108	0	0
Oregon	KIGER (from OR0020 & OR0038)	19,958	30,305	82	58	0	0
Oregon	LIGGETT TABLE	28,098	28,849	25	50	0	0
Oregon	PAISLEY DESERT	297,552	303,718	150	516	0	0
Oregon	PALOMINO BUTTES	72,359	74,234	64	157	0	0

Oregon	POKEGAMA	16,279	84,963	50	102	0	0
Oregon	RIDDLE MOUNTAIN	28,331	32,666	56	40	0	0
Oregon	SAND SPRINGS	193,532	207,255	200	204	0	0
Oregon	SHEEPSHEAD/HEATH CREEK (3)	198,848	205,275	302	481	0	0
Oregon	SOUTH STEENS	127,608	134,459	304	599	0	0
Oregon	STINKINGWATER	78,312	92,086	80	251	0	0
Oregon	THREE FINGERS	62,113	71,436	150	87	0	0
Oregon	WARM SPRINGS	474,396	499,437	202	586	25	49
Oregon	MURDERERS CREEK*	34,253	67,132	35	139	0	0
Oregon	Outside HMAs*			0	36	0	0
Utah	BIBLE SPRING (3)	56,188	61,862	60	188	0	0
Utah	CANYON LANDS	77,254	89,392	0	0	180	183
Utah	CEDAR MOUNTAIN	197,275	211,592	390	654	0	0
Utah	CHLORIDE CANYON	42,557	63,684	30	136	0	0
Utah	CHOKE CHERRY	39,782	48,139	30	180	0	0
Utah	CONFUSION	255,752	293,645	115	465	0	0
Utah	CONGER	151,506	170,933	80	167	0	0
Utah	FOUR MILE (3)	52,985	61,273	60	210	0	0
Utah	FRISCO	41,733	60,347	60	168	0	0
Utah	KINGTOP	161,369	171,447	40	10	0	0
Utah	MOUNT ELINOR	37,383	42,640	25	96	0	0
Utah	MUDDY CREEK (from UT0652) (4)	252,086	283,434	125	161	0	0
Utah	NORTH HILLS**	50,099	60,580	56	194	0	0
Utah	ONAQUI MOUNTAIN	206,878	240,153	210	457	0	0
Utah	RANCH CREEK	43,235	55,023	125	315	0	0
Utah	SINBAD	89,465	99,241	0	0	70	130
Utah	SULPHUR	250,157	265,711	250	812	0	0
Utah	SWASEY	121,176	134,965	100	310	0	0
Utah	TELLY CREEK (3)	32,978	37,006	50	156	0	0

Utah	Outside HMAs *			0	496	0	0
Wyoming	ADOBE TOWN (from WY0042, WY0044, WY0001, & WY0038) (3)	444,244	478,875	800	820	0	0
Wyoming	ANTELOPE HILLS (from WY0010)	150,712	158,567	82	278	0	0
Wyoming	CONANT CREEK (originally part of Lander) (3)	49,528	57,702	100	151	0	0
Wyoming	CROOKS MOUNTAIN (from WY0013)	54,721	58,415	85	275	0	0
Wyoming	DISHPAN BUTTE (originally part of Lander) (3)	92,282	99,719	100	192	0	0
Wyoming	DIVIDE BASIN (from WY0043 & WY0031) (3)	561,213	778,500	600	650	0	0
Wyoming	FIFTEENMILE	68,607	81,127	160	337	0	0
Wyoming	GREEN MOUNTAIN (from WY0033)	99,363	116,712	300	1,179	0	0
Wyoming	LITTLE COLORADO (into WY0008)	525,421	630,029	100	367	0	0
Wyoming	LOST CREEK (from WY0010 & WY0013) (3)	235,968	251,013	82	279	0	0
Wyoming	MCCULLOUGH PEAKS	103,806	109,721	140	154	0	0
Wyoming	MUSKRAT BASIN (originally part of Lander) (3)	176,421	193,325	250	665	0	0
Wyoming	ROCK CREEK MOUNTIAN (originally part of Lander) (3)	19,107	24,584	86	86	0	0
Wyoming	SALT WELLS CREEK (from WY0038; into WY0009)	687,546	1,170,728	365	835	0	0
Wyoming	STEWART CREEK (into WY0035, WY0036, WY0010, & WY0037)	157,500	167,797	175	611	0	0
Wyoming	WHITE MOUNTAIN (from WY0039 & WY0038) (3)	207,372	391,868	300	265	0	0
Wyoming				0	0	0	0
Totals		26,907,632	31,583,386	23,795	59,483	2,920	13,151

* These rows represent the totals for all animals protected under the Act but are outside the HMA's mentioned in each state. For the most part, these animals are in HAs (where AML is 0) and are just outside HMAs where animals have migrated due to overpopulation.

Calvert Q16: Please update the information provided in the FY 2017 QFRs regarding BLM's research on population control methods for wild horse and burros. How much funding will be dedicated to this activity in FY 2018? What are the sources of the funding?

Response: In FY 2017, the BLM budgeted $2.6 million related to the study of population control methods. The funds are being used for seven university studies, four U.S. Geological Survey studies and one project by the Humane Society of the United States.

	No. of Projects	FY2017 Expenditures
Universities	7	$1.7M
USGS	4	$835K
Nonprofit	1	$ 15K
Total	12	$2.55 M

No FY 2018 funds are anticipated to be used for this purpose. In prior years, BLM obligated funding for agreements with universities and the USGS for research projects that are being conducted for BLM. There is adequate funding in these agreements from previous obligations to continue research projects into FY 2018.

Calvert Q17: Please update information provided in the FY 2017 QFRs regarding the number and cost of research grants the agency funded in FY 2016 and FY 2017.

Response:

	Obligations by Fiscal Year			
	FY2014	FY2015	FY2016	FY2017
Universities	–	$2.8M	$118K	$335K
USGS	$5.26M	-	-	$366K
Nonprofit	–	–	$65K	$65K
Contractors	–	$346K	–	–
Research-related animal capture and aerial survey costs	–	–	~$500K	~$500K

Calvert Q18: How many population control applications does BLM plan to make in FY 2017 and FY 2018? What methods will be used?

Response: The planned total for FY 2017 is 800 animals treated with PZP contraceptive vaccine. The FY 2018 President's budget request plans for 400 PZP treatments via ground darting. In addition, during FY 2018, as part of USGS research projects assessing the behavioral effects of spaying and neutering (consistent with statutory obligations), about 35 mares will be spayed in Wyoming and returned to the range and approximately 40 stallions will be gelded in Utah and returned to the range.

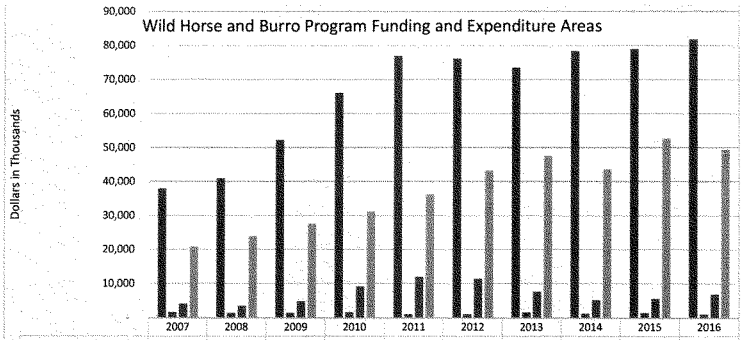
Calvert Q19: Does BLM plan to remove wild horses and burros from the range in FY 2018? Please also describe the agency's plan for FY 2017 and include information regarding its priority for removals.

Response: In FY 2017, the BLM plans to remove approximately 4,500 animals from the range. The BLM prioritized these removals based on court orders, human health and safety, requests to remove from private land, impacts to sage-grouse habitat, and the emergency removal of imperiled horses due to lack of forage or water.

A reduced level of removals was planned in FY 2018 compared to FY 2017, but the BLM is re-evaluating and aiming to increase planned removals to an undetermined level in FY 2018.

Calvert Q20: Please provide a 10-year table showing total funding for the wild horse and burro program. Include transfers from other agencies and the allocation of funding between the management of wild horses and burros on the range and those in long-term holding facilities.

Response: See chart on next page



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Available Funding	37,874,000	40,935,000	52,329,000	66,148,000	76,919,000	76,034,000	73,471,000	78,281,000	78,825,000	81,710,000
Forest Serivce	1,750,000	1,500,000	1,500,000	1,750,000	1,129,000	1,103,000	1,653,000	1,386,000	1,482,000	1,110,288
On-Range Expenditures	4,052,000	3,587,000	4,929,902	9,287,325	11,947,496	11,519,812	7,721,806	5,236,522	5,677,409	6,986,536
Holding Expenditures	20,754,080	23,854,420	27,666,344	31,088,312	36,290,477	43,279,391	47,530,646	43,622,973	52,552,104	49,428,380

Notes: 1. On-Range Expenditures include costs associated with developing HMA Plans; on-range improvement construction and maintenance; removals; fertility control treatments; monitoring of rangeland within HMAs, population surveys of HMAs. Previous versions of this data did not include all these action areas. They are all included here to more accurately represent expenditures on-range.

2. Holding expenditures include all costs associated with off-range corrals and off-range pastures, regardless of the source of funding.

3. Total Available Funding includes carryover, re-programmed funds, and enacted appropriations within the Wild Horse and Burro Program subactivity; however, the Program also has available funds from sales revenues and adoption revenues. Neither of these funding sources are included in the total available funding.

BLM Law Enforcement

Calvert Q21: The FY 2017 Consolidated Appropriations Act increased funding for BLM's law enforcement operations to help ease the burden on front-line rangers. As new lands are designated and the duties of the Bureau increase, what law enforcement needs, such as personnel, equipment, training, vehicles, is the Bureau likely to face in the future? What are the specific needs for FY 2018?

Response: The BLM law enforcement program regularly assesses law enforcement needs and strives to best address those needs within the budget resources available. The BLM law enforcement will continue to protect public lands, resources, and provide visitors and recreationists with safe public land experiences in FY 2018.

Calvert Q22: Please describe the Bureau's experience with the cultivation of illegal marijuana on BLM lands? Does it occur frequently? How does it affect the land?

Response: The BLM has extensive experience in combating the cultivation of illegal marijuana and directs a significant amount of funding to address such activities. Associated activities include:

- Conducting proactive uniformed patrols to deter and detect cultivation activities;
- Focusing on investigations likely to result in the arrest of drug trafficking organization leadership;
- Using Federal, State, and local partners to conduct multi-agency investigation and eradication efforts targeting illegal activities at all levels of drug trafficking organizations;
- Collecting and disseminating intelligence among cooperating agencies to maximize interdiction, eradication and investigative efforts;
- Establishing interagency agreements, partnerships, and service contracts with State and local law enforcement agencies to support counter-drug efforts on public lands; and
- Partnering with non-law enforcement personnel/entities to rehabilitate cultivation and drug smuggling-related environmental damage in an effort to deter re-use of those areas.

Approximately 700,000 marijuana plants have been seized from public lands over the past three fiscal years. Marijuana cultivation on Federal land continues to represent a public and employee safety concern as growers are often armed. The operations are in remote locations where growers may interact with hikers, hunters, and fisherman. Additionally, the associated diversion of natural water sources, and the use of herbicides and pesticides, damages public lands.

Calvert Q23: What are the Bureau's most significant law enforcement concerns?

Response: The BLM's most significant law enforcement concerns on public lands include:

- **Southwest Border** – Efforts to curb the resource and public safety impacts generated by smuggling activities on public lands places significant demands on BLM law enforcement resources.

- **Large-scale Marijuana Cultivation** – This continues to represent a public and employee safety concern; and the associated diversion of natural water sources, and use of herbicides and pesticides damages public lands.
- **Anti-government Extremists** – Anti-government extremists represent a very serious and growing domestic terrorism concern and a significant threat to the operational safety of Federal law enforcement officers and civilian staff that work in rural and remote settings.
- **Urban Interface** – Population growth in urban areas near public lands continues to place pressure on public safety and resource protection efforts as off-highway vehicle use, target shooting, and similar activities increasingly come in conflict with archaeological resources, sensitive areas, and non-motorized recreation.

Greater Sage-Grouse Conservation

BLM's budget proposes to reduce funding for sage-grouse conservation efforts by $11.5 million. Congress has made significant investments over the past four years to conserve sage-grouse habitat and the sagebrush ecosystem, partly to help avoid the need to list the bird as an endangered species.

Calvert Q24: Please explain how BLM arrived at this $10 million reduction? What factors were considered? What projects and activities will not be carried out if the reduction is enacted into law?

Response: The development of the 2018 President's budget required the BLM to take a hard look at all of its mission areas and determine where it could potentially increase efficiencies, yet continue the implementation of its multiple-use mission. The BLM will focus its restoration, protection, conservation, and invasive species treatments on the highest value habitats and identified priority management areas. Conserving sagebrush and sage-grouse habitat is necessary in fulfilling our multiple-use mandate, and will continue to be a top priority.

The BLM will continue to use the best available science, and collaborate with Federal, State, and local partners to focus projects in the highest priority habitat where there is the highest likelihood of success.

Native Plants/National Seed Strategy

Calvert Q25: Please update the information provided in the FY 2017 QFRs regarding funding allocated for the Native Plant Materials Development Program to include FY 2017.

Response: As depicted in the following chart, funding allocated to the Native Plant Materials Development program in FY 2017 totals $15.6 million.

Subactivity	FY 2014 Funds	FY 2015 Funds	FY 2016 Funds	FY 2017 Funds
Soil Water Air (Climate)	3,000,000	3,000,000	3,000,000	3,000,000
Wildlife Management base funding	4,600,000	4,600,000	4,600,000	4,600,000
Wildlife Management - 2017 Consolidated Approps.	-	-	-	5,000,000
Hurricane Sandy Mitigation	3,500,000	-	-	-
Wildlife Management - Sage Grouse	100,000	400,000	2,200,000	3,000,000
	11,200,000	**8,000,000**	**9,800,000**	**15,600,000**

Calvert Q26: Please provide additional information on how the $5 million provided in the FY 2017 Consolidated Appropriations Act to implement the National Seed Strategy will be used, including information on the activities planned (expanding native seed inventory, cleaning and storing seed, etc.) under the strategy.

Response: The BLM has allocated the additional $5 million to accomplish the following National Seed Strategy goals and tasks as follows:

Goal 1: Identify seed needs and ensure the reliable availability of genetically appropriate seed reserves ($3.7 million)

Goal 2: Identify research needs and conduct research to provide genetically appropriate seed and improve technology for native seed production and ecosystem restoration ($1,045,000)

Goal 3: Develop tools that enable managers to make timely, informed seeding decisions for ecological restoration ($150,000)

Goal 4: Develop strategies for internal and external communication ($105,000)

Calvert Q27: Overall, how much funding does BLM anticipate allocating to the Plant Conservation Program in FY 2018?

Response: The President's budget request would allocate the following funds to the Plant Conservation Program in FY 2018:

Subactivity	FY 2018 President's Budget
Wildlife Management	$4.6 million
Wildlife Management - Sage Grouse	$2.4 million
Total	**$7.0 million**

Calvert Q28: How many botanists and plant ecologists are employed by the Bureau? Is the Bureau able to fill vacant positions in a timely manner? Are additional botanists and plant ecologists needed in the Bureau?

Response: The Bureau currently has 64 botanists and plant ecologists on staff, mostly in State and field offices. The Bureau will continue to use all available resources to fill critical positions in a timely manner.

USGS - Earthquake Early Warning System

The earthquake early warning system can be a lifesaving tool for the millions of Californians and other Americans who live in earthquake-prone areas. Congress has been ramping up its investment in this program for years now, and USGS has been working with States to build out the network, install more sensors, hire more FTEs, and get the ShakeAlert prototype operational. Congress provided $10 million in the recently passed Omnibus, $2 million over request, because this program is so important.

Calvert Q29: Please explain how USGS will use funds provided in fiscal year 2017 to continue to invest in the Earthquake Early Warning system despite any uncertainty that may have come from the Administration's FY18 request?

Response: The USGS is using the funds appropriated by Congress for earthquake early warning in 2017 to implement the ShakeAlert system in a manner consistent with its 2014 implementation plan. The USGS is moving quickly to obligate 2017 funds through new assistance awards. These anticipated new awards will carry ShakeAlert implementation efforts into 2018 while Congress considers and acts upon the President's 2018 budget request.

USGS Geomagnetism Program

Calvert Q30: What is the role of the USGS geomagnetism program in the U.S. National Space Weather Program and what data and/or services is the Survey responsible for providing to other Federal agencies or other industries and stakeholders?

Response: The *National Space Weather Strategy*, released in 2015 by the National Science and Technology Council, set high-level priorities and goals for the Nation to protect against space weather hazards. The accompanying *Space Weather Action Plan* (SWAP) outlines how Federal agencies, including the Department of the Interior, will implement the strategy. The Department of the Interior, through the USGS, plays an important role in implementation, either leading, co-leading, or contributing to 22 actions in the SWAP. The primary areas of USGS responsibility in the Space Weather Action Plan are:

- Establish Benchmarks for Space-Weather Events
- Improve Assessment, Modeling, and Prediction of Impacts on Critical Infrastructure
- Improve Space-Weather Services through Advancing Understanding and Forecasting
- Increase International Cooperation.

The Geomagnetism Program provides magnetic field data to federal agencies such as the U.S. Air Force (USAF), National Aeronautics and Space Administration, and National Oceanic and Atmospheric Administration (NOAA), oil drilling services companies to allow precision directional drilling, geophysical surveying companies, and several international partner agencies

which share their data to improve the U.S. data and products. USGS geomagnetic data and products are also used by the electric-power industry to evaluate geomagnetic storm risk.

Two agencies have specific dependencies on USGS data for space weather alerting: the NOAA's Space Weather Prediction Center and the USAF 557th Weather Wing.

Calvert Q31: Please briefly explain the threat(s) that geomagnetic storms pose to the Nation's power grid and any potential impacts to it or to other infrastructure if the USGS geomagnetism program were terminated without another agency assuming the Survey's responsibilities.

Response: Geomagnetic storms, caused by coronal mass ejections from the Sun, induce geoelectric fields in the Earth's electrically conducting crust. During intense magnetic storms, these geoelectric fields can interfere with the operation of electric-power grids, sometimes even damaging high-voltage transformers and causing blackouts.

The USGS monitors the Earth's magnetic field at 14 ground-based observatories positioned across the United States and its territories. In 2017, the USGS produced a preliminary geoelectric hazard map of the upper Midwest and Mid-Atlantic using magnetotelluric (MT) data collected in 2016. The National Science Foundation (NSF) funded the data collection. However, other large regions of the Nation have no MT data and only one-third of the contiguous 48 states is surveyed. Utility companies use geoelectric hazard maps to assess the vulnerability of power-grid systems and mitigate the adverse effects of intense magnetic storms, which have had a history of shutting down the electric grid. The threat from this hazard was demonstrated in March 1989 when an intense magnetic storm caused the entire Hydro-Québec power-grid system in Canada to collapse. The Halloween magnetic storm of October 2003 caused operational failures in systems in Sweden. Some scenario analyses anticipate the future occurrence of a rare magnetic superstorm, possibly as intense as the "Carrington event" of 1859, which could cause widespread and prolonged loss of electric-power for the United States and other countries.

The loss of USGS magnetic observatory data would impact forecasting by the electric-power infrastructure to keep the electric grid running smoothly and, as described previously, decrease the precision and accuracy of space weather alerting capabilities of the NOAA Space Weather Prediction Center and the U.S. Air Force (USAF) 557th Weather Wing. The USAF has previously funded the USGS to perform reimbursable work for geomagnetism. USAF will not provide funding beyond spring 2018.

Calvert Q32: How would a complete national magnetotelluric survey improve national security and critical infrastructure?

Response: In 2017, the USGS produced a preliminary geoelectric hazard map of the upper Midwest and Mid-Atlantic using magnetotelluric (MT) data collected in 2016. The National Science Foundation (NSF) funded the data collection. NSF has also funded data collection for New England that is mostly complete. However, other large regions of the Nation have no MT data and only one-third of the contiguous 48 states is surveyed. A complete, national, MT survey would provide detailed spatial and depth-dependent mapping of U.S.-regional electrical conductivity. The resulting conductivity model, once externally reviewed and validated, would allow the development of geoelectric hazard maps and models for assessing the threat posed to

the nation's power grid by geomagnetic storms and the effectiveness of mitigation measures implemented to protect the grid from such storms. During a geomagnetic storm, these models could be used to manage the electric grid to mitigate damage.

Oil & Gas Development Onshore and Offshore

Among the Department's priorities outlined in the budget request is an ambitious proposal for developing our domestic energy resources both onshore and offshore. As you indicated in your written testimony, American energy resources create jobs and generate significant revenue. The long-term goal, as outlined in the budget, is to put America on track to achieve energy independence.

Calvert Q33: Please provide details regarding the Department's overall plan for energy development and note specific steps is the Department taking to expand domestic energy exploration and production.

Response: The Department is committed to reviewing and incentivizing opportunities for onshore and offshore energy exploration, development, and production, as is evidenced by Secretarial Orders 3348, 3349, 3350, 3351, and 3352. These orders are consistent with the President's Executive Orders to promote America's energy independence and economic growth. As Secretary, it is one of my top priorities to create policies that promote responsible development of all types of energy while meaningfully advancing our nation forward, and I look forward to working with Congress to make our energy dominance a reality.

Calvert Q34: I'm pleased to see the request includes additional amounts (+$10 million) for the development of a new 5-year plan for offshore leasing to replace the previous plan for 2017-2022, and I understand the Administration has already taken some initial steps to review the old plan. I trust the requested resources will allow this review to move forward expeditiously.

Does the Department have any overarching themes or strategies that it would like to see included in the next five-year plan for offshore leasing and management?

Response: The President's Executive Order 13795 (April 28, 2017), *Implementing an America-First Offshore Energy Strategy*, directed Secretary Zinke to consider revising the schedule of proposed lease sales in the Outer Continental Shelf (OCS) oil and gas leasing program. In response to the Executive Order, on May 1, 2017, Secretary Zinke issued Secretarial Order 3350-*America-First Offshore Energy Strategy*. The Order, "enhances opportunities for energy exploration, leasing, and development on the Outer Continental Shelf (OCS); establishes regulatory certainty for OCS activities; and enhances conservation stewardship, thereby providing jobs, energy security, and revenue for the American people."

The Order directs BOEM to initiate the development of a new OCS Oil and Gas Leasing Program, approximately two years ahead of schedule. Specifically, the Order requires that BOEM "[i]mmediately initiate the development of a new 'Five-Year Outer Continental Shelf Oil and Gas Leasing Program,' with full consideration given to leasing the OCS offshore Alaska,

Mid-Atlantic, South Atlantic, and the Gulf of Mexico, in conformity with the provisions of OCSLA as directed by the President's Executive Order."

In developing a new National OCS Oil and Gas Leasing Program, BOEM will give full consideration to a schedule of proposed oil and gas lease sales that includes, but is not limited to each of the following OCS Planning Areas: Western Gulf of Mexico, Central Gulf of Mexico, Chukchi Sea, Beaufort Sea, Cook Inlet, Mid-Atlantic, and South Atlantic. The development of a new National OCS Oil and Gas Leasing Program under the OCS Lands Act includes several public comment periods and a multi-step analysis, which normally takes approximately two-and-a-half to three years to complete. Ultimately, the areas that may be offered for leasing will be determined as part of the multi-stage, deliberative program development process.

Calvert Q35: Just a few years ago, the Department put policies in place to encourage the return of unused offshore leases. This was an effort to turn over those parcels to new tenants, and encourage production. While a laudable concept, in practice, leases have been returned, but the Department has been unable to find new tenants. This has resulted in a significant decline in offshore rental receipts. In fiscal year 2017, rental income declined by $20 million which the Committee needed to backfill using prior year unobligated balances. For fiscal year 2018, the Department estimates $Dco54 million in lost receipts. That is a growing trend, and a large amount of money for this Committee to find.

Have experts within the Department begun working on strategies to mitigate this long-term?

Response: Significant portions of the total budgets for the Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE) are offset by revenue from rental receipts, cost recoveries, and –for BSEE– inspection fees. These offsetting collections from offshore oil and gas operations currently make up 57 percent of both BOEM's and BSEE's total budget authority. Due in large part to actual and projected declines in the price of oil and gas and the associated effects on both the acquisition of new leases and the pace of relinquishing existing leases, offsetting rental receipts have been and are estimated to continue to decline and create budgetary shortfalls.

In FY 2018, offsetting rental revenue for BOEM and BSEE is projected to be $47.3 million below FY 2017 levels. To maintain core operational capacity for both bureaus, the FY 2018 President's Budget proposes to make up for the shortfall in offsetting rentals with an increase in appropriated funds. While the 2018 request proposes a solution to address the projected 2018 shortfall for BOEM and BSEE, further changes will be necessary in 2019 and beyond if the projected rental receipt trend continues. BOEM and BSEE will continue to work with the Department and OMB to assess future revenue trends and funding options.

Calvert Q36: Is there a way for the Department and the Committee to work together to identify a plan or policies that will support the needs for offshore operations without putting further pressure on discretionary spending?

Response: The welcomes the opportunity to work with the Committee to assess future revenue trends and funding options.

Well Control Rule (Status check)

The subcommittee encourages the Department to continue additional technical conversations given the fact that the Well Control Rule is a highly complex rule to implement.

Calvert Q37: Please provide a status update or any additional detail with respect to the rule given expanded interest related to the Executive Orders for Regulatory Review and Energy Independence.

Response: Secretarial Order 3350 (May 1, 2017) directed the Bureau of Safety and Environmental Enforcement (BSEE) to review the final Well Control Rule for consistency with the President's Executive Order on offshore energy as well as "all policies, rules, guidance, instructions, notices, or other implementing actions that have been adopted or are in the process of being developed relating thereto." This review is ongoing within the Department.

Offshore Staffing

Over the last few years we have been working closely with the Department to improve offshore capabilities. An area of need that both GAO and the Department had identified following the reorganization was human capital – more specifically, the need for more offshore technical experts and staff. It's a highly competitive market and difficult to attract top tier personnel away from the private sector. That is why the Committee worked closely with the Department to provide additional special pay authority in order to offer salaries that would be more competitive. Unfortunately, few net gains have been made with respect to staffing as hiring and attrition continue to largely balance out. And as actual staffing has fallen short of projected staffing, this contributes to large, annual unobligated balances.

Calvert Q38: Please share the Department's perspective with respect to the human capital needs for the offshore Bureaus.

Response: Both BOEM and BSEE have made substantial strides in recruiting, training and retaining highly qualified staff in the last several years. The authority provided by Congress allowed BOEM and BSEE to offer more competitive rates of pay to employees within specific job series (petroleum engineers, geophysicists, and geologists) in the Gulf of Mexico Region. In August 2015, OPM expanded this authority to allow BOEM and BSEE to offer these more competitive salaries to additional job series and geographic locations. These rates, together with the use of other hiring incentives, has allowed both Bureaus to now use its full time equivalent (FTE) at close to requested levels – in FY 2016, BOEM executed 570 of its estimated 574 FTE and BSEE will use 831 of its 881 FTE with an anticipated execution of 873 FTE in FY 2017. As a result of these efforts, both Bureaus expect to end FY 2017 with low levels of unobligated funds for salaries. We appreciate the Committee's interest in and support for the Bureaus' efforts to hire and retain the core staff required to implement the BOEM and BSEE missions.

Endangered Species Act

While the Fish and Wildlife Service is to be commended for the number of Endangered Species Act downlistings and delistings in recent years, I remain concerned about the remaining backlog, as well as the large backlogs of recovery plans and 5-year reviews. To date, 49 species need downlisting or delisting; 452 species need recovery plans; and 839 species need a 5-year review. If we shift more of the on-the-ground recovery activities to States and other partners, then the Service can focus on its backlogs and other activities that are inherently federal.

Calvert Q39: Will you consider working with us on increasing the States' role and focusing the Fish and Wildlife Service?

Response: The Department encourages States' participation in developing recovery plans. For example, when the yellowcheek darter, a small fish native to forks of the Little Red River in Arkansas, was listed as endangered, the Service formed a recovery team comprised of yellowcheek darter experts from organizations including the Arkansas Natural Heritage Commission, Arkansas Game and Fish Commission, and others. These members are integral to development of the recovery plan and increasing participation in recovery efforts among private landowners. Yet the duty to develop recovery plans ultimately falls to the Fish and Wildlife Service and there is no established policy or practice to assign development of recovery plans to the States. The Department is willing to work with Congress to explore ways to enhance collaboration with States when developing recovery plans.

Calvert Q40: Please provide an update of the backlog numbers and a plan for reducing them in FY17 and FY18, by region.

Response: The plan for addressing the backlog in FY17 and FY18 is currently under development. The Service must manage its multiple responsibilities for recovery planning, recovery actions, delisting and downlisting rulemaking, and five year status reviews concurrently and is currently working to develop a national multi-year strategy to ensure balance among these responsibilities.

Status of 5-year reviews for US listed, FWS lead species:

	Status of reviews	**R1**	**R2**	**R3**	**R4**	**R5**	**R6**	**R7**	**R8**	**Totals**
Species Listed > 5 years	Current review	214	31	14	135	7	18	4	66	489
	Out of date review	154	66	17	173	25	28	3	201	667
	No review	52	40	11	25	9	14	1	20	172
Species Listed < 5 years	Doesn't need review yet	165	23	6	43	4	1	0	9	251
Total		**585**	**160**	**48**	**376**	**45**	**61**	**8**	**296**	**1,579**

Status of action on 5-year review recommendations to downlist or delist species:

Action	Status of action	R1	R2	R3	R4	R5	R6	R7	R8	Subtotal	Total
Delist due to recovery	Proposed	1	3						4	8	13
	Planned	1			2		2			5	
	Not yet scheduled										
Delist due to extinction	Proposed					1				1	9
	Planned				2					2	
	Not yet scheduled			1	5					6	
Delist due to error	Proposed										1
	Planned										
	Not yet scheduled				1					1	
Downlist	Proposed		2						1	3	26
	Planned	1		1		1			2	5	
	Not yet scheduled	1		1	8	1	2		5	18	
Total		**4**	**5**	**3**	**18**	**3**	**4**		**12**	**49**	**49**

Status of recovery planning for US listed, FWS lead species:

Status of Plan		R1	R2	R3	R4	R5	R6	R7	R8	Total
Species w/ final plan		353	121	36	314	39	40	5	218	1126
Species w/ out final plan	Draft plan	5	5	0	5	1	6	0	10	32
	> 2.5 years	147	33	9	44	2	15	3	67	320
	< 2.5 years	80	0	3	13	3	0	0	1	100
Total		585	159	48	376	45	61	8	296	1,578

GAO High Risk Programs – Education

Calvert Q41: To help ensure that BIE schools provide safe and healthy facilities for students and staff, GAO made 4 recommendations which remain open, including that Indian Affairs ensure the inspection information it collects on BIE schools is complete and accurate; develop a

plan to build schools' capacity to promptly address safety and health deficiencies; and consistently monitor whether BIE schools have established required safety committees.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response: The Department has prioritized implementing all outstanding GAO recommendations as quickly as possible. The status of action on the four recommendations follows.

GAO-16-313*—INDIAN AFFAIRS: Key Actions Needed to Ensure Safety and Health at Indian School Facilities* (March, 2016)
GAO recommendations:

I. Ensure that all BIE schools are inspected as well as implement a plan to mitigate challenges;
II. Prioritize inspections at schools where facility conditions may pose a greater risk to students;
III. Develop a plan to build schools' capacity to promptly address safety and health problems with facilities and improve the expertise of facility staff to maintain and repair school buildings; and
IV. Consistently monitor whether schools have established required safety committees.

Recommendations I and II – BIE has worked with the Bureau of Indian Affairs (BIA) to address the first recommendation by implementing a Safe School Audit which will be conducted annually going forward. In 2016, the audit was successfully completed at all BIE-funded schools and the agencies started the process of implementing corrective measures for identified deficiencies. However, we must ensure that the focus on completion does not detract from the quality of inspections. Indian Affairs and BIE continue to focus on improving additional coordination and training to ensure quality work, and most importantly, the necessary follow-up and technical assistance is provided.

Recommendations III and IV – BIE is conducting ongoing staff and administrator training and is working with BIA to provide ongoing support for school safety committees through school inspections. We recognize that reporting for such activities is inadequate at this time. BIE is working with BIA to provide oversight of such inspections. The agencies are producing formal policies and procedures to address shortcomings through a recently formed inter-agency workgroup. The workgroup will meet throughout the summer to ensure coordination of activities as well as formalize long-term policies and procedures. Agencies from across Indian Affairs met in late May and will reconvene in August to continue the collaboration and work to address GAO recommendations.

Calvert Q42: To help ensure that BIE conducts more effective oversight of school spending, GAO made 4 recommendations which remain open, including that Indian Affairs develop a workforce plan to ensure that BIE has the staff to effectively oversee school spending; put in place written procedures and a risk-based approach to guide BIE in overseeing school spending; and improve information sharing to support the oversight of BIE school spending.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response: The status of these recommendations follows.
GAO-15-121—*INDIAN AFFAIRS: Bureau of Indian Education Needs to Improve Oversight of School Spending* (November, 2014).
GAO recommendations:

I. Develop a comprehensive workforce plan;
II. Implement an information sharing procedure;
III. Draft a written procedure for making major program expenditures; and
IV. Create a risk-based approach in managing BIE school expenditures.

BIE is working to implement GAO's four recommendations contained in GAO-15-121. To that end, the BIE plans to complete its work with respect to recommendations one and two no later than the close of 2018 and recommendations three and four by the middle of 2019.

Recommendation I – BIE has tasked an internal working group to evaluate progress in addressing the GAO recommendations. That working group will draft a comprehensive workforce plan that is aligned with the BIE strategic plan, to be completed in 2018.

Recommendation II – BIE has tasked an internal working group with evaluating GAO recommendations. That working group will also draft a comprehensive, interdepartmental coordination and information-sharing policy to ensure accountability and effectiveness in operations and service delivery.

Recommendation III – BIE began drafting and implementing a comprehensive financial oversight policy in June 2017. The draft policy will establish effective risk management procedures that will prevent, detect, and respond to fraud, including improper payments, based on GAO-established practices and OMB guidance. To accomplish this goal, the BIE will prioritize hiring staff with applicable financial management experience and skills including a Chief Performance Officer and auditing staff. BIE is also partnering with external groups that can provide much-needed technical assistance and expertise.

Recommendation IV – BIE will draft and implement a risk-based monitoring methodology that is in compliance with the Fraud Reduction and Data Analytics Act of 2015 (Public Law 114–186). BIE is currently early in this process and is researching external working partnerships to provide much-needed technical assistance and expertise.

Calvert Q43: To help ensure that Indian Affairs improves how it manages Indian education, GAO made 5 recommendations. Three recommendations remain open, including that Indian Affairs develop a strategic plan for BIE that includes goals and performance measures for how its offices are fulfilling their responsibilities to provide BIE with support; revise Indian Affairs' strategic workforce plan to ensure that BIA regional offices have an appropriate number of staff with the right skills to support BIE schools in their regions; and develop and implement decision-making procedures for BIE to improve accountability for BIE schools.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response: The status of these GAO recommendations is provided below.

GAO-13-774*—INDIAN AFFAIRS: Better Management and Accountability Needed to Improve Indian Education* (September, 2013).
GAO recommendations:

I. Develop and implement decision-making procedures which are documented in management directives, administrative policies, or operating manuals;
II. Develop a communication strategy;
III. Appoint permanent members to the BIE-Education committee and meet on a quarterly basis;
IV. Draft and implement a strategic plan with stakeholder input; and
V. Revise the BIE strategic workforce plan.

BIE has completed implementation of recommendations two, three, and five, which includes development of a communications strategy, increased collaboration with the Department of Education through several mechanisms, including a BIE-ED Committee that meets every other week (rather than quarterly), and revision of a strategic workforce plan, respectively. BIE will assess the effectiveness of its implementation of GAO's recommendations in an effort to continually improve BIE's operations. Currently, BIE is working to implement recommendations one and four, which are to develop documented decision-making procedures and a strategic plan, respectively, and partnering with GAO to clear them. BIE plans to implement fully the remaining recommendations contained in GAO-13-774 by 2018.

Recommendation I – BIE has tasked an internal working group to address the GAO recommendations. That working group will draft a formal, written decision-making policy and procedures, to be completed by the end of 2018.

Recommendation IV – BIE reviewed the strategic plan submitted to GAO in September 2016 and determined it needs improvement, both for the purposes of closing recommendation four and for working as a functional tool intended to guide the organization in achieving its mission. BIE is moving forward with a robust and comprehensive planning and drafting effort to produce a revised, high quality, and effective strategic plan. On March 8, 2017, BIE conducted a senior leader strategic planning exercise and followed that with an April 11, 2017, all-leaders strategic planning conference convening local, regional, and central office leadership to determine strategic objectives looking forward. As a result, BIE revised its mission and vision statement as well as its strategic goals identified at the end of April 2017. BIE held a second strategic planning meeting on June 14, regarding its mission, vision, and organizational values, as well as making adjustments to the strategic plan's mission areas, goals, and strategies. BIE plans to hold follow-up leadership meetings in early August to finalize the strategic plan's action plans and milestones, with the goal of seeking input and feedback from stakeholders and publishing a final version as soon as possible.

BIE has also partnered with external organizations such as the Council of Chief State School Officers – a nonpartisan, nationwide, nonprofit organizational leader that supports State Educational Agencies in serving their schools and students. This partnership will help to provide expertise and best practices in developing a sound strategic plan as well as creating a functional action plan for implementing an accurate system of progress measurement once the strategic plan is implemented. BIE expects to have the strategic plan completed, published publicly, and fully implemented by no later than the end of 2018.

GAO High Risk Programs – Indian Energy

Calvert Q44: To help ensure BIA can verify ownership in a timely manner and identify resources available for development, GAO made 2 recommendations, including that Interior take steps to improve its geographic information system mapping capabilities.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response: The following responds to recommendations in the GAO report 15-502.

Recommendation 1: To ensure it can verify ownership in a timely manner and identify resources available for development, BIA should take steps to complete its GIS mapping module in TAAMS.

Indian Affairs agrees that promoting energy development in Indian Country requires timely verification of ownership and identification of resources available for development. The Department understands that GIS mapping of Indian lands is exceedingly important and has made significant advances to develop and implement a GIS mapping tool for Indian lands in the current year. However, the Trust Asset and Accounting Management System (TAAMS) was not designed as a geospatial mapping system, but simply to reflect legal descriptions as they appear on documents recorded as required by federal law. Thus, as stated in previous updates, the BIA is not technically building out the GIS mapping module in TAAMS. Instead, the BIA is utilizing commercially available, off-the-shelf mapping technology to integrate data viewing and map creation capabilities into TAAMS at the desktop.

During this fiscal year, the Office of Trust Services, Division of Land Titles and Records, Branch of Geospatial Support developed the GIS Map Viewer for the TAAMS platform. The GIS Map Viewer was successfully tested on the TAAMS platform and is based upon verified legal land descriptions and ownership data available in TAAMS. Both the GIS Map Viewer and the TAAMS platforms completed a rigorous assessment of their Authority to Operate (ATO). The Department's OIMT Architectural Review Committee (ARC) and Change Advisory Board (CAB) subsequently approved implementation of the Viewer following the review Security Impact Analysis (SIA) for TAAMS and the TAAMS GIS Map Viewer Implementation and Test Plan.

The security of the interconnection between GIS Map Viewer and TAAMS was also reviewed by the Indian Affairs Office of Information Management Technology (OIMT) and approved.

The GIS Map Viewer is scheduled for deployment by September 1, 2017.

Once deployed, BIA has the responsibility to maintain the Map Viewer ATO, provide system updates and the creation and maintenance of high quality cadastral based data. The Map Viewer will be deployed in advance of completing all of the GIS data development of the Indian land tracts in trust or restricted status and all of the reservation boundaries. This data will be developed in coordination with the Land Buy Back Program that is contributing tract data to the Map Viewer data repository.

Calvert Q45: To help ensure BIA's review process is efficient and transparent, GAO made 2 recommendations, including that Interior take steps to develop a documented process to track review and response times for energy-related documents that must be approved before tribes can develop energy resources.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response: The GAO report recommended the BIA should develop a process to track BIA review and response times. A group of BIA oil and gas processing subject matter experts who

meet regularly have been working to modify the Trust Asset and Accounting Management System (TAAMS); incorporating the key identifiers and data fields needed to track and monitor review and response times for oil and gas leases and agreements. Modifications to TAAMS must be reviewed by the seven BIA regional offices and the Indian Affairs' Office of Information Management Technology. Although the process is underway, the efforts to enhance this national data system is lengthy. BIA currently is drafting its formal response to GAO on this recommendation.

The GAO report recommended that the BIA enhance data collection for its tracking of BIA review and response times. BIA is in the process of evaluating the data collection efforts used by various systems. Efforts are underway with Subject Matter Experts (SMEs) to analyze and develop recommendations for improving data collection, tracking and improving business processes. BIA currently is drafting its formal response to GAO on this recommendation.

Calvert Q46: To help improve clarity of tribal energy resource agreement regulations, GAO recommended BIA provide additional guidance to tribes on provisions that tribes have identified to Interior as unclear.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response: To help improve clarity of tribal energy resource agreement regulations, GAO recommended the Secretary of the Interior provide additional energy development-specific guidance on provisions of TERA regulations that tribes have identified to Interior as unclear. Tribes have cited as unclear the phrase "inherently federal functions," which is contained in the Department's TERA regulations, enacted in 2008.

BIA currently is drafting its formal response to GAO on this recommendation. The TERA regulations could be clarified by first amending existing statutory provisions to include similar provisions to those found in the Helping Expedite and Advance Responsible Tribal Home Act of 2012 (HEARTH), which would permit tribes to lease tribal surface trust land for business and other purposes, absent approval by the Department, by implementing their own leasing regulations.

If this cannot be accomplished, Indian Energy and Economic Development (IEED) will collaborate with our Department's Office of the Solicitor (SOL) during calendar year 2018 to: (1) Conduct a webinar on the TERA process, including discussion of unclear terms; (2) Organize meetings with tribal energy leaders at the National Center for American Indian Enterprise Development's RES 2018 next spring and at the semi-annual national conference for the National Congress of American Indians to elicit feedback on this and other TERA regulatory terms deemed unclear; and (3) Publish as part of IEED's online series "Tribal Economic Development Principles at a Glance," a primer on the TERA approval process. By September 2017, IEED will place new TERA guidance on its web site that offers examples of energy regulatory activities that are not "inherently federal functions."

Calvert Q47: To help ensure that BIA's effort to streamline the review and approval process for revenue-sharing agreements achieves its objectives, GAO made 3 recommendations, including that Interior establish time frames for the review and approval of Indian revenue-sharing agreements for oil and gas, and establish a system for tracking and monitoring the review and approval process to determine whether time frames are met.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response: In response to the recommendations, BIA is working to ensure a timely Communitization Agreement (CA) process by establishing time frames for the review and approval of Indian CAs, developing detailed tracking of Indian CAs through the review and approval process, and evaluating whether the revised CA process is achieving its objective. A National Policy Memorandum has been issued, NPM-TRIS-34 A1, which establishes an interim tracking system. The tracking mechanism will help establish time frames that will be incorporated into the BIA Fluid Mineral Estate Procedural Handbook and the Onshore Energy and Mineral Lease Management Interagency Standard Operating Procedures. The BIA was notified in April of 2017 that our extension was granted to extend the target date to the end of FY 2018.

The BIA is in the process of developing a systematic mechanism in TAAMS for tracking Indian CAs through the review and approval process. As part of this effort, a group of BIA subject matter experts who meet regularly are working to implement identified enhancements to TAAMS. Until TAAMS can be modified to incorporate the key identifiers and data fields, the BIA will continue to use the interim centralized tracking spreadsheet on the Google platform. BIA leads the development and deployment of this tracking spreadsheet in consultation and coordination with BLM. Both bureaus will coordinate to establish a process for review of the collected data, which will assist in identifying and implementing any necessary process modifications.

Calvert Q48: To help improve efficiencies in the federal regulatory process, GAO made 4 recommendations, including that BIA take steps to coordinate with other regulatory agencies so the Indian Energy Service Center can serve as a single point of contact or lead agency to navigate the regulatory process.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response: The following responds to the GAO recommendation in the GAO-17-43.

1) *The Secretary of the Interior directe the Director of the Bureau of Indian Affairs to include the other regulatory agencies in the Indian Energy Service Center (IESC) such as*

Fish and Wildlife Service (FWS), Environmental Protection Agency (EPA), and the Army Corps of Engineers (the Corps), so that the IESC can act as a single point of contact and or the lead agency to coordinate and navigate the regulatory process.

The Bureau of Indian Affairs (BIA) responded to GAO-17-43 with a summary of actions taken and plans to implement the recommendations in a letter to Comptroller General Gene Dodaro from Acting Assistant Secretary-Indian Affairs Michael Black was dated February 15, 2017.

Specifically, the IESC will implement Memoranda of Understanding to include appropriate Department bureaus and other Federal agencies involved in the development of Indian energy and mineral resources to define roles and responsibilities regarding the development of resources on trust lands. The IESC will serve as a single point of contact to coordinate and navigate the regulatory processes involved.

The BIA, through the Indian Energy Minerals Steering Committee (IEMSC), has established federal partners groups at the reservation level, where needed. The composition of these groups includes: BIA, the Bureau of Land Management (BLM), Office of Natural Resources Revenue (ONRR), the Corps, FWS, and the EPA. Tribal listening sessions are integrated into these meetings as needed. These groups provide field knowledge of energy and mineral issues, which can be elevated to the attention of the IEMSC. These regional groups are facilitated and coordinated by the IESC. The IESC is in the process of establishing federal partner groups for the Navajo Region, the Southwest Region and for the Rocky Mountain Region. Federal partner groups for the Great Plains Region, the Eastern Oklahoma/Southern Plains Regions, and the Western Region have established regular meeting schedules. These federal partner groups have representation from the Corps, FWS and the EPA. The groups now serve to facilitate and focus as the single point of contact desired by the respective parties regarding the processing of energy development for each region.

In addition to the federal partner groups the IESC is committed to having formal MOUs in place for each of the recommended agencies consisting of the Corps, FWS and EPA and is reviewing proposed MOU's for the same.

2) *The Secretary of the Interior direct the Director of the Bureau of Indian Affairs to establish formal agreements with IEED and DOE that identify, at a minimum, the advisory or support role of each office.*

The IESC is currently facilitating an MOU with the IEED and the Department of Energy (DOE). The IESC will implement formal agreements with IEED and DOE identifying the roles and responsibilities regarding the development of Indian energy and mineral resources on trust lands. The Service Center will define the advisory and/or support roles of each office regarding the development and management of Indian Energy and mineral resources on trust lands. BIA recognizes that in addition to the identification of potential energy resources, there must be organized coordination between these agencies to fully develop and/or protect the Indian energy and mineral resources.

3) *The Secretary of the Interior direct the Director of the Bureau of Indian Affairs to establish a documented process for seeking and obtaining input from key stakeholders, such as BIA employees, on the IESC activities.*

BIA-IESC is developing processes for the key agencies to provide input and or requests for service from the IESC. The IESC is managed through an Executive Management Group comprised of the directors of BIA, BLM, ONRR, and OST.

Draft intake forms are in final review by the Executive Management Group.

4) *The Secretary of the Interior direct the Director of the Bureau of Indian Affairs to document the rationale for key decisions related to the establishment of the IESC, such as alternatives and tribal requests that were considered.*

Indian Affairs has provided GAO documentation regarding the establishment of the IESC developed by a multi-agency Team formed by the Indian Energy and Minerals Steering Committee (IEMSC). The IEMSC itself, an internal Departmental group of senior managers involved in Indian energy and mineral development, was formed out of necessity to address issues surrounding Indian energy and minerals development and management across bureaus. As part of the process, to gather input from stakeholders, the Team held a tribal listening session, received written comments, and conducted conference calls so the IEMSC could make an informed decision about establishing the IESC and to give BIA enough time to submit a budget request for FY 2016. The concept paper included the organization chart with the IESC Director reporting to the BIA Director's chain-of-command, as agreed by the IEMSC and was accepted and approved. Funding for the IESC was appropriated.

BIA-IESC are requesting that this recommendation be considered complete and are currently working on a Draft Closure Package.

Calvert Q49: To help ensure that it has a workforce with the right skills, appropriately aligned to meet the agency's goals and tribal priorities, GAO made 2 recommendations, including that BIA establish a documented process for assessing BIA's workforce composition at agency offices.

Please report on progress made in the prior fiscal year, and plans for the current and upcoming fiscal years, to implement and close each of these recommendations. Highlight any relevant funding requested for the upcoming fiscal year. If the agency disagrees with any specific recommendation, please provide the rationale.

Response:

1) *The Secretary of the Interior direct the Director of the Bureau of Indian Affairs to incorporate effective workforce planning standards by assessing critical skills and competencies needed to fulfill BIA's responsibilities related to energy development and by identifying potential gaps.*

2) *The Secretary of the Interior direct the Director of the Bureau of Indian Affairs to stablish a documented process for assessing BIA's workforce composition at agency offices taking into account BIA's mission, goals, and tribal priorities.*

The IESC will identify and implement a workforce plan for Federal Agencies regarding positions associated with the development of Indian energy and minerals on trust lands in FY 2017. A concept paper used in establishing the IESC identified the staffing requirements for the IESC that were intended to augment the existing staff at the Agency or Field Level. Recognizing that Field and Agency Offices have existing staff that perform routine functions associated with processing oil and gas activities, the concept paper incorporated the vision that the Service Center would staff technical and professional engineering and environmental science positions available to Agencies and Field Offices as needed. This approach would reduce costs for Agencies and Field Offices which have less than a full-time scientific or technical staff, while providing a larger pool of technical resources. The IESC will work with partner bureaus to assess skills and competencies needed to meet energy and mineral workforce standards.

The IESC will collect data directly from BIA, BLM, ONRR, and OST employees working with Indian Energy and Minerals that would identify the workload and the technical competencies needed to accomplish it. The IESC is currently developing test questions and draft survey to determine proper deployment to employees. The IESC has also requested additional technical assistance from BLM and ONRR in this effort.

Questions from Mr. Simpson:

PILT

Secretary Zinke, the Administration requested $397 million for the PILT program in the FY18 Budget Request—a $68 million cut compared to the FY17 omnibus. This will directly impact services provided to residents. Furthermore, if the Secure Rural Schools program is not reauthorized, more counties will be eligible for PILT payments, meaning fewer PILT dollars will be spread across more counties.

Simpson Q1: How does the Department expect counties to make up for such a sudden drop in revenue?

Response: The Department of the Interior greatly values its relationship with local governments and understands the importance of PILT payments to our neighboring counties. We know counties rely on PILT payments to support critically important services and programs, such as fire and police protection, hospital and public school facilities, road construction, and search and rescue operations. We remain committed to supporting this program which is so important to our Nation's rural economies.

The 2018 President's Budget supports PILT payments directly in the request without relying on budget gimmicks despite the constrained budget environment. At $397 million, the program takes a proportionate share of the overall reduction to the Department's 2018 funding. The Administration remains committed to the PILT program.

Sage Grouse

I appreciate your efforts on a Secretarial Order regarding sage grouse management plans and the need to make fixes. However, I want to know what the next steps are and what enforceable actions need to take place. I applaud you for outcome based management goals. How do we get there?

The real goal in Idaho is to get back to 2014 before the former Administration came in with sage grouse focal areas and mineral withdrawals. Up to that point Idaho was working hand in hand with the government. If this order has the authority to go back and remove those items – great.

Simpson Q2: If they don't, do we need a notice of intent to perform a supplemental EIS?

Response: The BLM is committed to partnering with States and local communities. Secretarial Order (SO) 3353, Greater Sage-Grouse Conservation and Cooperation with Western States, reinforces the commitment to cooperate with State and local governments regarding our management actions on public lands. In implementing its commitments under the S.O. 3353, BLM will engage with each State to identify areas where the Federal plans can better align with State plans. While revisions or amendments to the BLM's approved Greater Sage-Grouse (GRSG) land use plans will require a Notice of Intent, BLM will also explore with States potential opportunities for smaller-scale changes that would not necessitate plan amendment.

National Monuments

The President's Executive Order on the Review of Designations Under the Antiquities Act requires you to submit an interim report within 45 days and a final report within 120 days containing recommendations for Presidential actions, legislative proposals, or other actions the President may take with respect to monuments. On May 9th, I sent you a letter urging you to maintain the current status of the Craters of the Moon National Monument and Preserve in those recommendations.

Simpson Q3: Can you tell us more about how you and your department intends to develop those recommendations?

Response: Public comment is an essential component of the Department's process to develop recommendations on monuments currently under review. This is why the Secretary sought input on all levels, from locals on the ground and county commissioners to Governors, Tribal leaders, and Members of Congress. The Department appreciates you sharing your support for the Craters of the Moon National Monument and Preserve, and appreciate the continued feedback I have received from folks across the nation. These comments will inform our decisions.

Simpson Q4: Do you anticipate that your interim and final reports to the President and the recommendations contained within will be made available to the public?

Response: Yes, but the final decision rests with the White House as the reports are directed to the President for his consideration.

National Park Foundation

The National Park Service Centennial Act (PL 114-289) authorized $5 million to be appropriated for the National Park Foundation, which is the congressionally-chartered non-profit philanthropic partner of the National Park Service. Like the similarly congressionally-chartered National Fish and Wildlife Foundation, the National Park Foundation can leverage appropriated funds.

The Department's budget did not include any funding for NPF, perhaps because of the overall reduction in the proposed budget.

Simpson Q5: Would you support funding to allow NPF to perform similar projects as NFWF?

Response: The National Park Foundation, as the official charitable partner of the National Park Service, currently supports projects similar to the National Fish and Wildlife Foundation. The NPF is a strong partner as evidenced by their success in raising funds in support of NPS projects such as Ticket to Ride/Every Kid in a Park, a program aimed at providing transportation support for over 100,000 students to visit national parks. Other projects include creating an accessible walkway at Antietam National Battlefield, restoring Drakes Estero by removing racks and debris at Point Reyes National Seashore, redesigning the Mississippi River visitor center at Mississippi

National River and Recreation Area, and creating interpretive materials for the newly established Pullman National Monument. In addition to these, the NPF is also supporting projects that match the FY 2017 Centennial Challenge funding.

Questions from Mr. Stewart:

BLM Pilot Office Program

Permitting delays on federal lands is a common concern we've heard for many years and as such, the U.S. Congress passed the BLM Permit Process Improvement Act of 2014 as part of the FY 2015 National Defense Authorization Act (Public Law 113-291).

Stewart Q1: How has BLM permitting responded in the pilot offices as a result of this reauthorization?

Response: The National Defense Authorization Act (NDAA) provided important funding for BLM's Oil and Gas Management program, including its Pilot Offices, to improve and expedite the processing of applications for permit to drill (APDs) and other use authorizations and related activities. Pilot Office funding authorized by the NDAA (which extended and expanded upon rental receipt and APD fee funding authorized in the Energy Policy Act of 2005 and in prior appropriations acts) has enabled the Pilot Offices to continue interagency coordination that supports more efficient and effective processing of APDs, master development plan proposals, and related right-of-way (ROW) grants. The reauthorization expanded BLM capacity for processing drilling permits, which both reduces total process time and allows for a more careful review of projects to better mitigate resource impacts. The NDAA funding authorities also freed up other agency resources for monitoring and inspection activities that better maintain operations in compliance and balance the land uses.

The Project Office accomplishments include:

- Approved 80 percent of the total APDs received nationwide in FY 2015 (3,368 out of 4,228) and approved 55 percent of the total APDs received nationwide in FY 2016 (1,412 out of 2,575);
- Completed oil and gas related ROW approvals, which represented 62 percent of the national total in FY 2015 (581 out of 933) and 75 percent of the national total in FY 2016 (521 out of 696); and
- Processed 75 percent of the total sundry notices processed nationwide in FY 2015 (18,849 out of 25,029) and 77 percent in FY 2016 (35,014 out of 45,632).

Stewart Q2: Has the BLM provided the full report as required by law that includes information on the allocation of funds and the accomplishments of each Project office relating to the coordination and processing of oil and gas use authorizations. If so, can I get a copy of that and if not, when will that be sent to Congress?

Response: The BLM has completed NDAA Project Office reports for FY 2015 and 2016 as directed by Congress. These reports are currently in the surnaming process within the Department and are expected to be sent to Congress shortly.

Stewart Q3: Have the additional funds created by the law provided additive funding focused on permitting as intended or have the funds been used for other BLM functions? If so, please explain how.

Response: Section 3021 of the 2015 NDAA, 128 Stat. 3759, "Bureau of Land Management Permit Processing," did several things, including extending the authority to deposit and use fifty percent of the onshore rental receipts for both Federal and Indian oil and gas APD processing, master development plan proposals, related right-of-way (ROW) grants, and sundry notices. The 2015 NDAA also amended the Mineral Leasing Act (30 U.S.C. 191) to authorize the BLM to collect a fee of $9,500/APD, indexed for inflation, to support BLM permitting activities. This new "fee account" in the Permit Processing Improvement Fund (PPIF) replaced the annual APD Fee appropriation of $32.5 million beginning in FY 2016. The shift to permanently appropriated APD fees under the NDAA coincided with a sharp downturn in APD submissions (due to falling oil and gas prices) that resulted in much lower APD revenue in 2016 compared to 2015.

Total funding allocated to support Pilot Offices was $38.1 million in FY 2015. Of that funding, $11.8 million was sourced from the "rental account" of the PPIF; $2.3 million from this account was allocated to partner agencies to support their permit review and approval process in the Pilot Offices.

Total funding allocated to support Pilot Offices in FY 2016 was $43.9 million. In addition to this funding, $2.3 million of PPIF dollars were allocated to partner agencies to support their permit review and approval process in the Pilot Offices.

None of the funds authorized under the 2015 NDAA were used for other BLM programs.

Payment in Lieu of Taxes

As you know, Congress's failure to extend Secure Rural Schools (SRS) & timber funding has implications to all counties' PILT payments due to the possible elimination of the SRS prior-year-payment deduction required under the PILT Act.

Stewart Q4: After the FY 2017 PILT payment goes out to counties later this month, would you kindly report back to the Committee what that (loss of SRS) impact per county would likely be for FY 2018 PILT payments one year from now if Congress fails to act soon to extend SRS?

Response: The Department cannot estimate payments at the county level this early in the process. The statutory calculation prescribed in the PILT legislation is driven by four key variables: 1) prior year payments; 2) inflation; 3) acreage; and 4) population. Each of these variables are updated on annual basis. Acreage and prior year payment amounts are available from administering agencies on/about October 30th each year. The Department must then request data from states to determine how prior year payments were deducted before the statutory calculation can be performed. While the rate of inflation for the FY 2018 PILT calculation will be available later this summer, the impact of prior year payment deductions (with or without the deduction of Secure Rural Schools payments) will not be available to incorporate into the calculation until late spring, 2018. County specific payment estimates are not completed until after the final reconciliation and internal control process, shortly before the payments are made.

Colorado River Basin

Most people know that the Colorado River is the economic engine of the west and supplies drinking water to 36 million Americans, and that the use of that water outstrips supply. However, most people may not be aware that the Colorado River is also a remarkable example of bipartisan state and federal government collaboration and innovation. The seven states, water users, federal agencies and even the country of Mexico have a history of close cooperation, which has become ever more important as drought and increased water demands have left the two big reservoirs, Lakes Powell and Mead, at all-time lows.

Projections show that if no action is taken to reduce water use, Lake Mead could fall so low within the next five to eight years, triggering mandatory restrictions that could devastate the environment, cripple our communities and agriculture, and stall the economy.
All interested parties are working to find solutions.

Several years ago, four large municipal water suppliers (Denver, Las Vegas, Phoenix and southern California) partnered with the U.S. Bureau of Reclamation on a pilot $11 million "system conservation" program. This System Conservation program pays water users to conserve and dedicate extra water to storage in Lakes Powell or Mead. The program has successfully demonstrated that farmers and ranchers want to participate in programs that provide for temporary, compensated and voluntary reductions of water use. Now demand from farmers and ranchers is so high that the program can only afford one in four requests. In 2016, the Senate voted 77 to 23 to authorize an additional $50 million for SCP, and it was included in the WIIN (WRDA) bill.

Stewart Q5: Will you work to continue and expand this market-based program that compensates farmers and ranchers for voluntarily conserving water?

Response: The Bureau of Reclamation is continuing to work with the Pilot System Conservation Program funding partners, other water users, Indian tribes, and representatives of the Lower Basin States to implement the Pilot Program. In the Lower Basin, Reclamation is responsible for the implementation whereas the Upper Colorado River Commission is responsible for implementation in the Upper Basin.

The Pilot Program was initiated in July of 2014 via an agreement between Reclamation, Metropolitan Water District of Southern California, Southern Nevada Water Authority, Central Arizona Water Conservation District, and Denver Water. Initial funding of $11 million ($3 million federal and $8 million non-federal) was allocated for pilot projects in each basin ($8.25 million for Lower Basin projects and $2.75 million for Upper Basin projects). The Lower Basin implemented a second phase of the Pilot Program with additional funding of about $6 million ($4 million federal and $2 million non-federal).

The Pilot Program is testing a wide range of water conservation concepts that reduce water use to determine whether voluntary, measurable reductions in consumptive use of Colorado River water constitute a feasible and cost-effective approach to partially mitigate the impacts of long-term drought on the Colorado River System.

The projects implemented to date in the Lower Basin will conserve approximately 98,000 acre-feet of water at an average cost of about $155/acre-foot. To date, 11 separate implementation agreements have been executed in the Lower Basin with 8 different water districts and tribes. Conservation measures include land fallowing, wastewater effluent recovery, forborne groundwater storage, golf course turf removal and flood-to-drip irrigation conversion.

Stewart Q6: The last 15 years of drought have exposed a "structural deficit:" the Lower Basin states (Arizona, California and Nevada) were using roughly 1.2 million acre feet more water each year on average than was available. This is one reason for the drawdowns at Lakes Powell and Mead. Both the Lower Basin states and the Upper Basin States (Colorado New Mexico, Utah and Wyoming) are working hard to develop Drought Contingency Plans (DCP) to improve water management in way that stabilizes reservoir levels. The Upper Basin states are looking at a combination of reservoir operations, cloud seeding and demand management, while the Lower Basin states have agreed in concept to a series of demand management measures and a series of principles for how to share shortage. The Lower Basin state negotiators need buy in from their water users and state legislatures, as well as from the Upper Basin states.

Will you exercise your authority and leadership to help the states finalize their DCPs, work with them on the legislation necessary to implement it, and then help with funding to make implementation successful?

Response: The Department of the Interior, through the Bureau of Reclamation, will continue to work intensively with representatives of the Lower Basin states, water districts, and Indian tribes to implement actions, in addition to the 2007 Interim Guidelines, to proactively address current and future hydrologic challenges to reduce the risk of reaching critically low elevations at Lake Mead. These actions include a comprehensive Lower Basin Drought Contingency Plan (DCP).

In 2007, the Secretary of the Interior signed a Record of Decision for Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead. The Interim Guidelines, in place through 2026, provide, among other things, a greater degree of certainty to water managers in the Lower Basin with respect to the amount of annual water deliveries that may be expected in any given year, particularly under drought and low reservoir conditions, by specifying water delivery reductions based on elevations of Lake Mead. Given the persistence and intensity of the current drought, the risk of reaching critically low elevations has increased significantly over the past 10 years. The Lower Basin DCP, also envisioned to be in place through 2026, would be an "overlay" to the Interim Guidelines, resulting in additional water savings in Lake Mead in order to reduce that risk.

Reclamation provided leadership and technical expertise to help develop a conceptual, provisional agreement among the Lower Basin states. That agreement is currently being reviewed and discussed, with the goal of developing implementation plans within each state. Existing political and legal complexities are such that negotiations and discussions have continued into 2017 and are likely to continue into 2018. Reclamation continues to be closely involved with these discussions and is committed to continue those efforts.

The Secretary, as water master of the lower Colorado River, has comprehensive authority to manage and operate the lower basin of the Colorado River. The Secretary's unique status for management of the lower Colorado River stems from a combination of Federal and State statutes, interstate compacts, court decisions and decrees, contracts, operational implementation of an international treaty with Mexico, operating criteria, and administrative decisions together known as Law of the River or Colorado River Law. The water master role requires the Secretary to administer and carry out functions related to the use of Colorado River water by water users in the Lower Basin states of Arizona, California, and Nevada. Under the Lower Colorado River Operations Program (LCROP), Reclamation performs water master responsibilities on behalf of the Secretary.

Stewart Q7: As you know, USDA grant programs through the NRCS, provide hundreds of millions of dollars around the country for on-farm conservation projects that improve water management. The Bureau of Reclamation, through its WaterSMART water efficiency grant program, provides around $30M annually for water conservation projects proposed by its beneficiaries and other water suppliers. Last June, USDA and Reclamation agreed to coordinate these programs for on and off farm funding to maximize the benefits of both programs specifically in the Colorado River Basin.

Will you commit to continue this cooperation?

Response: The Bureau of Reclamation values the cooperation and coordination with the USDA's Natural Resource Conservation Service to maximize benefits and identify solutions and strategies to address the need for sustainable water supplies within the Colorado River Basin and supports continuation of this effort to the extent that funds are available. Reclamation plans to continue this cooperation.

Questions from Mr. Amodei:

ESA: Greater Sage-Grouse

In Fiscal Year 2016, Congress appropriated $86 million for Greater Sage-grouse habitat restoration and conservation projects in 11 western states. Of that $86 million, $18 million was distributed from the Fire Program, while $68 million was distributed from the Resources and Planning Directorate. Additionally, of that $68 million, $35 million was distributed to the BLM Washington Office, according to a Department document provided to our office on April 12, 2016.

Amodei Q1: Can you explain how the Washington Office spent this $35 million?

Response: The $35 million that was held at the Washington Office in April 2016 was distributed shortly thereafter to the BLM State Offices for on-the-ground projects. When BLM provided you a report in April 2016, the integration and prioritization of projects had not yet been completed. Project selection has been completed and the funds were sent to the field resulting in nearly 380,000 acres of on-the-ground accomplishments.

Amodei Q2: Why was the $35 million not distributed amongst the 11 BLM State Offices?

Response: The table below identifies how sage grouse funds were distributed to the field through the 8 BLM State Offices that manage sage grouse habitat. A total of $36.472 million was distributed to the field for on-the-ground projects very shortly after the April 2016 report was issued. Of that total, $10.806 million was allocated at the national level to on-the-ground work such as wild horse and burro gathers and habitat monitoring that BLM funds centrally.

2016 GRSG Funding Distribution

California	$	1,626,000
Colorado	$	3,477,000
Idaho	$	3,480,000
Montana and the Dakotas	$	2,717,000
Nevada	$	3,866,000
Oregon and Washington	$	3,633,000
Utah	$	3,380,000
Wyoming	$	3,487,000
Field Activities Funded Nationally	$	10,806,000
Total Allocated to the Field	**$**	**36,472,000**

Amodei Q3: If the Committee appropriates funds again in fiscal year 2018 for Greater Sage-grouse habitat restoration and conservation projects for these 11 western states, will you assure

the Committee that these funds will be distributed to the BLM State Offices and not to the BLM Washington Office?

Response: The Department is committed to providing funds to the field to complete on-the-ground work.

ESA: Sagebrush Focal Areas

In September 2015, the Department published a proposal to withdraw approximately 10 million acres of federal lands within the Sagebrush Focal Areas, in Idaho, Montana, Nevada, Oregon, Utah, and Wyoming from mineral entry to protect and conserve Greater Sage-grouse habitat. That same month, Nevada Governor Brian Sandoval submitted his Consistency Review Appeal to then BLM Director Neil Kornze stating "this withdrawal would present immediate and irreparable harm to Nevada."

In January 2016, Governor Sandoval sent another letter to Director Kornze stating, "I believe the proposed withdrawal will not be able to show any measurable results except for the demise of the mineral exploration industry in Nevada."

As recent as March 2017, Governor Sandoval sent you a letter, Mr. Secretary, stating, "Please accept this letter as my recommendation that you find the "No Action Alternative" as the preferred action for the proposed SFA mineral withdrawal DEIS, and that you also vacate the temporary segregation enacted by Secretary Sally Jewell in 2015. The proposed withdrawal represents an unprecedented overreach of federal regulation through withdrawal of approximately 2.7 million acres in Nevada, and 10 million acres across six western states."

Amodei Q4: Knowing of Nevada's strong opposition to the Sagebrush Focal Areas, how do you plan to address the proposed Sagebrush Focal Area withdrawal?

Response: Secretarial Order 3353, "Greater Sage-Grouse Conservation and Cooperation with Western States," reinforces the commitment to align the Department's conservation actions with those of the States. The draft mineral withdrawal Environmental Impact Statement analyzed five alternatives that included a range from no action (not withdrawing any lands) to an alternative that withdraws approximately 10 million acres from mineral development. A Nevada alternative was also analyzed. The Forest Service and the BLM are currently responding to comments received during the comment period that ended March 30, 2017, and plan to issue the Final EIS in the fall of 2017, followed by the Secretary's Decision.

Amodei Q5: How will the Department coordinate with the State of Nevada on addressing our Sage-grouse concerns moving forward?

Response: Secretarial Order 3353, "Greater Sage-Grouse Conservation and Cooperation with Western States," reinforces the commitment to align the Department's conservation actions with those of the States, including the establishment of an internal review team to compare Federal and state plans. The BLM continues its commitment to collaborate with the Western Governors Association (WGA) Sagebrush Task Force, the Governors' offices and other State agencies,

Tribal governments, local working groups, and other stakeholders to implement sagebrush restoration and protection.

BLM: Realty Specialists

Recently I met with the BLM Carson City District Office and learned that many of my constituent's in the Greater Reno area had issues with BLM that resulted from a lack of staffing, particularly with realty specialists. In fact, multiple housing developers contacted my office last year for assistance in processing their rights-of-ways with BLM and several companies were told they would need to wait 2-years before their applications would be processed. Of the four Realty Specialist positions in the Carson City District Office, only one has been filled as of recent.

Amodei Q6: I would like to assist the BLM with identifying ways to sufficiently staff their offices. Would the Department be willing to work with my office on a strategy to address BLM Realty Specialist staffing shortages in Nevada?

Response: The BLM is committed to maintaining appropriate staffing levels in field and district offices. The FY 2018 budget request of $45.9 million for the Cadastral, Lands and Realty Management program reflects the BLM's emphasis on allocating staffing resources to field and district offices, while reducing duplicative positions in the Washington Office. The BLM would welcome input from your office.

Publishing in the Federal Register

Previous Secretaries adopted a policy that requires Federal Register notices associated with BLM decisions requiring Environmental Impact Statements be reviewed by BLM and DOI officials in Washington before publication. The policy requires review of the BLM's notices of intent to prepare an EIS, the notices of availability of the Draft EIS, and the notices of availability for the Final EIS. This review process has grown in complexity until each of these notices requires review and approval by 25 persons or offices within the Department. The time required for review can take (and has taken) many months. Because publication of these notices is required before proceeding with the next step in the EIS process, the permitting process comes to a complete halt during the review. Job creating investments have been delayed by more than a year because of this paperwork exercise. Prior to 2001, such BLM notices were sent directly to the Federal Register from BLM State Offices and published within days or weeks of being prepared by the office responsible for the decision. The other major federal land manager, the U.S. Forest Service, allows such notices to be published without Washington review.

Amodei Q7: Will you support withdrawing or amending this policy so that such notices can be sent directly from BLM State Offices to the Federal Register and require that any Washington, D.C. review (if that is determined to be necessary) does not delay a BLM decision?

Response: The BLM is exploring all options to streamline key decision-making processes, including issuance of Federal Register notices.

Unmanned Autonomous Vehicles: USGS/BLM Habitat Mapping

Amodei Q8: Does the Department support utilizing contractor operated UAVs with USGS and BLM to assist in their efforts to conduct habitat mapping for species across the West?

Response: Contracting for services or data and products is and will continue to be an important component to reach the potential of Unmanned Aircraft Systems (UAS), also referred to as UAV, for the Department's bureaus. The Department of the Interior has developed a robust policy on how UAS may be applied across the bureaus to support scientific and operational activities, such as habitat mapping. The Interior Office of Aviation Services (OAS) has programmatic control of Interior UAS given the FAA has classified these systems as aircraft. OAS is responsible for all contracting of UAS services at this point in time.

Within the USGS, the National UAS Project Office investigates the technology to support the research and operational missions DOI bureaus.

Questions from Mr. Jenkins:

White Sulphur Springs – National Fish Hatchery Recovery

On June 23, 2016, rainfall of 8.17 inches in 24 hours in Greenbrier County resulted in a 1,000-year flood event. The White Sulphur Springs National Fish Hatchery incurred over $1.5 million dollars' worth of damage to hatchery assets, infrastructure, and equipment. Approximately 15,000 adult rainbow trout were lost or killed once the floodwaters receded. Another 30,000 juvenile trout were exposed to contaminated floodwaters.

Between the U.S. Fish and Wildlife Service, the Federal Highway Administration, and the support of our Committee and Chairman Calvert, we have provided over a million dollars for the most urgent repair needs.

Jenkins Q1: Please provide a detailed update for the Committee on the latest status of operations at the White Sulphur Springs hatchery.

Response: Repairs have enabled the hatchery to once again be filled with young rainbow trout. By 2018, White Sulphur Springs hatchery will be able to meet its annual 9 million trout-egg obligation. Full operations are expected to return in 2019. To commemorate the hatchery's comeback, the Fish and Wildlife Service held an open-house community event on June 24, the Saturday after the first anniversary of the flood.

Jenkins Q2: What are the outstanding construction and repair needs?

Response: Outstanding needs include stabilization of the stream bank along Wade's Creek within the hatchery's boundary, fencing repair and replacement, and replacement of equipment lost or damaged in the flood.

Jenkins Q3: Do you believe that there is adequate funding available in FY 17 to complete those outstanding repairs?

Response: Yes, funding provided in the FY 2017 appropriation is sufficient to complete all repairs needed and we anticipate running the hatchery at full capacity in 2019.

Jenkins Q4: What can the Committee do to help with the repairs and the associated costs? Are there any anticipated remaining gaps in funding?

Response: We do not anticipate needing any additional funds to cover the costs of the flood-related repairs to the facility.

Abandoned Mine Land Pilot Program

This Committee included $90 million in fiscal year 2016 and $105 million in fiscal year 2017 to develop the Abandoned Mine Land Pilot Program. The intent of the pilot program was to explore opportunities to return old coal sites to productive re-use. This investment was made to help

states to restore mining problems at legacy mine sites -- in conjunction with economic redevelopment purposes. In West Virginia, we now have six projects that are well underway thanks to this pilot program.

The Office of Surface Mining reports that there are over $9 billion of unfunded needs at Priority 1, 2 and 3 sites.

Jenkins Q5: How can we make progress to reduce this backlog without a proposal to continue the AML pilot or to accelerate payments from the AML fund?

Response: Measurable progress is made each year in eliminating hazards and safety concerns to the public and the environment from abandoned mine lands. How much states and tribes receive is currently determined by (1) overall fee collections from coal receipts and (2) the legislative formula by which these funds are allocated to individual states (§ 404 (g) of the Surface Mining Control and Reclamation Act of 1977 (SMCRA), as amended). The FY 2018 mandatory payments are increasing starting in 2018. This is in accordance with the provisions of section 411(h)(3) of SMCRA, which directed that payments to certified states and tribes were reduced during the 3 year phase-in period from FY 2009 to FY 2011. The statute stipulates that the amounts withheld during this phase-in period are to be paid in two equal annual installments beginning in FY 2018.

Annual fee collections in fiscal year 2016 fell 41% since 2011, which significantly lowered the availability of funds for fiscal year 2017 mandatory distribution. Because coal production and fee collections depend on external market conditions, there are few if any immediate options for increasing annual collections. OSMRE cannot accelerate payments from the AML fund as funds are distributed through a congressionally mandated formula under SMCRA.

Jenkins Q6: Despite the budget proposal to eliminate the pilot program, will OSM continue to work with the Committee to ensure that the FY17 funds that have already been appropriated are spent in coordination with the Committee's direction?

Response: OSMRE is committed making $105 million available to six Appalachian States for economic and community development in conjunction with priority abandoned mine land reclamation, in accordance with the provisions of the Consolidated Appropriations Act, 2017. OSMRE will oversee the State AML programs to ensure that funds are spent according to the guidance document developed for the 2016 Abandoned Mine Land Pilot Program. This guidance provides State AML programs with general criteria by which potential projects will be evaluated for eligibility and successful selection. This additional guidance is intended to ensure that projects meet the economic and community development nexus criteria intended by Congress, as the current AML program does not require such criteria.

Office of Surface Mining – Abandoned Mind Land Fund

Jenkins Q7: The Department of Interior Office of Surface Mining and Reclamation Budget Justification for FY 2018 (AML Accomplishments Historical Data Table, p. 155) states that $2.8

billion in Priority 1, 2 and 3 problems have been completed. Does that represent only coal priority 1, 2 and 3 accomplishments?

Response: Yes, the table on page 155 in the FY 2018 OSMRE Budget Justification provides information on a subset of coal abandoned mine land (AML) programs (*Acid Mine Drainage, Coal Interim Site Funding, Coal Insolvent Surety Site Funding, and Pre-SMCRA Coal State/Tribe Programs, Water Supply Restoration Program, and Certified Program Coal Reclamation*) for the 28 coal producing States and Tribes and for non-AML program states and tribes, and for coal AML priorities 1, 2 and 3 as defined currently under SMCRA.

Jenkins Q8: What is the source for the information for the cost of completed reclamation appearing in the table in OSMRE's budget justification?

Response: The source for this information is the Enhanced Abandoned Mine Land Inventory System (eAMLIS). Information about the system can be found at the following website: https://amlis.osmre.gov/Default.aspx

Jenkins Q9: Does OSMRE have information that breaks out the $2.8 billion of completed reclamation by each priority, i.e., Priority 1, 2 and 3? Please provide to the subcommittee a copy of any document reflecting such a cost breakout by Priority.

Response: Yes. See the attached document (AML Accomplishments – Priority Breakout), which separates the costs by priority.

Jenkins Q10: Does OSMRE have information on the "Remaining Reclamation Costs" reflected in the last column in the table which breaks out those costs for priority coal 1, 2 and 3? If so, please provide a copy of that cost break out by priority.

Response: Yes. See the attached document (AML Accomplishments – Priority Breakout), which separates the costs by priority.

AML Reclamation Accomplishments
Historical Data through September 30, 2016
Priority 1, 2, and 3 Problems

Priority 1 (P1)

Problem Type	Units	Number of Units	GPRA Acres	Cost of Completed Reclamation	Remaining Reclamation Costs
Clogged Streams	Miles	62	307	12,845,119	10,383,314
Clogged Stream Lands	Acres	2,651	4,101	38,785,081	11,712,730
Dangerous Highwalls	Feet	364,382	5,123	63,063,998	52,275,052
Dangerous Impoundments	Count	233	1,164	7,644,094	4,418,821
Dangerous Piles and Embankments	Acres	1,521	1,521	37,048,636	28,422,504
Dangerous Slides	Acres	2,065	2,061	160,649,603	28,067,053
Gases: Hazardous/Explosive	Count	12	12	366,931	79,000
Hazardous Equip & Facilities	Count	456	45	4,679,831	4,963,279
Hazardous Water Bodies	Count	133	665	7,004,661	16,181,880
Industrial/Residential Waste	Acres	38	38	281,635	62,350
Portals	Count	3,456	347	20,026,228	9,465,361
Polluted Water: Agricultural & Industrial	Count	40	200	1,864,661	240,000
Polluted Water: Human Consumption	Count	4,955	24,775	6,856,638	499,880
Subsidence	Acres	2,132	2,127	223,219,446	106,640,887
Surface Burning	Acres	481	480	19,212,497	2,011,618
Underground Mine Fires	Acres	854	1,053	59,476,109	38,195,233
Vertical Openings	Count	963	94	9,328,955	10,948,418
Total P1			**44,111**	**672,354,124**	**324,567,380**

Priority 2 (P2)

Problem Type	Units	Number of Units	GPRA Acres	Cost of Completed Reclamation	Remaining Reclamation Costs
Clogged Streams	Miles	669	3,289	47,045,998	53,181,956
Clogged Stream Lands	Acres	17,066	21,223	171,896,955	196,040,998
Dangerous Highwalls	Feet	3,180,967	46,200	428,179,285	1,008,045,893
Dangerous Impoundments	Count	1,617	8,828	48,216,975	24,656,278
Dangerous Piles and Embankments	Acres	11,656	11,605	223,985,729	278,406,521
Dangerous Slides	Acres	1,889	1,913	62,325,412	68,702,917
Gases: Hazardous/Explosive	Count	35	35	240,926	2,290,001
Hazardous Equip & Facilities	Count	4,636	1,172	25,435,031	23,225,887
Hazardous Water Bodies	Count	718	3,796	42,538,883	62,144,538
Industrial/Residential Waste	Acres	1,249	1,247	5,163,511	11,727,947
Portals	Count	8,711	892	46,038,872	32,527,694
Polluted Water: Agricultural & Industrial	Count	380	1,874	40,009,060	80,510,946
Polluted Water: Human Consumption	Count	46,730	215,744	372,243,827	3,015,283,277
Subsidence	Acres	6,228	6,215	175,107,352	473,897,367
Surface Burning	Acres	1,101	1,100	39,127,493	18,233,016
Underground Mine Fires	Acres	921	920	42,384,381	801,051,633
Vertical Openings	Count	6,037	657	38,248,575	26,953,703
Total P2			**326,708**	**1,808,188,266**	**6,176,880,572**

Adjacent Priority 3 (P3)

Problem Type	Units	Number of Units	GPRA Acres	Cost of Completed Reclamation	Remaining Reclamation Costs
Bench	Acres	695	695	2,966,523	14,676,003
Equipment/Facilities	Count	767	82	7,537,192	5,708,001
Gobs (Coal waste piles)	Acres	7,071	7,066	94,120,724	82,287,632
Highwall	Feet	256,940	3,672	19,463,893	1,289,173,465
Haul Road	Acres	713	713	9,423,628	4,489,564
Industrial/Residential Waste	Acres	270	269	1,962,745	921,121
Mine Opening	Count	1,013	102	4,397,632	15,154,827
Other *	----	2,825	N/A *	10,140,728	23,911,032
Pits	Acres	2,969	2,970	21,826,069	45,546,957
Spoil Area	Acres	87,969	85,634	83,948,443	830,550,160
Slurry	Acres	2,835	2,835	33,060,717	8,247,966
Slump	Acres	735	730	6,831,823	101,287,302
Water Problems *	Gal/Min	41,813	N/A *	47,531,541	965,797,165
Total P3			**104,767**	**343,211,657**	**3,387,751,195**

GRAND TOTAL			**475,586**	**2,823,754,047**	**9,889,199,147**

* Not converted to GPRA Acres

Questions from Mr. Rogers:

Mill Springs Battlefield: Special Resource Study

You may be aware that one of the most important battles of the Civil War occurred in my backyard in Kentucky. The decisive Union victory at Mill Springs, fought in January 1862, was a heavy blow to Confederate plans, and after the battle, the Southern army was forced with withdraw into Tennessee. A local non-profit organization, the Mill Springs Battlefield Association, has worked to preserve important tracts of the battlefield, construct an interactive visitor center, and educate the public about this historic event. In 1994, the battlefield was designated as a National Historic Landmark.

There is strong community interest in incorporating the Mill Springs Battlefield into the National Park Service (NPS), and MSBA has committed to give the land to the United States to accomplish that goal. In 2014, Congress passed a law requiring the NPS to study the potential for adding the battlefield to the park system within three years. I understand the study is currently under review at the Southeast Regional Office, and it will come your way to headquarters soon.

Rogers Q1: Will you commit to get the study approved completed on time?

Response: Congress passed Public Law 113-291 on December 19, 2014, which directed the Secretary of the Interior to conduct this special resource study. The National Park Service intends to report to Congress the findings of this study not later than three years after the date which funds were made available.

American Battlefield Protection Program

The American Battlefield Protection Program (ABPP) has been used to preserve more than 24,000 acres of battlefield land in 17 states. In 2015, funds from ABPP were leveraged with private donations to preserve two parcels, totaling 118 acres, at the Mill Springs Battlefield. While ABPP was funded at $10 million in the FY17 Omnibus, the budget request would reduce funding for this preservation program by 15% to $8.5 million.

Rogers Q2: Do you think this is a wise reduction, given the amount of private dollars leveraged and the importance of preserving these historic battlefields for posterity?

Response: As of October 1, 2016, the American Battlefield Protection Program's Land Acquisition Grants have protected over 27,200 acres at 100 battlefields in 18 states. The FY 2018 budget request proposes to reduce funding for land acquisition grants through the American Battlefield Protection Program by $1.5 million, or 15%. This would reduce the capacity of the NPS to support state and local governments in protection of battlefield lands associated with the Revolutionary War, the Civil War, and the War of 1812. The number and dollar value of grants would decrease, and the selection process would be more competitive. However, this reduction would allow the NPS to effectively balance remaining resources between park operations and program investments, with a focus on stewardship of existing federal holdings within NPS

boundaries. This reflects the Department's investment strategy to focus on maintaining and improving the Nation's infrastructure, in particular addressing the NPS deferred maintenance backlog.

Questions from Ms. McCollum:

Economic Impacts on proposed budget reductions

National Parks, wildlife refuges, monuments, and other public lands managed by the Department of the Interior hosted an estimated 443 million recreational visits in 2015, an increase of 20 million visits over 2014, and these visits alone supported $45 billion in economic output and about 396,000 jobs nationwide. Through continued programs and partnerships for youth, the Department provided 36,388 job opportunities in FY 2015.

Each year, there are over 400 million recreational visits to land managed by the Department, but the FY 2018 budget proposes to cut nearly $50 million from visitor services and the budget eliminates funding for Youth programs in the Fish and Wildlife Service.

McCollum Q1: How will reduced visitor services impact the visitor experience?

Response: Across the Department, 2018 funding for land management operations is reduced by approximately seven percent, which will impact staffing levels. As a result, fewer interpretive programs will be available to visitors, and access to certain areas may be limited during times of lower visitation. However, the budget also prioritizes funding non-recurring infrastructure projects that will help address the deferred maintenance backlog. In the long run, this will create a better experience for visitors and staff by ensuring that facilities are safe, functional, and can be operated more efficiently.

McCollum Q2: How will that impact economic output?

Response: For 2018, the Administration identified areas where the Federal government could reduce spending and also areas for investment, such as addressing the maintenance backlog across the national park system and increasing domestic energy production on Federal lands. The 2018 Budget requires restrained spending in order to meet the goal of balancing the budget within 10 years.

In order to reach a balanced budget and attain the economic benefits outlined above, the Department had to make difficult decisions, including proposing funding changes that will impact visitor services. While Interior will reduce visitor services at some sites, visitor expenditures are primarily driven by the number of visitors. The number of individuals visiting public lands is not expected to change, and thus their expenditures in the private sector economy should remain robust.

The 2018 budget will encourage the Department to be more innovative and look at creative ways to manage programs and increase revenues, which will have a longer-term positive impact on economic output. Interior can and will maintain its assets, offer a world-class experience on public lands, and promote economic growth by developing public-private partnerships, encouraging responsible energy development, and reorganizing the workforce.

McCollum Q3: The budget proposes to cut support for volunteers in the National Parks, by 60 percent. How many contributed hours do you expect to lose and what is the associated labor value?

Response: The proposed program reduction would allow the NPS to focus remaining resources on park operations. This reduction would allow the NPS to continue volunteer programs servicewide but would result in a reduction in hours contributed and associated labor value. At the proposed funding level, the NPS would eliminate the Community Volunteer Ambassador (CVA) program - a youth leadership development program that coordinates with local communities to recruit park volunteers. Elimination would result in an estimated 106 fewer CVA positions at 84 placement sites servicewide - a decrease of 50 percent or more in NPS' capacity to support the total level of volunteers at parks. Such a reduction in capacity may result in fewer volunteer hours, but the exact impact is difficult to estimate.

McCollum Q4: What analysis have you done on the impact the cuts to youth programs will have on jobs for youth and development of future conservationists?

Response: There has not been a specific analysis on the impact of the proposed budget on youth programs. Across the Department, the budget estimates a reduction of approximately 4,000 FTE; it has not been determined what portion of these positions may be held by youth, which the previous Administration had defined as ages 15-35.

With regard to the FWS budget, the 2018 budget request for FWS provides funding levels for the National Wildlife Refuge System that will enable Visitor Services staff to maintain most of the hunting, fishing, wildlife observation and other core wildlife-dependent recreational opportunities currently available on refuges.

While the Refuge System expects to reduce the number of environmental education programs, interpretation programs, and special events, like bird festivals, by approximately five percent, the Refuge System will continue to connect with the next generation of hunters, anglers, and outdoor recreationists. With 101 refuges within 25 miles of a population center of 250,000 or more people, the Refuge System provides places where young people can gain from hands-on learning about science and the outdoors and spend time together as a family, surrounded by the Refuge System's wetlands, forests, and prairies.

Memorandum on Grants and Cooperative Agreements

On April 12, 2017, you issued a memorandum freezing all grants and cooperative agreements of $100,000 or more until the Associate Deputy Secretary James Cason reviews and approves them. While the memo states this procedure is temporary and being implemented to assist you in understanding how the Department makes important decisions, I am concerned about the timeliness of this request so late in the fiscal year.

McCollum Q5: How you will ensure this review doesn't slow the process down to the point where you are impounding funds provided by Congress for specific purposes?

Response: The review process is moving fairly quickly. We reviewed at minimum 1,000 grants in just one month.

McCollum Q6: When will you suspend this directive?

Response: Once the Department has completed its review of the grants and agreements, it will be suspended.

Accessibility to Data and Data Acquisition

I am concerned that the Administration has been stripping scientific data related to climate change from federal government websites.

McCollum Q7: Has Interior removed any scientific data associated with climate change that was available under the Obama Administration from its websites?

Response: Climate changes continues to be listed as a priority on the Department's official website.

McCollum Q8: There were media reports about the Bureau of Land Management removing from its website an ecological assessment for the Chihuahuan Desert. Researchers rely on this data. Will you commit to restoring the availability of that information and others like it?

Response: The BLM's website was recently updated to make it more user-friendly and accessible. Unfortunately, much of the Bureau's information was made temporarily inaccessible during this process. I have tasked the BLM to restore content lost during the transition.

McCollum Q9: Since taking office, what guidelines have you issued for determining what information will be available?

Response: No guidelines have been issued regarding the availability of information.

McCollum Q10: The budget proposes to eliminate the USGS Geomagnetism program, the National Civil Applications Center and the National Phenology Network.

What will be the magnitude of lost data as a consequence of these eliminations?

Response: The elimination of the geomagnetism program ends the collection of further data regarding the earth's magnetic field, including warnings about severe geomagnetic storms. Previously collected data will be available in archives.

USGS uses National Technical Means (NTM) and Department of Defense (DoD) funded high-resolution commercial satellite images, accessed through the National Civil Applications Center, to monitor volcanic activity and for earthquake damage assessment. Other Department of the Interior bureaus and the U.S. Forest Service wildland fire programs use NTM to detect wildland fires, track oil spills, map invasive species, and monitor restoration.

The proposed reduction for the National Phenology Network (NPN) eliminates only that portion of funds provided to the NPN by the National and Regional Climate Adaptation Science Centers. Funding within the Ecosystems mission area will continue. Therefore, no data will be lost due to this reduction in funding.

McCollum Q11: How will the loss of data continuity impact USGS's ability to have the necessary information to make projections into the future with a high degree of confidence?

Answer: The elimination of the geomagnetism program will reduce the accuracy of geomagnetic storm forecasts and alerts made by the NOAA Space Weather Prediction Center and the Air Force 557th Weather Wing. The USAF has funded the USGS to perform reimbursable work through spring 2018 and USAF has indicated this is the last year it requires this specialized format. Without the geomagnetic data, appropriate alerts would not be able to be issued for the strongest storms, such as those that could severely affect the electric grid.

The elimination of the NCAC would reduce monitoring and assessment by the USGS Volcano Hazards Program and the USGS-U.S. Agency for International Development (USAID) Volcano Disaster Assistance Program of volcanic threats to local populations and aviation. The USGS uses products obtained through the NCAC to provide situational awareness of volcanic activity worldwide and in Alaska, especially on volcanoes with limited or no ground monitoring networks.

The USGS has used National Phenology Network funding to model patterns of fish and wildlife activity at regional to national scales for both historic and potential conditions. The National Phenology Network would continue development of models for a smaller, more targeted set of economically and societally important species populations.

McCollum Q12: A consequence of the drastic reduction to USGS programs would be the severing of important ties with academia. The budget proposes to eliminate the Water Resources Research Act Program, reduce Climate Science Centers from 8 to 4, and scaling back the Mendenhall Research Fellowship program.

How will these cuts impact academia's ability to develop the next generation of scientists who are willing to enter into the federal workforce?

Answer: The geomagnetism program supports one early career scientist each year.

By eliminating the NCAC, some high-resolution commercial satellite data requested by federal agencies would not be available for academic partners. For example, the NCAC provides satellite images to the National Science Foundation, which funds the University of Minnesota's Polar Geospatial Center (PGC) to produce geospatial products for the Earth's Polar Regions. Also, the Fish and Wildlife Service engaged Michigan Tech students to produce invasive species maps in the Great Lakes. These and similar projects provide students on these projects with experience and skills for using high-resolution satellite images.

The effect of the reduction to National Phenology Network is minor. The funding supports a limited number of students and post-doctoral employees.

Executive Order on Antiquities Act

The 1906 Antiquities Act provides safeguards for federal lands and waters. Executive Order 13792, Review of Designations Under the Antiquities Act, requires the Department to conduct a review of all Presidential designations or expansions of designations under the Antiquities Act made since January 1, 1996 which cover more than 100,000 acres. This Act was signed on April 26, 2017 and the Department was given 45 days to provide an interim report to the President with recommendations for Presidential actions and legislative proposals.

McCollum Q13: The President signed an Executive Order directing the review of National Monument designation. While I do not concede the President has any authority to change National Monument designations, as the deadline for the 45 day interim report is approaching, what is the status of your report to the President?

Response: The Secretary's interim report was delivered to the President on Saturday, June 10, and made available to the public.

McCollum Q14: The Executive Order only gave the Department 120 days to fully review anywhere from 24 to 40 monuments. In your April 25, 2017 press briefing, you said you would approach this by talking to congressional delegations, governors, and stakeholders and then formulate recommendations.

Given this short timeframe how will you able to accomplish this task as well as quantify economic impacts?

Response: A Departmental team is engaging all interested stakeholders and collect any public comments, including from Members of Congress, Governors, and Tribal leaders, which will directly inform any recommendations we craft.

McCollum Q15: Business owners and local gateway communities near national monuments have expressed anxiety that the monuments are currently under review. In many of these communities, monument designations are already showing economic benefits and leading to local investments in jobs and business growth.

What analysis has the Department done to quantify the economic damage that will result from revoking a monument designation?

Response: Each monument is being reviewed in a holistic fashion. We have listened to every facet of the impacted communities including state, local and federally elected officials, local businesses, and trade associations. Each group's input is weighed as we craft recommendations for the President.

McCollum Q16: As long as there is uncertainty regarding a monument's status, what incentive is there for businesses to invest in local communities near monuments?

Response: Public lands across the West play a critical role in incentivizing business opportunities in local communities. In some cases, the community relies on management that includes multiple uses, while others are more suited to outdoor recreation and access. As a Montanan who grew up in a community which relied on both, the Secretary is confident the lands we manage in any capacity will continue to promote exemplary opportunities for recreation and access, which fosters incredible economic potential.

Bears Ears National Monument

Secretary Zinke, when you were first confirmed you stated that "tribal sovereignty should mean something". Bears Ears National Monument is the first national monument to be designated that provides for a commission appointed by sovereign tribal nations to inform the management of ancestral lands and sacred sites. Five sovereign nations joined together to seek protection for their shared ancestral lands and sacred sites. I am disappointed that during each of the multiple visits you made to the area, it was with vocal opponents of the monument. Meanwhile, the Bears Ears Inter-Tribal Coalition was only granted an hour to meet with you.

McCollum Q17: If you recommend rolling back this monument, it would go against the wishes of these sovereign tribal nations. How does that fit with the principle "tribal sovereignty should mean something"?

The Department provided only 15 days for public comment for the Bears Ears National Monument.

Response: While the Department has provided an interim report on Bears Ears to the President, we extended the formal comment period through July 10, which is the same deadline for comments on the other monuments under review. We look forward to further feedback from Tribes across the nation on monuments in their communities.

McCollum Q18: Can you please outline your engagement with all affected parties?

Response: Engagement with a broad range of affected parties in the monument areas remains ongoing.

McCollum Q19: How many listening sessions did you hold with tribes?

Response: Sessions remain ongoing.

McCollum Q20: How and when will you inform the public about what you are planning to do with this public land?

Response: The Department's review remains in progress. We will provide a recommendation to the President. Final action and authority rests with him.

BLM National Conservation Lands

The BLM's National Conservation Lands are the flagship of the agency's conservation, outdoor recreation and restoration efforts. National Conservation Lands represent just over 10 percent of BLM lands, but they draw one third of the total visitors. So it is disappointing the budget proposes cutting funding by over 20 percent.

McCollum Q21: Can you provide more details as to how the proposed budget cuts will reduce visitor services and public access at our National Conservation Lands?

Response: The BLM manages more than 245 million surface acres. Approximately 36 million of those acres are National Conservation Lands, or about 14 percent of BLM-managed lands. Due to the diversity of National Conservation Lands, the specific impacts of budget reductions on visitor services and access is complex. The development of the FY 2018 President's Budget required the BLM to take a hard look at all our mission areas and determine where we could potentially increase efficiencies yet continue the implementation of our multiple-use mission, which includes increasing access to outdoor recreation, enhancing stewardship, and improving management of game species and their habitat per Secretarial Order 3347 and the Federal Land Policy and Management Act of 1976.

Scientific Advisory Boards and Scientific Integrity

Outside scientific advisory boards provide feedback and evaluation of the science used by the Department to develop guidance, regulations, and make important management decisions. I understand you are reviewing the charter and charge of more than 200 advisory boards, committees and other entities both within and outside the Department of the Interior.

McCollum Q22: What timeframe have you set to make your determination about the appropriateness of these boards and committees?

Response: The review process is in place until September. If any committees or advisory boards believe it is necessary to meet prior to September, they are allowed to request a waiver.

McCollum Q23: While every administration reviews the composition of these advisory bodies, what percentage of current members have you decided to terminate?

Response: The Department's review is in progress.

McCollum Q24: Has this review frozen the work of the bureaus, specifically the Bureau of Land Management's 38 resource advisory councils who focus on areas such as the threat of invasive species?

Response: No, it has not. Advisory groups may also ask for an exception as needed.

McCollum Q25: Do you know how many BLM advisory council meetings have been cancelled as a result of this review?

Response: The review is intended to ensure the Department receives maximum feedback from these boards and that they are compliant with the Federal Advisory Committee Act (FACA). Once the review is complete, their meetings will commence once again.

McCollum Q26: What has been the response of the outside advisors, such as energy officials, outdoor recreation officials, scientists and conservationists who comprise these councils?
Response: The review thus far has revealed that some of these committees have not met in eight years, and others have not had sufficient turnover or have unfulfilled positions. There are some that were not compliant with their charters. Our participants understand the review is important to ensuring we are compliant with FACA.

McCollum Q27: Has this review had any impact on the Department of the Interior's support for the eight nation Arctic Council?

Response: No, it has not.

Staffing and Employee Morale

The March 2017 Executive Order directs the reorganization of the Executive Branch. The Department must submit a staffing plan to the White House at the end of this month. During the peak summer season there are 70,000 DOI employees. The FY 2018 budget requests funding for 59,968 FTEs.

McCollum Q28: In light of the 13% reduction in your FY 2018 Budget request from the FY 2017 enacted level, how are your approaching developing the staffing plan required by President Trump's Executive Order?

Response: The President's Executive Order calls for a Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce. The Administration is pursuing near and long-term strategies to achieve a leaner, and more accountable and efficient government.

The Department is taking near-term actions to responsibly manage hiring and overall staffing.

McCollum Q29: How are you ensuring transparency and keeping employees informed?

Response: Plans for potential reforms are still being developed. The Department is committed to transparency and will keep employees informed as proposals take shape.

McCollum Q30: In FY 2017, Congress appropriated funding to increase staff capacity to conduct work on Indian issues, to promote economic development and to meet mandated responsibilities under the Endangered Species Act. The FY 2018 budget reduces funding for those very programs.

Will you staff up in accordance with the direction from Congress even though it is counter to your FY 2018 budget request?

Response: The Department is working quickly and responsibly to execute the FY 2017 appropriation.

McCollum Q31: While the government-wide hiring freeze has been lifted, you have put in place a very rigid approval process at the Department. All positions at or above the GS-12 level require approval from the Associate Deputy Secretary and a waiver is necessary for all positions in the Washington DC and Denver areas.

How will this process impact the Department's ability to use the FY 2017 funding to increase staff capacity in a timely fashion?

Response: The hiring waiver document is streamlined to facilitate ease of completion and review. The waiver process has been structured so that it should not significantly impact the Department's ability to address necessary staffing requirements.

McCollum Q32: Has any analysis been done to determine if not filling staff vacancies and reducing the staff as projected in your FY 2018 budget will open the Department up to more litigation? For example, if you reduce FWS Listing by $3.4 million or 17%, what will this do to the Listing program's ability to address domestic and foreign listing petitions and make timely listing determinations which will allow FWS to avoid costly litigation from not meeting statutory deadlines?

Response: The goal of the reform plan is to create a more efficient government that more effectively delivers programs of the highest importance to the public. By successfully achieving these reform goals, Interior will align its workforce to meet the needs of the future and remove barriers that hinder front-line employees from delivering results. While the Department cannot predict future litigation levels, the workforce planning process is designed to ensure critical mission actions are met with a responsive, empowered, accountable workforce fully capable of delivering on statutory requirements.

Sexual Assault

The on-going sexual harassment issues at the Department are very troubling to this Committee. Last year, there were numerous reports of harassment issues within the National Park Service and the problems seem to persist. Just last month a senior law enforcement official at the Department retired rather than face disciplinary action.

This Committee included statement language in the FY 2017 Omnibus directing the Department to report to the Committee about corrective actions and next steps to ensure strong and consistent anti-harassment policies are in place.

McCollum Q33: Are you aware of this reporting requirement and is it a priority for you?

Response: I am aware of the language and support creating policies that directly address this issue. I have zero-tolerance for harassment of any kind and intend to lead the Department forward in an environment where people feel safe.

McCollum Q34: How are you ensuring that the Department has all of the available tools to deal with this issue?

Response: I have tasked my leadership team to examine any and all tools available to me as Secretary so the Department can meaningfully and directly address this issue.

McCollum Q35: Is the Department providing victims with appropriate services, and will perpetrators be fired and held accountable?

Response: The Department must follow the due process laws set by Congress, but we are in the process of reviewing the best mechanisms to protect victims and ensure perpetrators are held accountable to the highest extent of the law.

Geomagnetism

Magnetic storms are caused by dynamic interaction of the Earth's magnetic field with the Sun. These magnetic storms can wreak havoc on the infrastructure, such as inducing voltage surges in electric-power grids, causing blackouts and the loss or radio communications, damaging satellite electronics and affecting satellite operations, reducing GPS accuracy, and interfering with directional drilling for oil and gas. Yet, the FY 2018 USGS budget eliminates funding for the Geomagnetism program which is part of the U.S. National Space Weather Program and will result in the closure of 14 stations.

McCollum Q36: Have any of the other federal agencies that use the data (NASA, DOD, and NOAA) requested funding in FY 2018 for this important activity?

Response: The Department of the Interior is not aware of any proposal within the 2018 President's budget to fund work currently conducted by the USGS Geomagnetism program. The U.S. Air Force (USAF) has funded the USGS to perform reimbursable work for geomagmetism. USAF will not provide funding beyond spring 2018.

McCollum Q37: The oil and gas industry uses this information to maximize oil production. If this Administration's top priority is energy development, why would you propose to take away one of the tools they need for safe operation?

Response: For several years, the USGS has been working at one magnetic observatory site near Barrow, Alaska, to provide real-time data supporting directional drilling operations. This work is in partnership with Schlumberger, an oil services company, which funded the establishment of the observatory. Real-time magnetic data allows oil and gas rig operators to continue precision drilling safely during a geomagnetic storm rather than idling the rig, potentially saving millions of dollars in rig downtime. These prior investments made by the oil and gas industry in geomagnetism demonstrate that the industry is equipped to make cost-benefit decisions about

investing in geomagnetic monitoring to reduce the potential cost of idling drilling rigs. While maintaining funding to support critical responsibilities, the budget eliminates funding for lower priority activities.

Law Enforcement

I am very concerned about your proposed cuts to law enforcement. It is unacceptable that at the current funding level, a single officer on some of our federal lands is responsible on average for 161,300 visitors and 29,000 hunters and anglers.

McCollum Q38: The reductions proposed in the budget would impact staffing. How can you justify such a reduction in law enforcement and ensure the protection of the visitors, staff, and the natural resources on our public lands?

Response: Public safety and the protection of Interior's employees remain the Department's highest priority. This budget proposes responsible savings which could impact operations during non-peak seasons or in infrequently visited areas. The Department will execute this budget with strategic prioritization to ensure that protection of visitors, residents and resources continue unimpeded.

McCollum Q39: Protecting law enforcement officers in the field is critical, especially when many are working solo.

Are there sufficient radios to ensure that law enforcement officers across DOI have adequate communication to ensure their safety? If not, what is needed to protect them as they do their job?

Response: All Interior law enforcement officers who regularly perform patrol functions have access to mobile and/or handheld radios. Challenges do exist and are being addressed to fully implement the digital narrowband conversion, and improve overall connectivity infrastructure and encryption capability.

McCollum Q40: The Budget in Brief states $1 million in Service First funding has been used to coordinate radio infrastructure. When was this funding obligated? How much Service First funding remains available for obligation?

Response: The Service First program provided $420,000 to support a pilot to support an inter-agency collaboration to improve radio interoperability in the Southwest Border region. This funding was obligated in December 2015.

With regard to the status of funds, as of June 2017, the $1 million appropriated for FY 2017 is available for new projects. These funds will leverage the Administration's efforts to improve inter-bureau and cross-agency collaboration in field operations.

Offshore Energy Workforce Safety

Following the 2010 Gulf of Mexico oil spill, the Bureau of Safety and Environmental Enforcement (BSEE) has made great strides in enhancing safety for offshore operations.

McCollum Q41: Given the international nature of offshore oil and gas work, should the United States follow international workforce safety training?

Response: BSEE regulations contain specific training requirements related to well control and safety systems for personnel involved in drilling or production operations. Furthermore, operators are required to have safety management plans that ensure that all personnel receive safety training in accordance with their duties and responsibilities. Operators and contractors utilize a variety of safety training programs to satisfy: (1) BSEE's regulatory requirements and, (2) industry standards and their company specific workplace requirements. The safety programs used by companies operating in the U.S. are similar to those that they use when they operate internationally.

McCollum Q42: Why hasn't the Gulf of Mexico embraced the Offshore Petroleum Industry Training Organization standards and training protocols for offshore oil and gas personnel which have been adopted by 45 oil and gas producing regions internationally?

Response: BSEE regulations in this area are performance based and require the operator to establish a program that results in safe and clean OCS operations. BSEE believes that companies are in the best position to design and evaluate available training programs. The Offshore Petroleum Industry Training Organization's program is a system that is used by operators and drilling contractors. There are also other excellent training programs that are available to the offshore industry to address specific training requirements. For example, International Association of Drilling Contractors (IADC) also develops standards, issues competency guidelines, and accredits training providers for the drilling industry. This variety of training options provides a company with the flexibility to select the program that best fits its operations and workforce.

McCollum Q43: Given that the Trump Administration has taken a major step to expand oil and gas drilling off U.S. shores by directing you to lift leasing restrictions, what steps are you considering to improve safety and reduce risks?

Response: Great strides have been made in improving the safety of operations on the Outer Continental Shelf. BSEE will continue to work with industry and other stakeholders to ensure that new offshore resources can be efficiently developed in a safe and environmentally responsible manner.

Climate Change

McCollum Q44: What actions are being proposed in the FY 2018 budget to mitigate or adapt to the effects of climate change on federal lands?

Response: The President's budget supports many actions to mitigate and adapt to extreme weather, drought, flood, wildfire, and other hazards that affect public lands. These mitigation and adaptation strategies are fundamental to the Department's stewardship mission.

Under the proposed 2018 budget, DOI supports adaptation and resilience within many resource management programs. This includes assessments of lands and structures threatened by coastal storms and other extreme weather, wildfires, and flooding, early detection and rapid response to invasive plants and animals that opportunistically establish themselves in new ecosystems and destroy resource value, and projects to make public lands more resilient to stressors and safer for local communities, visitors, and employees.

For example, to address mosquito risks (such as from Zika virus) in the Everglades, the National Park Service (NPS) and the U.S. Geological Survey (USGS) determined the maximum insecticide application rates to control mosquitos but spare pollinators. In Glacier National Park, the NPS and USGS use glacier datasets to improve forecasts of avalanche risks to open roads at the earliest safe opportunity. Integrated research by the USGS and Fish and Wildlife Service found that management of non-native Brown Trout would help the native Brook Trout be more resilient to anticipated effects of warmer streams, improving invasive species management and response. Extreme weather, such as windstorms, drought, and heatwaves, causes many wildland fires to become catastrophic. Fuels Management within the Wildland Fire Management program improves the integrity of landscapes and their resilience to extreme weather hazards and provides an opportunity to maintain fire-adapted ecosystems and fire-resilient landscapes that mitigate the effects of stressors such as drought and invasive species.

McCollum Q45: Can you describe how the Department is reducing its carbon footprint?

Response: The Department of the Interior (DOI) is reducing its carbon footprint through the Strategic Sustainability Performance Plan, which establishes sustainability goals.

The goals include conservation of energy, including fuel use in fleet vehicles, sustainable buildings implementation, water use efficiency and management, fleet management, pollution prevention, and solid waste reduction. DOI has made use of energy savings performance contracting and data center efficiencies. DOI works to limit the pollution created by operations, use vehicles more efficiently, shrink the physical footprint of built infrastructure, and ensure facilities are designed to reduce risk of hazards and extreme weather.

Reducing Interior's physical footprint and seeking ways to consolidate space and resources will continue to be management objectives going forward. Efforts will build on several multi-year actions to reduce Interior's nationwide facilities footprint and improve the efficiency and effectiveness of its information technology infrastructure and financial reporting capabilities. In 2018, proposed investments to consolidate employees at the Main Interior Building will reduce commercial leases in the Washington, D.C., area. Since 2012, Interior has reduced office and warehouse space by over five million square feet and is actively identifying, promoting, and incentivizing consolidation opportunities and facilitating bureau co-locations wherever possible. The 2018 budget maintains $1.2 million to support Department-wide office consolidation efforts.

McCollum Q46: Rising sea levels do not discriminate what areas are affected, and that includes our national parks and wildlife refuges. As we learned from Superstorm Sandy, coastal erosion and diminished natural barriers lead to tremendous damage. The Statue of Liberty is one example of a National Park that needs to be fortified and protected.

What is the current estimate of need to implement improvements that will protect historic sites like the Statue of Liberty?

Response: DOI manages about 270 coastal and marine parks, refuges, and other units, covering millions of acres and thousands of miles of shoreline. These places experience wide-ranging effects, including reduced water levels in the Great Lakes, changing storm patterns, increasing ocean acidity, and melting permafrost. Parks in the coastal zone are vulnerable to sea level changes. Adaptation in the coastal environment involves cultural resources, as well as natural resources, recreational amenities, and transportation facilities. In undertaking this work, the DOI is leveraging across programs and bureaus, as well as collaborating with other agencies, jurisdictions, and external partners. For example, the NPS and the USGS have conducted vulnerability assessments for sea and lake level changes for over 20 units.

At end of fiscal year 2016, the Department of the Interior (DOI) estimated a deferred maintenance backlog for Heritage Assets of about $4.9 billion. These Heritage Assets include many types real property entrusted to DOI that are unique in terms of historical or natural significance, cultural, education or artistic importance, or significant architectural characteristics. The deferred maintenance on Heritage assets represents approximately 32 percent of the reported deferred maintenance backlog for DOI. Additionally, DOI has many other historic buildings and structures not classified as Heritage Assets, which require designation by the President, Congress, or the Secretary.

Weathering, sunlight, moisture, and other natural factors have always posed challenges for protecting cultural resources. The adaptation strategies for cultural resources consider local conditions and trends, materials, the significance of these resources, and the sustainability and feasibility of potential responses. For example, Jamestown, part of Colonial National Historical Park in Virginia, celebrates the first permanent English colony in the New World. Faced with rising seas, more extreme rainfall, and increased erosion, the National Park Service is working with university researchers and USGS to assess which stressors -- temperature, extreme rainfall, flooding, sea-level rise or drought -- pose the greatest threat to the park and which resources are most vulnerable to those stressors. Jamestown's most visited landmark, James Fort, is an active archaeological site located just feet from the tidally influenced James River. To preserve Native American and early European settler sites and artifacts, the researchers use models to prioritize the most at-risk resources in their preservation efforts.

The National Park Service has more than 120 parks that are vulnerable to changes in sea and lake levels, saltwater intrusion, ocean acidification, inundation during coastal storms, and the impacts of changing temperature and precipitation regimes. The NPS five-year line-item construction plan identifies over $100 million in projects to protect natural and cultural resources, historic icons, visitor facilities and grounds from the effects of these weather events, including over $57 million in New York City area park units.

McCollum Q47: How much is included in the FY 2018 budget for these efforts?

Response: The infrastructure of DOI has an estimated replacement value of over $300 billion. In addition to the Heritage Assets, the DOI portfolio includes schools for Indian children, highways for tourists and commuters, and much of the West with drinking water and irrigation. The budget request includes $1.5 billion for maintenance and operations of DOI facilities and leverages millions more in partner and operator funding.[1] The Department uses a consistent approach across the bureaus for planning and budgeting for infrastructure investments, including deferred maintenance and repairs. The successful stewardship of constructed assets, including historic properties, requires prioritizing resources to high priority assets and sustaining the mission capability of assets. This process prioritizes projects that stabilize, restore, replace, or improve life-cycle performance of assets that are mission critical or mission dependent. The DOI's primary goal is to focus resources on the constructed assets most important to mission delivery and in greatest need of maintenance and repair.

Arctic National Wildlife Refuge

The FY 2018 budget proposes legislation to allow oil and gas drilling in the Arctic National Wildlife Refuge. The debate over opening this area up for drilling is not new and there is significant opposition. Native Alaskans, sportsman, and environmental and tourism groups are concerned about the damage drilling could inflict on wildlife, particularly the Porcupine caribou herd.

McCollum Q48: With Congress voting nearly 50 times over the last 30 years on this issue, why do you feel now is the time to open up to drilling this iconic and pristine landscape when the USGS has already estimated there is approximately 7.4 billion barrels of undiscovered, technically recoverable oil in the combined Baaken and Three Forks Formations?

Those other areas would provide for over 20 years of future production at a production rate of 365 million barrels per year.

Response: As Secretary, I recognize how special Alaska is and understand the need to rebuild trust that has been lost between the state and the Department. The state of Alaska and its congressional delegation have expressed their commitment to collaborating with the federal government to establish energy development policies that are responsible, safe, and economically viable. ANWR remains an area of tremendous oil and gas resource potential, and one that the state has expressed interest in pursuing.

McCollum Q49: Development in those areas already exists, so why not focus where infrastructure has been established rather than open up a new area?

Response: There are opportunities to responsibly develop in locations with existing infrastructure and in those without.

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[1] Source: DOI BIB Appendix C and Bureau of Reclamation Maintenance and Repair requested amount of $153.2 million

McCollum Q50: You just completed a trip to Alaska to listen and talk to the people of the state and have said achieving the president's energy dominance is only possible through the great state of Alaska." How can we be assured that environmental concerns are adequately addressed and that all Alaskan perspectives on opening up some of these culturally sensitive and fragile ecological areas have been heard and considered?

Response: As a Boy Scout, I was taught to leave the campsite in better condition than I found it. I apply this same philosophy to energy development. I look forward to continuing to engage with all Alaskans to ensure whatever development takes place considers areas and resources important to the locals.

McCollum Q51: Secretarial Order 3352 which you signed on May 31, 2017 requires an updated resource assessment for areas of the North Slope, including the "1002 area" of ANWR. You stated, "I'm a geologist. Science is a wonderful thing: it helps us understand what is going on deep below the surface of the earth. We need to use science to update our understanding of the 1002 area of the Arctic National Wildlife Refuge as Congress considers important legislation to responsibly develop there one day. This order takes the important first step in a smart and measured approach to energy development in ANWR."

When do you anticipate the completion of this resource assessment?

Response: A date of completion will be established in the report provided to me by the Counselor to the Secretary for Energy Policy.

McCollum Q52: Why isn't it premature for you to request the FY 2018 legislative proposal to open up ANWR if you currently don't have a completed resource assessment?

Response: Previous resource assessments make clear the significant energy potential of the 1002 area of ANWR. Information from an updated assessment will be used to refine specific lease sale decisions and associated revenue projections as we move forward.

McCollum Q53: By early July you have requested a joint plan from your Counselor for Energy Policy with input from your Assistant Secretaries for Land and Minerals Management and Water and Science to update assessments of the undiscovered technically recoverable oil and natural gas resources of Alaska's North Slope.

How is 31 days a sufficient amount of time to do a critical analysis that includes new geological and geophysical data and reprocessed existing geological and geophysical data?

Response: The Secretarial Order calls for a full plan in July to update these assessments.

McCollum Q54: The Record of Decision for the NPR-A was reached after an extensive outreach effort that ensured all voices were heard and allowed BLM to benefit from a wide variety of perspectives. Tribal consultation, public scoping meetings and additional input from North Slope villages were foundational for this decision.

What do you find insufficient about this process that requires a new review?

Response: I want to ensure we have the best and most current data and outreach prior to making an updated assessment.

Federal government's Trust Responsibility

The FY 2018 budget does not respect our Nation's commitment to Native American's or our trust responsibility. The Trump budget advances cutting programs that would negatively impact those living on reservations and a population that according to the 2010 Census has a poverty rate of 28.4%.

McCollum Q55: How do you justify the proposed 13% reduction to BIA and BIE?
We have a responsibility to provide children with a safe learning environment, but the budget proposes to eliminate construction funding for facility and school replacement.

Response: This budget reflects the President's commitment to fiscal responsibility – proposing sensible and rational reductions and making hard choices to reach a balanced budget by 2027. The budget prioritizes support for programs serving the broadest service population and proposes reductions in initiatives that are more narrowly focused. The President's budget maintains the Administration's strong support for the principle of tribal self-determination, and efforts to strengthen tribal communities across Indian Country. The budget includes full funding for Contract Support Costs and Tribal Grant Support Costs that Tribes incur from managing Federal Indian programs.

The budget prioritizes funding within education construction on facility improvement and repair at existing schools. Available funding will continue completion of replacement schools on the 2004 school replacement list and design for schools on the 2016 school replacement list.

McCollum Q56: The conditions at these schools are deplorable and I would encourage you to go out and visit them and talk to the communities about the challenges they face.

How many schools are remaining in the pipeline for replacement?

Response: The three schools from the 2004 replacement list have been funded through construction and are currently in the design phase. The ten schools from the 2016 replacement list are all currently in the planning phase with two schools expected to finalize the planning phase in July 2017. Both schools have requested project completion through the design-build method. With current replacement school funding through FY 2017, Indian Affairs will fund the first school as a design-build. Depending on the final estimate from the planning phase, Indian Affairs may have the resources to fund the second school but is contingent on cost estimates for awarding the design-build contract.

Using the criteria from the No Child Left Behind (NCLB) priority process Indian Affairs administered two years ago, 78 schools were eligible for replacement. Schools meeting the

eligibility requirements were invited to submit an application to be reviewed and scored by the National Review Committee with representatives from each of the BIE Regions with eligible schools. Of the 78 eligible schools, 53 submitted an application for replacement of which 10 were selected for the 2016 replacement list.

McCollum Q57: Now that the Trump Administration has made it clear that school replacement is not a priority, how do you expect school officials to deal with their circumstances?

Response: The budget prioritizes funding within education construction on facility improvement and repair at existing schools. The 2018 budget proposes to suspend funding for Replacement School Construction projects. Using the funds currently available, BIA will continue construction of the three replacement schools currently in the pipeline and designs for each of the ten schools on the 2016 BIE Replacement School list. Funding from 2017 may enable the funding of one school on the 2016 school replacement list for construction. Under the current schedule, several schools are expected to complete the design process in summer 2018. At that time, BIA will make a determination on construction work with the BIE and school officials regarding contract awards based on individual school readiness and available funding.

McCollum Q58: How will the Department help the Alaska Native villages that are facing relocation due to impacts from climate change?

Response: The Tribal Resilience Program (TRP) supports tribal governments and trust land managers with training, data, tools and access to technical experts in order to understand vulnerabilities of communities to landscape level change and identify risk management strategies. TRP coordinates with other federal, tribal, and state partners to invest in the information and tools needed to support managers, thereby enabling tribal and trust managers to implement strategies for resilient communities and to encourage cooperative solutions.

Coastal tribes face climate driven and other risk management challenges ranging from harmful algal blooms, to ocean acidification, to degrading ecosystems, to changes in food availability, to storm surge and disaster recovery. TRP support for ocean and coastal management for tribes is similar to the climate resilience focused efforts including tribal participation in ocean and coastal planning, vulnerability assessments, monitoring, and training.

McCollum Q59: Can you discuss your plans to bolster the sovereignty of Native American tribes and provide the resources they need?

Response: The Bureau of Indian Affairs' (BIA) Office of Indian Services (OIS) provides support to tribal sovereignty through virtually every one of its program. One of the primary divisions supporting tribal sovereignty is the Division of Self Determination. The Division provides services and support to the tribes in exercising their sovereignty under the Indian Self Determination and Education Assistance Act (ISDEAA) in a number of areas. For example, the Division conducts 15-20 ISDEAA training sessions per year that directly support efforts by tribes and tribal organizations to contract and compact federal programs through ISDEAA. These training sessions provide extensive guidance on the laws and regulations that govern the

contracting process, and are designed to assist tribes and tribal organizations with their self-determination efforts. In addition, the Division is responsible for distributing the Contract Support Costs (CSC) funding to tribes each year, which supports the direct and indirect costs the tribes and tribal organization incur when operating these formerly federal programs. In FY 2017, BIA requested and received full funding for CSC. BIA has also requested full funding for CSC in the FY 2018 budget. Further, the Division is able to provide "start-up" funding, known as the Indian Self-Determination Fund (ISDF), to tribes and tribal organizations when they begin new ISDEAA contracts, or enhance existing contracted programs. The FY 2018 the request for ISDF is $5 million, which is adequate to cover the need.

Tribal Priority Allocations (TPA) funding is provided for basic tribal services, such as social services, job placement and training, child welfare, natural resources management, and tribal courts. TPA gives tribes the opportunity to further Indian self-determination by establishing their own priorities and reallocating Federal funds among programs in this budget category. The FY 2018 budget proposes $627.0 million in TPA funding to Tribes.

Indian Affairs supports sovereignty in education too through several programs. Indian Affairs is requesting $74.4 million FY 2018 to fully fund Tribal Grant Support Costs for Tribes which choose to operate BIE-funded schools. This level will support 100 percent of the estimated requirement. A significant part of the BIE school system is operated by tribes through contracts and grants from the BIE. Currently, tribes or tribal organizations manage 130 (71%) of the 183 elementary and secondary schools. A major goal of BIE is to facilitate tribal sovereignty over education by encouraging the transfer of management and operation functions of schools from BIE to tribes. In order to encourage further participation by tribes, it is important to ensure that the administrative costs, which accompany the management and operation of tribally-controlled schools, are provided for by BIE. Tribes operating BIE funded schools use these funds to cover the overhead costs of operating a school, meet legal requirements, and carry out support functions that would otherwise be provided by BIE directly. Six BIE operated schools have indicated they want to transfer to tribally operated status in FY 2018.

The FY 2018 budget also includes $1.0 million for the Tribal Education Departments (TED) program to assist tribes and their TEDs in building local tribal capacity to coordinate and deliver effective educational services to their tribal members. The program provides TEDs with critical resources needed to strengthen the management and oversight of a tribe's educational programs, including BIE-funded schools, school operations, adult education, scholarships, and other programs.

Regulation review

Executive Order 13783 on Promoting Energy Independence and Economic Growth requires a review of all regulations and an end to the moratorium on new coal mines on federal lands. In addition, the Department stayed a federal accounting system regulation that would have compelled coal, oil, and gas companies to pay adequate royalties.

McCollum Q60: The stay is in effect while the Department reviews the regulation. When do you anticipate making a definitive decision on this new rule?

Response: The Department continues to collect comments and input on the rule.

McCollum Q61: How does your approach comply with the requirements of the Administrative Procedures Act?

Response: The Department will follow the law.

Lead Ammunition

Lead poisoning occurs when fragments of shot are eaten by scavengers or leach into the environment, killing between 10 and 20 million birds each year, including bald eagles, along with other species. For the past 40 years lead exposure and lead poisoning have been major health issues for bald eagles received by or admitted to the University of Minnesota's Raptor Center.

McCollum Q62: One of your first acts as Secretary of the Interior was to issue a Secretarial Order overturning Director's Order 219 which required the phase out of the use of lead ammunition and fishing tackle on the national wildlife refuges by 2022.

McCollum Q63: What was the scientific basis behind your action?

Response: A review of Director's Order 219 and the process by which it was promulgated showed the Order was not mandated by any existing or regulatory requirement and was issued without significant communication, consultation, or coordination. Given these facts, I issued Secretarial Order 3346 to revoke Director's Order 219.

McCollum Q64: Your Order states the Director's Orders was issued without significant communication, consultation or coordination with affected stakeholders even though it set into motion a five year consultation process.

Do you plan to engage stakeholders in the near future to discuss this issue and the prevailing science?

Response: Issued in conjunction with the revocation, Secretarial Order 3347 is designed to engage stakeholders on a variety of issues concerning management of public lands, including actions to improve habitat, cooperation with State wildlife managers, and access to the outdoors. The Department will work with stakeholder groups, including but not limited to the Sport Fishing and Boating Partnership Council and the Wildlife and Hunting Heritage Conservation Council – advisory groups established under the Federal Advisory Committee Act.

McCollum Q65: Lead shot and tackle is cheaper than nontoxic copper and steel shot—do you see this as mainly an economic issue?

Response: Studies of hunter attitudes regarding non-toxic ammunition have shown that hunter concerns about such ammunition include perceptions about the availability of ammunition in the

desired caliber, the effectiveness of such ammunition, and its relative cost. The Director's Order issued by the previous Administration was developed without adequate engagement with affected stakeholders, including consideration of economic issues, and such engagement would be an important part of future consideration of any policy to require non-toxic ammunition use on lands administered by the Service.

Land and Water Conservation Fund

The FY 2018 budget includes a request for $64 million in discretionary funding for the Land and Water Conservation Fund, a reduction of $336 million from the FY 2017 enacted level. There are no funds requested for federal land acquisition, recreational access, species recovery and HCP land acquisition.

In your first days in office you issued a Secretarial Order to expand access to public lands and increase hunting, fishing, and recreation opportunities nationwide.

McCollum Q66: How do you plan to achieve this with the budget you have requested and the projected staffing levels in the land management agencies?

Response: Interior efforts to expand access to recreational opportunities will be advanced through targeted investments. Infrastructure related investments at land management bureaus will address areas like trail maintenance and signage which is critical to ensuring access to public lands and safety. For example, on April 10, 2017, the Department announced expanded recreation opportunities for motorized and nonmotorized trails in the Recapture Canyon area located in San Juan County, Utah. The travel management plan includes nearly 7 miles of all-terrain vehicle and/or traditional vehicle access to this area while protecting important archeological sites and natural resources. In 2018, within its Recreation Resources Management program and National Conservation Lands program, BLM will prioritize providing recreation access to the public lands to support these type of projects to improve access to recreational opportunities.

The budget for refuge operations seeks to minimize reductions, including $71.1 million for Visitor Services and $136.2 million for Refuge Maintenance. The 2018 budget includes $2.2 billion for national parks operations and $90 million in permanent funding for LWCF State grants. These grants are an essential tool for increasing access to recreational opportunities on state and local lands. Minimizing reductions to Refuge Operations helps to ensure we are taking care of what we currently own and maximizing public access and enjoyment of refuges. Although the budget eliminates funding for land acquisition projects and Cooperative Endangered Species Conservation Fund land acquisition grants, $54.0 million remains to support essential acquisitions which can also improve public access for recreation and enjoyment of Interior's parks, refuges, and unique public lands.

McCollum Q67: The FY 2018 budget requests no discretionary funds for National Park Service formula or competitive grants to States assuming $90 million in mandatory funding will be available for formula grants to States. In FY 2017 $94 million was provided for formula grants and $12 million was provided for competitive grants.

Please explain this new approach.

Response: The Gulf of Mexico Energy Security Act (GOMESA, P.L. 109-432) established a mandatory stream of funding derived from revenues generated by Outer Continental Shelf (OCS) oil and gas leasing in the Gulf of Mexico. Under this Act, a portion of certain OCS revenues are distributed to states for conservation purposes through the LWCF State Conservation Grants program.

While mandatory funding authorized under GOMESA benefits State and local governments through the NPS program, the amount of receipts available is difficult to predict. Therefore, the budget proposes to replace the formula for allocating receipts to the LWCF State Grants program established by GOMESA with a comparable permanent appropriation, derived from the LWCF, of $90.0 million in 2018, increasing to $125.0 million in 2022, and each year thereafter. Providing mandatory funding would allow the states to better plan their efforts from year to year. This program would utilize the discretionary grant criteria and continue the required 1:1 match.

McCollum Q68: Despite clear assurances to Congress during your confirmation that you support the Land and Water Conservation Fund, the President's budget makes drastic and deeply concerning cuts to this bipartisan and widely supported common sense program.

How can you explain this drastic change to the members of Congress you assured about LWCF, and the local communities counting on this program?

Response: In recent years, a large portion of the Department's LWCF portfolio has focused on projects to acquire new lands both on federal lands and through grants to States through the Cooperative Endangered Species Conservation Fund. The President's budget proposes to balance the Federal government's budget by 2027, in order to do this priorities must be identified. The 2018 budget prioritizes taking care of the assets we currently own. The majority of ongoing operational requirements cannot be deferred and maintenance needs have been postponed for too long. Land acquisition is an area where the Department has flexibility to defer expenditures.

McCollum Q69: While I appreciate and support the state level funding, most projects critical for sportsman's access, for recreation economies and for western members require federal investment. You know this first-hand with the Whitefish Lake Watershed Project in your hometown.

McCollum Q70: How can you explain this budget's drastic cut to federal LWCF funding given your prior outspokenness for it?

Response: In recent years, a large portion of the Department's LWCF portfolio has focused on projects to acquire new lands both on federal lands and through grants to States through the Cooperative Endangered Species Conservation Fund. The President's budget proposes to balance the Federal government's budget by 2027, in order to do this priorities must be identified. The 2018 budget prioritizes taking care of the assets we currently own. The majority

of ongoing operational requirements cannot be deferred and maintenance needs have been postponed for too long. Land acquisition is an area where the Department has flexibility to defer expenditures.

McCollum Q71: The Land and Water Conservation Fund is only currently authorized through September of 2018. In Congress, you spoke repeatedly of the need to permanently authorize the program and in your confirmation hearing, you supported permanent authorization of the Land and Water Conservation Fund. How is the Department working toward permanent authorization?
Response: We are exploring options for reauthorization, including consideration of a range of conservation-related investments that could be funded through the LWCF. Interior supports a long-term solution to support the LWCF objectives.

Coal

The FY 2018 budget highlights lifting the 2016 moratorium on all new coal leases on Federal land and ending the development of the programmatic environmental impact statement. These actions reward the fossil fuel industry at the expense of addressing the risks associated with climate change. In 2013, coal mining accounted for 10% of the methane released into the atmosphere in the United States and a recent study shows that emissions from fossil fuel production of existing federal leasing far exceed scientifically-determined global carbon budgets.

McCollum Q72: What is your idea of a balance between energy development and conservation of our public lands and waters? Do you believe there is any acceptable limit to energy production on federal lands?

Response: The America First Energy Plan is an "all-of-the-above" plan that includes oil and gas, coal, and renewable resources. Public lands are integral to the development of these important energy resources. Through this plan, America's free markets will help determine where and when energy development on public lands is feasible. In order to respond to our Nation's energy needs, the BLM is engaged in a variety of efforts to support domestic production. These efforts include predictable leasing; reducing barriers to accessing energy resources on BLM public lands; reviewing and streamlining the BLM's leasing and permitting processes to serve its customers and the public more efficiently and effectively; and improving coordination among key stakeholders, including State and local governments, other Federal agencies, and the public. The BLM remains committed to conservation and environmental protection, including completion of appropriate environmental analyses, as it works to implement the President's energy strategy.

McCollum Q73: Before the coal moratorium, how many permit applications was the department receiving? How big was the backlog?

Response: The number of coal leasing applications received in any given year varied depending on a number of factors. At the time of the moratorium, the BLM had 44 coal leasing applications (including new lease and existing lease modification applications) that had not yet been finalized.

McCollum Q74: In your review, have you determined definitively whether the coal moratorium on federal lands resulted in any job loss?

Response: We have not studied what effect the moratorium may have had on employment.

McCollum Q75: In 2016, 46% of onshore federal leases and 81% of offshore leases were not in production. How do you justify increasing the funding for fossil fuel development at the expense of critical areas like Indian Affairs?

Response: The BLM manages about 245 million surface acres and 700 million subsurface acres, located primarily in 12 western states, including Alaska. This diverse portfolio of lands is administered by the BLM on behalf of the American people as part of the agency's multiple-use mission – including energy and mineral development, livestock grazing, timber production, recreation, and conservation, among others. The BLM manages approximately 30 percent of the Nation's minerals. In FY 2016, onshore energy production on Federal lands accounted for 7 percent of oil, 10 percent of natural gas, and 41 percent of coal produced domestically; in addition, BLM has to date approved renewable energy projects with a production capacity totaling 17,963 megawatts. Public lands support the Administration's America First Energy Plan and Secretary Zinke's priority to maintain our Nation's energy dominance by advancing domestic energy production, generating revenue, and creating and sustaining jobs throughout our country.

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Chesapeake Bay

Chesapeake Bay is the nation's largest estuary in which 18 million people live and work; there are 3,600 types of fish, wildlife and plant life that underpin the economic value of the ecosystem; and where in a voluntary partnership with other federal, State, and local governments; NGOs; academic institutions, private businesses and individual citizens, 10 Goals for restoring the ecosystem have been set to be met by 2025.

Just when the Chesapeake Bay is beginning to show improvement, the FY 2018 budget cuts the funding across DOI by approximately 41% and eliminates the EPA funding, some of which DOI benefits from such as funds used to hire USGS scientists.

McCollum Q76: Why is it prudent to reduce funding that States and localities cannot do without and jeopardize all the work that has been done in one of the world's most productive ecosystems?

Response: The USGS conducts work within 22 geographic focal areas across the Nation, including the Chesapeake Bay, where significant knowledge has been gained over years, forming a solid foundation of science on which to base policy and management decisions.

The 2018 President's budget request for the USGS supports the following activities for the Chesapeake Bay:

- Studies to inform protection and enhancement of brook trout and waterfowl populations within the Ecosystems Mission Area
- Characterization of stream flow, groundwater, and limited monitoring of nutrients in rivers to inform water management actions within the Water Resources Mission Area
- Studies of land use and change related to water quality in urban and agricultural areas within the Land Resources Mission Area

McCollum Q77: Efforts to restore the Chesapeake Bay are seen as a national and international model for sustainable use of coastal regions.

What message are we sending about our leadership and commitment when we reduce funding to such an exemplary project from which recovery lessons can be duplicated in coastal regions worldwide?

Response: Within the President's 2018 budget request, the USGS will focus research and monitoring on those Chesapeake Bay issues that are in most need of additional study while maintaining a leadership role in science interpretation, synthesis, and consultation.

The Department of Interior has a lead role in carrying out a majority of the 10 goals of the Chesapeake Bay Program (CBP) agreement, including goals for (1) fish and wildlife populations, (2) habitat, (3) water quality, (4) land conservation, (5) public access, (6) citizen stewardship, and (7) climate resiliency. Within the CBP, USGS is the lead federal science agency on which federal, state, and local resource management agencies rely to implement and assess management approaches for reducing the impacts of nutrients, sediment, and toxic contaminants on water quality and fish and wildlife habitats.

Public Lands

The Government Accountability Office found that millions of dollars of royalty revenues have been lost due to venting and flaring of natural gas and an inadequate leasing process for federal coal. The Obama Administration sought to address these deficiencies by developing rules to help curb this waste and reform the federal coal leasing process.

McCollum Q78: Since your agency has the legal authority to regulate fossil fuel production on federal lands, how will you assure that American taxpayers are receiving a fair market value return?

Response: The Department is committed to ensuring that American taxpayers are receiving a fair market value for fossil fuel production on Federal lands by ensuring the operator has an opportunity to develop the resource and that production from the resource is properly accounted for and royalties, bonuses and rents are collected according to applicable regulations. Leases are contractually granted to the highest qualified bidder for a specific period of time. Leaseholders are required to pay a rental fee for the lease until it reaches production, at which point the leaseholder transitions to a royalty payment for commercial producing quantities. The BLM has worked to implement recommendations from the Department of the Interior's Office of the Inspector General and the Government Accountability Office to ensure that fair market value is received and that the program is properly run. BLM will continue to evaluate whether adjustments to future oil, gas, and coal lease terms are necessary to assure that taxpayers receive a fair return from the development of these public resources.

McCollum Q79: Your Department is currently reviewing the venting and flaring rule which was the culmination of 8 public forums and more than 300,000 public comments.

What criteria will you use to determine what sections of the rule to reopen?

Response: The President has issued Executive Orders that necessitate a Departmental review of the 2016 "Waste Prevention, Production Subject to Royalties, and Resource Conservation" rule (referred to in the question as the venting and flaring rule).

Pursuant to Executive Order 13771, "Reducing Regulation and Controlling Regulatory Costs," and Executive Order 13783, "Promoting Energy Independence and Economic Growth," the Department is reviewing the Rule to determine to what extent its provisions are consistent with the policies outlined in those orders, including the national interest to promote clean and safe development of our Nation's vast energy resources, while at the same time avoiding regulatory burdens that unnecessarily encumber energy production, constrain economic growth, and prevent job creation."

McCollum Q80: How will you guarantee their will be public input in this process?

Response: Any revisions to the 2016 waste prevention rule will be promulgated through a notice-and-comment rulemaking. The public and Tribes will have ample opportunity to review the BLM's proposal and provide comments during the public review period.

McCollum Q81: If you do change the rule, how will you protect against the loss of revenue from venting and flaring gas and minimize any impacts on the climate?

Response: The BLM is committed to preventing the waste of natural gas, and will take every opportunity to ensure any changes to the rule consider and protect against loss of revenue from venting and flaring.

McCollum Q82: During your nomination hearing, you said you "appreciate the need for reclamation and want to ensure that we hold companies appropriately accountable for their responsibilities." The FY 2018 budget proposes to reduce BLM's Abandoned Mine Lands program by $11 million under the FY 2017 enacted and the Hazardous Materials Management program by $5 million under the FY 2017 enacted which limits BLM's ability to undertake new mine remediation work and will reduce their capacity to address existing and emergent environmental impact incidents and conduct facility environmental compliance monitoring.

How will you ensure there is adequate funding for these critical programs?

Response: The Department understands the importance of this work. BLM addresses these environmental and physical hazards, and prioritizes these projects based on human and environmental risk. The Department remains committed to continuing to address these critical needs.

Renewable Energy

The U.S. is losing global competitiveness as other countries ramp up investment in renewable energy and decrease dependence on fossil fuels. China has set targets to reduce the percentage of coal in their energy mix and regularly outspends the U.S. on renewable energy. Of the 8.1 million global renewable energy jobs, 3.5 million are in China as compared to less than one million in the U.S. Renewable energy is an important and growing industry in the U.S. as many states are seeking to meet their renewable portfolio targets, create jobs, and jumpstart transitioning away from a fossil fuel-based economy to one that is healthier and safer for people and the environment.

McCollum Q83: How does the FY 2018 budget's "all of the above" energy strategy bolster this clean energy transition and make America competitive in the global renewable energy market?

Response: Ensuring timely permitting and leasing practices for renewable energy projects is critical to advancing this important energy source. The budget includes $78.1 million for on and offshore renewable energy development which is expected to address current industry demand.

In combination with funds from cost recovery, the requested funds for BLM's Renewable Energy Management program will allow the bureau to maintain its ability to process current rights-of-way applications, and administer solar and wind energy leases. Processing geothermal leasing, exploration and utilization projects will be prioritized.

Interior is taking steps to improve leasing processes to support renewable energy development. In January 2017, the BLM published its competitive leasing rule. This rulemaking supports a competitive leasing process for solar and wind energy development in existing and future designated development areas. The rulemaking updates and codifies acreage rent and megawatt capacity fees for wind and solar energy projects, establishes a new rate adjustment method that provides greater certainty and fair return for use of the public lands, provides incentives for leases within designated leasing areas, updates project bonding requirements, and incorporates

many of the solar and wind energy policies issued over the past decade into the right-of-way regulations.

The 2018 budget for FWS includes $10.3 million for Planning and Consultation activities for Energy, this is level with the 2017 CR and essentially level with the 2017 enacted level. This activity facilitates environmental reviews for major infrastructure projects, such as transportation, transmission, pipeline, renewable energy, and other significant investments, in support of Executive Order 13766, Expediting Environmental Reviews and Approvals for High Priority Infrastructure Projects.

McCollum Q84: The January 2017 U.S. Energy and Employment Report found that solar supports 373,807 jobs, more than the jobs in natural gas (362,118) and over twice the jobs in coal (160,119); wind also supports 101,738 jobs. Smartly sited large-scale renewable energy projects on public lands have drawn support from rural counties and other important stakeholders.

If this administration is committed to an "all of the above" energy strategy, then why propose a $13 million reduction in BLM's renewable energy program?

Response: The BLM remains committed to promoting development of renewable energy on public lands. On wind and solar projects, review and analysis prior to authorizing a new project is funded entirely by the project applicant based on "cost recovery" authority provided in FLPMA. Cost recovery also applies to costs associated with BLM's inspection and enforcement activities on approved and operating solar and wind projects. General program administrative costs and the project review for geothermal projects are not subject to cost recovery. The FY 2018 budget for the BLM's Renewable Energy Management Program supplemented by cost recovery funds provided by project applicants, reflects the level of funding required for staffing and support activities necessary to meet the demand for renewable energy on public lands. The BLM has approved 127 renewable energy projects, including 36 solar projects, 40 wind projects, 51 geothermal projects and numerous connecting transmission projects. The BLM is currently processing over 20 new project proposals.

McCollum Q85: Many independent, non-partisan agencies, including the DOI Inspector General and the Government Accountability Office, have concluded the federal coal program is in need of a significant review for environmental and economic concerns that have arisen over the last 25 years. Despite these warnings, the Administration has cancelled the comprehensive review that was underway and in FY 2018 proposes to increase the coal program by $8 million (75 percent).

How does the Department plan to fulfill the promise of a coal program that ensures a fair return to taxpayers and does not harm surrounding lands, wildlife and communities by significantly increasing funding for the federal coal program without a clear understanding of the problems that may plague it?

Response: The Department will continue to evaluate whether and to what extent reforms are need to ensure that taxpayers receive a fair return from coal development from Federal leases. In March, Secretary Zinke signed a charter to establish a Royalty Policy Committee to advise the

Department on royalty and other revenue issues associated with Federal and Indian energy and mineral development. BLM has taken steps to improve its fair market value (FMV) analysis for determining minimum coal bids. BLM has policies and procedures in place for considering responsible and appropriate development of coal deposits and strives to promote the timely and orderly development of publicly owned coal resources; ensure that coal deposits are leased at their fair market value; and ensure that coal deposits are developed in consultation, cooperation and coordination with the public, State and local governments, Indian tribes and involved Federal agencies.

McCollum Q86: As BLM no longer posts the list of pending coal lease applications on its main website it is difficult to assess where and how this $8 million increase would be used. Shouldn't the public, who owns the land and resources, be made aware of the plans for who, where and how their resources are going to be developed?

Response: National statistics and links to all States statistics (as they are populated over the next several months) may be found at: https://www.blm.gov/programs/energy-and-minerals/coal/coal-data.

McCollum Q87: The Bureau of Land Management has an obligation to manage federal lands for multiple-use such as for recreation, conservation and energy development. With this mandate, policies have been updated to increase public input at the beginning of land planning processes to reduce conflict and engage stakeholders early. These updated policies have been largely successful as protests have decreased and the public and local communities have had a say in how and where development occurs alongside conservation.

Is this Department committed to continuing policies that uphold the mandate of multiple-use and how does this Department see its role when it comes to involving the public in land management planning processes?

Response: The Department of the Interior is committed to continuing policies of multiple-use in accordance with the Federal Land Policy and Management Act. Through the land use planning process, the Department is also committed to ensuring the public has a voice in how their public lands are managed.

McCollum Q88: The Department of the Interior has statutory obligation to ensure that taxpayers get a fair return from the development of its resources. That means that royalties paid to the states and federal government need to be commensurate with the value of our public lands and resources. However, royalty rates for onshore energy have not been updated in decades, significantly lagging behind rates that states have levied. Many different independent and non-governmental agencies have urged the Department of the Interior to raise royalty rates and close loopholes that companies have taken advantage of over the years.

How do you plan to ensure taxpayers are seeing their fair share from federal onshore energy development?

Response: The Department is committed to ensuring that taxpayers are receiving their fair share from Federal onshore energy development. The BLM's Inspection and Enforcement program (in coordination with the Office of Natural Resources Revenue) conducts production accountability reviews to ensure that all production on Federal lands has paid the appropriate amount of royalties due. Additionally, in an effort to ensure the public continues to receive the full value of natural resources produced on Federal lands, Secretary Zinke also signed a charter establishing a Royalty Policy Committee to provide regular advice to the Secretary on the fair market value of and collection of revenues from Federal and Indian mineral and energy leases, include renewable energy sources. The Committee may also advise on the potential impacts of proposed policies and regulations related to revenue collection from such development, including whether a need exists for regulatory reform. The group will consist of up to 28 local, Tribal, State, and other stakeholders and will serve in an advisory role.

Sage Grouse-BLM

Farmers and ranchers have come together with other private landowners and stakeholders – by building trust with BLM, NRCS and states - to preserve the sagebrush and ensure the continued multiple-use of western lands. These stakeholders, including Ranchers in Montana, have received substantial federal assistance to improve the sagebrush ecosystem, consistent with WAFWA recommendations. A key driver of these resources are the sage-grouse conservation plans, which were also a factor for the Fish and Wildlife Service decision against an endangered species listing for the sage-grouse. On June 7, 2018 you signed a Secretarial Order which establishes an internal review team to evaluate both Federal sage-grouse plans and state plans and programs to ensure they are complementary. The team will look at possible plan modifications and consider local economic growth and job creation.

McCollum Q89: Do you still support the FY 2018 proposal to reduce sage-grouse conservation funds by $11.5 million given that your review may yield important information on future conservation efforts?

Response: The Department's 2018 Budget reflects the President's commitment to fiscal responsibility – proposing sensible and rational reductions and making hard choices to reach a balanced budget by 2027. This required the Department to take a thorough look at all of our mission areas to determine where we could potentially increase efficiencies yet continue the implementation of our multiple-use mission.

McCollum Q90: Will you work with Congress to preserve conservation funding for sage-grouse and the sagebrush ecosystem?

Response: The Department will work with Congress to continue these efforts.

McCollum Q91: How do you plan to engage Governors and stakeholders?

Response: Secretarial Order 3353, "Greater Sage-Grouse Conservation and Cooperation with Western States," reinforces the commitment to align the Department's conservation actions with

those of the states. The BLM continues the commitment to collaborate with the WGA Sagebrush Task Force, the Governors' offices and other State agencies, Tribal governments, local working groups, and other stakeholders to implement sagebrush restoration and protection.

Wilderness

McCollum Q92: More than 50 years after the passage of the Wilderness Act we still do not have a baseline inventory assessment of wilderness character across the system. I know the Interagency Wilderness Character Monitoring Team has worked for several years to complete this inventory and has also developed several recommendations for maintaining wilderness character.

Will you continue to prioritize both completion of this inventory and implementation of the Monitoring Team's recommendations?

Response: The BLM's Wilderness Management Program continues to prioritize the completion of obtaining baseline inventory data for all Wilderness Areas and to monitor wilderness character over time. As of FY 2016, the BLM has completed approximately 53 percent of wilderness character baseline data, or 119 of 224 total Wilderness Areas.

McCollum Q93: Connected landscapes, habitats and migratory corridors are a significant contributor to resiliency and adaptation of ecosystems and species.

What role does the Department see for connected wildlands in addressing climate change?

Response: The BLM considers Wilderness Areas and Wilderness Study Areas to provide essential connectivity for wildlife habitat, but the BLM does not manage "wildlands" (the policy that used this terminology was rescinded in 2011).

Recreation

McCollum Q94: Outdoor recreation is a vital use of our public lands that helps connect people with nature and results in benefits for the economy, public health, and overall awareness of public lands. Opportunities for outdoor recreation are one of the greatest resources that our public lands offer.

Response: Interior recreation spending has a significant impact on the economy. In 2016, Interior hosted an estimated 473 million recreation visitors. The Department estimates these visits alone contributed to an estimated $50 billion to the economy and supported nearly 426,000 jobs nationwide.

McCollum Q95: What return on investment does the American public gets from recreation-related spending on public lands managed by the Department of the Interior?

Could we be doing more to invest in outdoor recreation?

Response: The Department is firmly committed to investing and supporting outdoor recreation. We recently announced $1.1 billion in annual funding for state wildlife agencies from revenues generated by the Pittman-Robertson Wildlife Restoration and Dingell-Johnson Sport Fish Restoration acts. The funds are distributed by the U.S. Fish and Wildlife Service and support critical State conservation and outdoor recreation projects.

Supporting State and local partner investments in outdoor recreation complements Interior's stewardship of Federal lands to promote outdoor recreation. For example, the 2016 record visitation at America's 417 national park units contributed $34.9 billion to the U.S. economy – a $2.9 billion increase from 2015. The parks provide magnificent outdoor recreation opportunities and serve as economic engines for local communities. To support continued record visitation, we will look at ways to make innovative investments in our parks to enhance visitor experiences and improve our aging infrastructure. To ensure visitors continue to have great experiences, we remain focused on increasing access to Interior lands and addressing the maintenance backlog to care for these assets for generations to come.

As part of this focus on improving access and infrastructure, we are reviewing our current practices for charging fees at our national parks and other public lands to determine whether there are opportunities to increase revenue for park needs like trail maintenance or improved signage. The 2018 budget also includes $15 million for the Centennial Challenge which is an important source of matching funds to leverage scarce appropriated dollars to improve NPS programs and facilities.

In FY 2016, more than 50 million visitors took advantage of outstanding outdoor recreation programs across the National Wildlife Refuge System, featuring more than 2,700 special events at refuges nationwide. Of the 566 wildlife refuges, 60 percent are open to hunting, and 49 percent are open to fishing. Over 2.4 million hunters and over 6.9 million recreational anglers visited these refuges last year. Wildlife watching continues to be the most popular recreational activity on refuges, attracting roughly 31.4 million visitors. The Refuge System's extensive network of trails, auto tour routes, observation towers, platforms, and boardwalks are widely accessible to visitors, families, and school groups. The popularity of wildlife photography is increasing faster than any other activity, with 10 million visitors taking wildlife and nature pictures last year. The Department will continue to increase access to wildlife-dependent outdoor recreation at wildlife refuges and support refuge operations and visitor services.

McCollum Q96: There is widespread recognition of the importance of connecting people with the outdoors. It is crucial to make sure all Americans – including diverse populations, underserved communities, and youth – have opportunities to experience nature and visit our public lands.

What is DOI doing to help connect people, especially diverse and underserved populations, with the outdoors and with our public lands?

Response: With 80% of the U.S. population currently residing in urban communities, the challenge to ensure Americans have the opportunity to experience the outdoors has become complex. To ensure the natural resources managed by the Department remain accessible to all

Americans, bureaus promote strategies to engage urban audiences in meaningful, collaborative ways that foster enjoyment of the outdoors and conservation of natural resources.

With 101 refuges within 25 miles of a population center of 250,000 or more people, the Fish and Wildlife Service's Urban Wildlife Refuge Partnership Program is an important method to reach urban populations. In communities without immediate access to public land, the Service creates opportunities through successful collaborative efforts providing relevant and empowering place-based, outdoor experiences for citizens and private organizations and Federal, State, tribal, and municipal agencies. The Service's 2018 budget maintains increased base funding from 2017 for seven urban refuges in California, Colorado, Utah, Pennsylvania, Maryland, and Louisiana to reach new audiences in their communities and continues to develop new partnerships in other urban areas.

Lands managed by BLM are vital to connecting Americans to the outdoors. These lands are the backyard to tens of millions of Americans. More than 120 urban centers in the western United States and thousands of rural towns are located within 25 miles of BLM lands. The 245 million acres of public lands managed by BLM offer a diverse array of recreational and educational experiences and the opportunity to bond with our Nation's rich natural and cultural resources. The 2018 budget includes $27.7 million for National Conservation Lands.

The BLM Recreation and Visitor Services program will emphasize engaging in outreach with communities, networks of service providers and other partners to identify and deliver the kinds of recreational opportunities and experiences that the public wants and that will bring economic benefits to local communities. Additionally, and within available resources, BLM will strive to expand visitor information delivery and quality by improving signing and websites and developing travel maps.

BLM will also prioritize the implementation of Secretarial Order 3347, *Conservation Stewardship and Outdoor Recreation*, to provide hunting opportunities by working with other BLM programs and partners to maintain recreational access and provide improved access where it would be cost effective and partner or grant funding is available. The BLM also partners with veterans and disabled sportsmen's groups to ensure access to recreational opportunities, as well as continuing to support and offer young people and their families as well as returning Veterans from diverse backgrounds hands-on learning experiences to prepare them for careers in fields related to energy development and natural resources management.

The Recreation program, by working with other BLM programs, will continue to provide support to the BLM's "Education, Interpretation, and Youth Engagement National Strategy, 2013-2018" and corresponding state step-down strategies to ensure that strong education, interpretation, and community engagement programs engage citizens of all ages in the work we do on behalf of the American people. The BLM will continue to offer Junior Ranger programming that provides young people and their families with opportunities to engage in outdoor recreation, public lands stewardship, and service projects, while fostering awareness and appreciation of BLM's multiple-use mission. The 2018 budget includes $62.7 million for the Recreation Management budget activity.

Youth programs have been an integral part of the NPS for decades. Through youth programs, the Service has unique opportunities to help young Americans understand the importance of protecting and preserving the cultural and natural resources protected within the national park system. In addition, by reaching out to young people from different social and economic backgrounds, the Service provides special opportunities for young Americans who might not otherwise have the chance to visit or work in a park.

For example, young adults can apply for a variety of employment opportunities in both remote and urban park settings. This includes working for park concessioners, the Public Land Corps, and Youth Conservation Corps. Additionally, the Service has developed partnerships with Girl and Boy Scouts; inviting them to participate in existing organized educational or service projects at national park units, or to design their own experience or project to align with Scout projects or badges. For younger children, the NPS Junior Ranger program is an activity based program conducted in almost all parks. For children unable to visit a park, the WebRangers program provides a fun, educational way to learn about the park system as part of an on-line community.

McCollum Q97: The Obama Administration launched the Every Kid in a Park initiative to provide every 4th grader – and their families – with free admission to our public lands and waters. This program has connected hundreds of thousands of 4th graders to America's parks, forests, and historical sites, many of them for the first time.

Under your leadership will the Department continue this initiative?

Response: The program is currently operating through the end of FY 2017. The program and its effectiveness is currently under review.

Department is in the process of reviewing the program and considering alternatives.

McCollum Q98: There has been an ongoing effort, driven by the Coalition for Outdoor Access, to address challenges with the land management agencies' recreational permitting systems in order to improve access for guided recreation on public lands.

How is the Department working to fix existing problems and improve recreational permit management?

NPS Response: Permits for guided recreation activities on National Park Service (NPS) lands are generally managed as commercial use authorizations (CUAs), under which businesses provide for-profit services within national parks. In 2016, the NPS created a CUA Program Coordinator position whose priorities include improving, standardizing, and simplifying CUA application and management processes. The NPS has recently standardized application and reporting forms, CUA holder reporting and insurance requirements, and fee calculations. In addition, the NPS has launched a new public website for CUAs, which guides users to park-specific CUA information via an interactive map. Finally, specific park units work to align permit conditions with agencies whose lands share their boundaries to facilitate recreational activity crossing jurisdictions. Other ongoing efforts to continue improving the CUA program include development of a web-based system for CUA applications and CUA holder reporting, as

well as online training for CUA coordinators to ensure that park personnel provide the best possible customer service.

FWS Endangered Species Recovery

The FY 2018 budget reduces FWS funding for recovery of endangered species by $4.5 million or 5%. The recovery budget is already insufficient with FWS receiving less than 25% of the funding needed to implement all recovery actions identified in recovery plans. Moreover, more than 400 listed U.S. species do not even have recovery plans - these include birds like the least Bell's Vireo, fish like the Topeka shiner, insects like the Miami blue butterfly, and many dozens of highly endangered plants.

McCollum Q99: How will this reduction impact the Service's recovery efforts?

Response: The reductions proposed in the budget are for discrete programs within the Recovery subactivity. The budget proposes to eliminate funding for cooperative recovery, an internal program intended to fund recovery projects in and around National Wildlife Refuges; grants to support conservation of birds in Hawaii, and multi-partner recovery activities benefitting California condors and Aplomado falcons. The Service has already funded the most beneficial cooperative recovery projects and other reductions will primarily impact conservation efforts by external organizations. The budget provides an increase of $1.9 million above the 2017 enacted level to general recovery activities that will enable the Service to initiate or complete 12 delisting or downlisting actions and additional 5-year reviews.

FWS Landscape Conservation Cooperatives and Science Support

The budget states that FWS Landscape Conservation Cooperatives and Science Support funding was eliminated as a "reduction to support longstanding programs," yet all other FWS program appear to have been reduced as well.

McCollum Q100: Can you please explain how you define "longstanding programs" and how this funding is being directed?

Response: The funding requested for the Service required tough decisions about how to meet statutory obligations and priorities. Within the FY 2018 request, the Service has proposed funding for programs that are fulfilling statutory obligations and priorities, such as those required by the Endangered Species Act and the Migratory Bird Treaty Act. The proposed budget protects, to the greatest extent possible, resources that fund on-the-ground work at our National Fish Hatcheries, National Wildlife Refuges, and Ecological Services field offices.

USGS Whooping Crane Program

The FY 2018 USGS budget eliminates the Whooping Crane Propagation Program, the largest dedicated captive breeding effort for Endangered Species Act.

McCollum Q101: Is this cut focused on eliminating the well-known captive breeding program for whooping cranes at Patuxent Research Refuge in MD?

Response: Yes, this eliminates the captive breeding program for whooping cranes at the Patuxent Wildlife Research Center (PWRC) in Maryland.

McCollum Q102: How does the elimination of this program impact the recovery objective?

Response: The USGS is planning a transition that will minimize disruption. The Patuxent Wildlife Research Center (PWRC) has been the lead institution in the production of Whooping Crane chicks for the reintroduction portion of the recovery plan. However, the program, while providing valuable contributions to whooping crane recovery, is no longer required to meet species recovery goals. The birds now housed at PWRC will be sent to other breeding centers, which will defer the production of chicks for the 2018 season and possibly later years. The USGS is identifying potential non-federal partners as possible breeding center recipients.

In addition, Patuxent staff will be available for consultation and training to transition the program effectively.

Revenues

Over the past 12 years, lease sales for the lands and waters of Alaska's North Slope have averaged around $42 per acre. More specifically, onshore North Slope lease sales have averaged $20 per acre, while offshore North Slope lease sales in the Beaufort and Chukchi seas have averaged $92 per acre. The significant difference between the onshore and offshore average is due almost entirely to one anomaly--- the 2008 Chukchi Lease Sale 193 that went for an unprecedented $965 per acre. As has been well documented, attempts to develop Chukchi Lease Sale 193 were a disaster, and Shell Oil has since relinquished all but one of those leases.
The FY 2018 budget assumes that leasing the Arctic National Wildlife Refuge's Coastal Plain would raise $3.6 billion dollars over the next ten years, with $1.8 billion going to the Federal Treasury.

McCollum Q103: Can you explain the bidding assumptions you are using?

Response: The revenue estimates in the President's Budget are based on a combination of factors including historical lease sales and the Administration's current economic assumptions about the future price of oil and gas. The estimates are approximations, and DOI is in the process of conducting additional technical analyses to inform future revenue projections. As reflected by the wide variation in per-acre bids for different lease areas, such per-acre figures are not a particularly useful way to think about potential lease bid revenues. From a geologic standpoint, the 1002 Area of ANWR is widely considered to have major potential for oil and gas development, in excess of other Alaska onshore development prospects.

McCollum Q104: Does this consider current gas prices and the Shell Oil Arctic Ocean drilling program?

Response: The estimates in the President's Budget consider current oil and gas prices as well as well as estimates of future prices and the expected corresponding industry interest in leasing opportunities. The logistics of offshore Arctic drilling vary substantially from those of onshore drilling prospects such as the 1002 area of ANWR. Thus, Shell's challenges with its recent offshore drilling program was not used in estimating potential revenues from oil and gas leasing in ANWR.

McCollum Q105: The FY 2018 budget states that in 2016, revenue from energy, mineral, grazing and forestry resulted in $8.8 billion for the American people and recreational visitors to the national parks and public lands spent more than$18.4 billion.

What analysis was done on the impacts the proposed FY 2018 budget reductions will have on visitation and the resultant revenue loss from reduced visitor services and interpretive and environmental education programs?

Response: Visitor expenditures are primarily driven by the number of visitors. There is no reason to expect that the underlying visitation trends to DOI managed recreation sites will change, and in general, visitation at many sites has been increasing. Unless there is something that causes a fewer number of individuals to visit DOI sites, visitor expenditures would not be anticipated to change. While a reduction in visitor services at some DOI locations might affect the quality of a visit, it would be unlikely to affect the number of individuals visiting and their expenditures in the private sector economy.

McCollum Q106: The federal oil and gas onshore royalty rate has remained at 12.5% since it was established in the Mineral Leasing Act of 1920. A review by the U.S. Government Accountability Offices (GAO) in 2007 revealed the U.S. federal government has one of the lowest royalty rates in the world. The Department has reestablished the Royalty Policy Committee to provide advice to the Secretary on the fair market value of, and collection of revenues derived from the development of energy and mineral resources on Federal and Indian lands.

Please provide an update on the status of standing up this Committee.

Response: On April 3, 2017, the Department of the Interior's Office of Natural Resources Revenue (ONRR) published a Federal Register Notice announcing the establishment of the Royalty Policy Committee (RPC) and requesting nominations for primary members and alternates to serve on the Committee for a three-year term. On May 3, 2017, we published a Federal Register Notice extending the nomination period through June 2, 2017, and on June 2, 2017, we published another Notice extending the nomination period through July 3, 2017. The group will consist of up to 28 representatives from Department of the Interior, States, Tribal nations, companies, and the general public. ONRR is currently collecting nominations and preparing for a selection committee meeting, which will be held in July.

McCollum Q107: Have the non-Federal members been appointed yet?

Response: No, non-Federal members have not yet been appointed to the RPC. The nomination period recently closed. The Department will review nominations and make selections for non-Federal members. Additionally, nominees will be vetted through the White House.

McCollum Q108: Has a meeting schedule been established?

Response: No, a meeting schedule has not yet been established. The Department of the Interior is currently conducting a standard review of the charters and charges of Federal Advisory Committee Act (FACA) Advisory Commissions in an effort to maximize feedback from these boards and to ensure their compliance with both FACA and the President's recent executive orders. We will establish a meeting schedule after the RPC is reviewed through this process and cleared to proceed.

National Park Service Outsourcing

A recent press article reported that you intend to outsource more park functions to private companies. The Park Service already has concessionaires and uses park volunteers to monitor campgrounds and the FY 2018 budget cuts volunteer services.

McCollum Q109: How do you envision this outsourcing would work?

Response: The National Park Service has a number of mechanisms available to "outsource" park functions to private companies. The most common for providing commercial visitor services is the concessions contract. Other vehicles include procurement contracts, commercial leases, permits, and the Visitor Experience Improvement Authority established by the National Park Service Centennial Act (P.L. 114-289). The decision to outsource a specific service and determine which vehicle is most appropriate depends on a number of factors, including whether the service is necessary and appropriate, whether it offers a viable business opportunity for the private sector, and how large of an investment is required.

McCollum Q110: Are you suggesting the government outsource the actual resource management? Wouldn't that still cost the government money?

Response: Some resource management functions, particularly maintenance and upkeep of historic resources, could be outsourced and may result in a savings. For instance, the National Park Service has leased numerous historic structures to private entities. In most cases, the leases have required the lessees to complete renovations and upgrades to the NPS structures in lieu of lease payments.

Wild Horse and Burro

McCollum Q111: The budget-in-brief states that the BLM "proposes to address the explosive cost growth in the Wild Horse and Burro Management program." What is the BLM's plan, how much will it cost, how long will it take to implement, and what will be the resulting benefit to the rangeland?

Response: The BLM will produce a plan as required by the Consolidated Appropriations Act of 2017 (Public Law 115-31) by November 2017. The plan will identify actions to address the over population of the range and reduce the number of wild horses and burros in long-term holding facilities.

McCollum Q112: The Wild Horse and Burro program is cut by $10 million or 12% below the FY 2107 enacted level. What activities will not be done as a result of the reductions? How many fewer animals will be taken off the range, what research will be delayed or discontinued? What will the effect of the reduction to the Wild Horse and Burro program be on the population growth on the rangeland?

Response: The BLM will take a number of actions to achieve program goals within the President's budget. The plan will identify actions to address the over population of the range and reduce the number of wild horses and burros in long-term holding facilities.

The BLM is committed to continuing removals and adoptions, and is currently re-evaluating options to allow for more removals and adoptions than initially considered (about 500 removals and 1,400 adoptions). Currently, the BLM does not plan to delay or discontinue any research projects.

Congressional Inquiries

McCollum Q113: What is the policy at the Department with regard to responses to congressional inquiries?

Response: The Department's policy is to be responsive to Members of Congress.

McCollum Q114: More specifically, is there a policy or guidance that would prohibit or delay responses to Ranking Members of Congressional Committees or Subcommittees of jurisdiction?

Response: The Department's policy is to be responsive to Members of Congress. I have made myself accessible to all Members of Congress, including offering quarterly meetings with Committee Members and will continue to do so.

McCollum Q115: Is there a policy or guidance that would prohibit or delay responses to Democratic Members of Congress?

Response: The Department's policy is to be responsive to Members of Congress. I have made myself accessible to all Members of Congress, including offering quarterly meetings with Committee Members and will continue to do so.

McCollum Q116: If such policies or guidance are in place to prohibit or delay responses to Ranking Members or all Democratic Members, was such developed in consultation with the White House or the Office of Management and Budget?

Response: The Department's policy is to be responsive to Members of Congress. I have made myself accessible to all Members of Congress, including offering quarterly meetings with Committee Members and will continue to do so.

Mining Withdrawal in Superior National Forest & Boundary Waters

During this subcommittee's May 25th hearing with Agriculture Secretary Perdue, we discussed the Environmental Impact Study that the Bureau of Land Management (BLM) and the Forest Service are currently conducting to determine whether to ban dangerous copper-sulfide mining for 20 years in the pristine watershed that contains both the Boundary Waters Canoe Area Wilderness (BWCAW) and Voyageurs National Park. Secretary Perdue stated, "Secretary Zinke and I have already met about this and I think your statement there regarding the two-year study over the sound science. None of us, I'm not smart enough to know ..to do without the facts base and the sound science and we are absolutely allowing that to proceed....No decision will be made prior to the conclusion of that."

Thank you for the joint decision with Secretary Perdue to proceed with the two-year study on the proposed withdrawal of 234,328 acres of national forest lands in the BWACW and Voyageurs watershed from copper-slufide mining.

McCollum Q117: Can you confirm that no decisions will be made until the conclusion of the Environmental Impact Study?

Response: The Department is committed to continuing and completing the review that is currently underway.

McCollum Q118: Can you also confirm that Secretary Perdue's statement that "No decision will be made prior to the conclusion" of the study includes a stay on all pending applications to the BLM for mining on the land proposed for withdrawal?

Response: The Department is considering all alternatives through the review that is currently underway.

National Park Service Centennial Challenge

The FY17 omnibus contained $20 million for the Centennial Challenge matching program. This program has proven very effective, with Congress appropriating $25 million over the last two fiscal years and park partners raising an additional $46 million to spend on important projects and programs throughout the park system. This includes a redesign of the Mississippi National River and Recreation Area visitors' center and new exhibits to better tell the story of that great river.

McCollum Q119: Can you please provide an update on when the list of the FY17 Centennial Challenge projects and programs will be announced?

Response: The NPS is currently working with the Department to finalize the public release of the FY 2017 Centennial Challenge project list.

Questions from Ms. Pingree:

Climate Change at the USGS

Given the recent announcement last week that the United States is withdrawing from the Paris Agreement on climate change and in the process, losing our seat at the table for one of the most important environmental agreements of recent history, my constituents are particularly worried about the direction we are moving as a nation on climate change.

On top of this, the budget release last month, eviscerates climate science, renewable energy efforts, and seems to be limiting access to data. One adverse consequence of your reduction in science is the severing of important ties with academia which help develop the next generation of scientists—such as the elimination of funding in the USGS for the Water Resources Research Act Program, reducing from 8 to 4 USGS Climate Science Centers.

Pingree Q1: How do you envision that these cuts will impact USGS's ability to have the continuity of data necessary to make projections into the future with a high degree of confidence and continue on the great work they have done so far on climate science and water research?

Response: The 2018 budget request supports adaptation strategies for natural resource management, primarily through the DOI Climate Adaptation Science Centers and detecting land change via Landsat and other land remote sensing data.

The ability to make data available for projecting into the future has three components: 1) understanding the past (the paleo record), 2) detecting current trends, and 3) future projections. The budget request reduces research to detect current trends and impacts by about 50 percent and reduces research to calibrate climate models and improve model accuracy. Additionally, the budget eliminates biological carbon sequestration projects for data collection, reporting, and trend analysis of carbon stored in the U.S. land surface.

Pingree Q2: Is all the scientific data associated with climate change that was available under the Obama Administration on the Interior website still accessible today?

Response : All scientific data associated with climate change remains available on the USGS website.

Pingree Q3: For example, it has come to my attention that the ecological assessment issued by the Bureau of Land Management for the Chihuahuan Desert was taken off the BLM website.

Since taking office, what guidelines have you issued for determining what information will be available?

Response: Last year the BLM changed the platform for its web presence. As a consequence, existing links to many web pages were lost. This may have inadvertently created the impression that documents were deleted from the BLM website. The BLM is currently working to enhance

the new web platform and will continue to do so. Removing information from public access was not the BLM's intent.

The 12 Rapid Ecoregional Assessments (REAs) the Bureau has published to date are available at the following website: https://landscape.blm.gov/geoportal/catalog/main/home.page. Three additional REAs are scheduled to be published this year, including a final report for the Chihuahuan REA.

The BLM has guidelines in its National Environmental Policy Act (NEPA) Handbook on conducting environmental impact analyses, including the use of "best available science". For example, please see Section 6.8.1.2 on Analyzing Effects on page 55 of the Handbook: https://www.ntc.blm.gov/krc/uploads/366/NEPAHandbook_H-1790_508.pdf

Wildlife Refuges

We have 10 Wildlife Refuges in Maine including the Rachel Carson National Wildlife Refuge, which protects valuable salt marshes and estuaries for migratory birds along 50 miles of Maine coastline.

Pingree Q4: How we will be able to continue the success story of the refuges system when this budget cuts refuges by 14 percent?

Response: The FY 2018 request for the National Wildlife Refuge System is $470 million, a 3% reduction from the FY 2017 enacted budget of $484 million. The request does not propose an across-the-board 3% reduction, but rather reductions targeting lower-priority activities as part of the Administration's overall effort to balance the Federal budget within 10 years. The request for the Refuge System includes funding needed to support core functions such as habitat management and restoration and facility and equipment maintenance.

Pingree Q5: I know that we are asking agencies to do more with less, but also I see that we are cutting too many areas for all these missions/duties/services to be picked up by others. Instead they will fall through the cracks. For the record I will read a few of them, and then if you could comment on these cuts… Wildlife Habitat Management General Activities and Youth Programs, Visitor Services, Refuge Planning, Maintenance…

Could you comment on how the work of these programs will get done under a reduced budget?

Response: The Department is committed to dedicating resources at the field level to ensure that refuge managers have the resources necessary to conserve wildlife and habitat, provide access to high-quality wildlife-dependent recreation, and ensure the safety of visitors and Federal property, while addressing the maintenance backlog. The budget proposes targeted reductions to specific programs like the cooperative recovery initiative, an internal program meant to support species recovery in and around wildlife refuges that has already funded the highest-value projects most likely to result in immediate delisting or downlisting of a listed species. The budget also proposes reductions for headquarters and regional administration that allows the Service to preserve management capabilities in the field.

Memorandum on Grants and Cooperative

On April 12, 2017 you issued a memorandum stating that effective immediately, all bureau heads and office directors are to submit a report to Deputy Secretary James Cason on all grants and cooperative agreements of $100,000 or more before final award.

No grants are to be awarded until the review has been completed and you must receive clearance to proceed with awards. While the memo states this is procedure is temporary and being implemented to assist you in understanding how the Department makes important decisions, I am concerned about the timeliness of this request so late in the fiscal year.

Pingree Q6: How you will ensure this review doesn't slow the process down to the point where you are impounding funds provided by Congress for specific purposes?

Response: The review process is moving fairly quickly. We reviewed a minimum of 1,000 grants in just one month.

Aquatic Drug Approval Program Cuts

The Aquatic Drug Approval Partnership is a program that many researchers in my District know well, as it helps those in fishery science to not only understand the diseases that affect our fish, but also to establish safe and effective treatment options to protect against them.

The work of this small program on drugs used in Aquaculture is very important, but base funding has already been cut by a seventy percent in recent years. Last year with the help of this Committee we were able to establish $800,000 for this program

Pingree Q7: Can you tell me about this Administration's commitment to this program and how you will allocate resources to this? Will you maintain the $800,000 funding level that was called for in the FY17 budget?

Response: The FY 2018 request includes $400,000 for the Aquatic Drug Approval Partnership program, equal to the FY 2016 enacted level and $400,000 below the FY 2017 enacted level. The Fish and Wildlife Service has worked diligently over the past several years to secure additional funds to support the Aquatic Animal Drug Approval Partnerships (AADAP) program. The primary mechanisms to accomplish this task have been modifications to the National Investigational New Animal Drug Program cost-reimbursable fee structure and successful competition for drug research funding from the Food and Drug Administration's Office of Minor Use and Minor Species. As a result, the Service has been able to keep AADAP functioning at a high level. The Service is very cognizant of the critical role that AADAP plays in helping to secure safe and effective drugs for use by aquaculture and fisheries management programs throughout the country. Pursuant to the FY 2017 appropriation, the Service has allocated $800,000 to AADAP, which includes the $400,000 increase to advance the program's mission.

Ocean Energy Management and Planning

Over the last six years BOEM has been involved in ocean planning processes in regions around the country. States including Maine have organized themselves into "planning bodies" with tribes, fishery management councils, and federal agencies, including BOEM. For the Northeast and Mid-Atlantic, there are completed ocean plans and I have been proud to support this work and meet with constituents who are supporters of this work and have been involved in its creation.

That is why I am concerned about BOEM's Environmental Studies and Renewable Energy budget cuts to funding that supports robust stakeholder engagement and research.

Pingree Q8: How can BOEM continue to engage stakeholders under these budget cuts?

Response: The Bureau of Ocean Energy Management's (BOEM) mission requires diligent and thoughtful management of ocean and coastal resources that are vital to local, tribal, state and regional stakeholders. Pursuant to both the Outer Continental Shelf (OCS) Lands Act and the Energy Policy Act of 2005, BOEM conducts stakeholder engagement and ocean planning as part of the offshore energy and minerals leasing process. These two statutes mandate stakeholder engagement in order to identify suitable areas for energy development and mineral extraction. The outreach and regional ocean planning processes are designed to enhance efficiency through improved coordination and collaboration, as well as improved long-term stewardship of ocean and coastal resources. BOEM will continue to participate in the Northeast and Mid-Atlantic Regional Planning Bodies' outreach efforts, during which federal agencies, states, tribes, and the Fishery Management Councils engage with stakeholders on regional planning activities. The information developed through these collaborative processes benefits BOEM's energy and mineral planning and leasing processes. In addition, BOEM continues ongoing development of the marine cadastre to utilize in its decision-making processes and as a primary online information sharing tool for use by stakeholders as they seek to be better informed about the use of ocean resources. The marine cadastre, developed by BOEM and NOAA, is a key source of information for both the Northeast and Mid-Atlantic Ocean data portals.

BOEM proposes reducing the funding associated with renewable energy stakeholder outreach within the FY 2018 President's Budget. Under the Energy Policy Act of 2005, BOEM is statutorily required to coordinate and consult with Federal, tribal, state and local agencies throughout the renewable energy planning and development process. BOEM would continue renewable energy stakeholder outreach; however, the reduction would require BOEM to reduce the number and/or change the format (e.g., webinar vs. in-person) of the outreach sessions. BOEM has successfully used webinars in the recent past, including the *New York Auction Format Education Seminar* in December of 2016 and a webinar on *Avian Guidelines* in September of 2016. By utilizing a variety of media, BOEM will be able to reach a larger audience and continue to ensure stakeholder engagement.

Pingree Q9: Can you guarantee that support for ocean data collection, ocean data portals, and publicly available data will continue at BOEM given the current budget proposal?

Response: BOEM is working to provide the tools and science for policy and decision-makers to effectively manage resources to address habitat characteristics, risk vulnerabilities, mineral resources, energy potential, and conservation priorities. BOEM supports making ocean data, including environmental studies, publicly available. Three examples of BOEM investments include the MarineCadastre.gov, the Marine Minerals Geospatial Information Management System, and the Environmental Studies Program Information System (ESPIS).

The MarineCadastre.gov project, a joint initiative between BOEM and NOAA, is a web-based integrated marine information system that provides an authoritative source of ocean information, including offshore boundaries, infrastructure, ocean uses, habitat distribution data, energy potential, and other data sets important to large regional ocean planning efforts, as well as project-specific planning. Users inside and outside of BOEM have access to the most up to date versions of lease maps, protractions, lease blocks, boundaries, pipelines, wells, and other BOEM/BSEE generated GIS data important to BOEM's stakeholders for marine and energy development planning purposes.

BOEM is currently working with NOAA to develop the Marine Minerals Geospatial Information Management System, which will provide access to offshore mineral resource information while supporting BOEM's mission of managing offshore sand resources comprehensively and efficiently. This project provides a common geospatial regional database framework for much of the historic investment in offshore mineral resource evaluation, environmental studies, and project-specific geologic and environmental data. This project will allow BOEM to be fully transparent with Federal and state partners for sand resource delineations and share geophysical and geological data to include specific sand resource information (e.g., location, grain size, and volume).

Finally, BOEM supports its ESPIS project, which provides an online catalog of all of BOEM's environmental studies compiled over more than 40 years. Through the ESPIS project, BOEM is improving public access to environmental information and studies results. These are three examples of how BOEM is supporting and will continue to support ocean data collection, ocean data portals, and publicly available data within the FY 2018 President's Budget.

Questions from Mr. Kilmer:

Elwha Water Facilities

From 2012 – 2014, the Elwha and Glines Canyon Dams were removed from the Elwha River in Washington State by the Department of Interior (DOI), as authorized under the Elwha River Ecosystem and Fisheries Restoration Act of 1992. The Act required the Secretary to protect the existing quality and availability of water from the Elwha River for municipal and industrial purposes from possible adverse impacts of dam removal.

To accommodate increased sediment loads during and after dam removal, the National Park Service removed the existing industrial water intake structure owned by the City of Port Angeles, WA, and constructed a new and considerably more complex intake structure and related facilities. The Elwha Water Facilities ("EWF") supply the City's industrial customers, which include a mill that is one of the City's largest employers, a tribal fish hatchery and a state fish hatchery. The EWF has had many operational challenges that have greatly increase the annual operating costs, as compared to the City's original intake system that existed prior to dam removal.

For well over a year, in an effort to avoid litigation, the City and the Lower Elwha Klallam Tribe have engaged NPS in settlement negotiations pursuant to the terms of their 2004 Memorandum of Understanding.

Kilmer Q1: Will the Secretary ensure that the NPS and the Bureau of Reclamation (BOR) have the dedicated staff and resources to work in good faith with the City and the Tribe to develop a strategy to resolve the operational issues and costs associated with the EWF?

Response: As the lead for this effort, the NPS has prioritized this issue and anticipates it will dedicate adequate staff time to continue working with the City and the Tribe to develop a strategy to resolve operational and cost concerns associated with the EWF.

Kilmer Q2: Will future budget requests include adequate funding to accomplish any capital improvements identified by the NPS, the BOR, the City, and the Tribe to improve performance and reduce operating costs of the EWF?

Response: Should NPS determine capital improvements are needed, a funding strategy will be identified to accomplish capital improvements.

Kilmer Q3: Will the Secretary continue to operate the EWF until such time that a solution to the operational issues are developed, funded, and constructed?

Response: The Department anticipated completing its responsibilities under the Elwha Act by operating the EWF through the dam removal period. The parties involved have always anticipated the City would reassume that responsibility after dam removal, and negotiations began in late 2014 to turn over EWF operations to the City by October 2016. Since October 2016, the NPS has continued to operate the EWF pursuant to the City's request, subject to

availability of funds and subject to an independent NPS determination. The NPS awarded a new one-year EWF operations contract that will continue federally-funded operations of the EWF until July 2018. This is consistent with the City's requests.

Kilmer Q4: Will the Secretary ensure that all permits necessary to continue operation of the EWF have been secured before any transfer to the City occurs?

Response: The Secretary will ensure that appropriate NPS staff will work in good faith to assist the City in its efforts to obtain necessary permits. This process has begun, and meetings and teleconferences have occurred towards this end. The City Public Works Director and the NPS Elwha Project Manager have worked closely together on this issue. The NPS hopes to continue working with the City on solutions to EWF permitting issues.

Wild Horse and Burro Program

The Committee has advised the Bureau of Land Management (BLM) as far back as 1998 to employ fertility control methods as a cost effective and humane strategy to manage wild horse and burro populations.

Kilmer Q5: Over the past 10 years, how much has the BLM spent on fertility control methods compared to other management techniques?

Response: The BLM often combines fertility control actions with removal gathers. This makes it difficult to determine the exact cost breakdown of each action. Based on our estimates, in FY 2016, the BLM expended about $500 per treated animal for ground darting vaccine applications and approximately $2,750 per treated animal for helicopter catch, treat, and release operations.

The following tables show the numbers of animals removed and treated over the last 10 fiscal years, the total spent on those removal and treatment actions, and the estimated percentage of expenditures for removals and treatments combined. This table can be used to derive an estimate of the total cost of fertility control measures by multiplying the 17% average percent of total expenditures for fertility treatments by the $46.68 million total cost over 10 years for treatments and removals. However, because the BLM cannot accurately separate the costs of fertility treatments from removal costs this estimate may not reflect the true cost BLM has incurred for fertility control treatment actions.

	Units Accomplished										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Removals	7,726	5,275	6,113	10,255	8,877	8,255	4,196	1,857	3,819	3,320	59,693
Treatment - Darting	20	-	-	20	183	167	199	319	286	334	1,528
Treatment - Helicopter Gather	113	154	582	494	823	878	310	65	183	133	3,735

	2007	2008	2009	2010	2011	2012	2013	2014	2015*	2016*	Total
Total Expenditures for above actions	$ 2,826,698	$ 2,200,387	$ 3,426,553	$ 7,187,821	$ 9,792,712	$ 9,031,850	$ 4,996,924	$ 1,551,896	$ 2,759,140	$ 2,906,039	$ 46,680,022

	% of Total Expenditures										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Average
Removals	96%	92%	79%	89%	82%	76%	84%	81%	83%	82%	83%
Treatments	4%	8%	21%	11%	18%	24%	16%	19%	17%	18%	17%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

* Actual expenditures between FY2015 and FY2016 were adjusted to account for a gather, where accomplishments were split across fiscal years, but expenditures were mostly in FY2016.

Questions from Ms. Kaptur:

Renewable Energy on Federal Lands

In the previous administration, there was a commitment to opening up federal lands for renewable energy development. I am disappointed that funding for that work has been cut while you are increasing funding for oil and gas development.

Kaptur Q1: How are you making the determination which parcels of land should be developed for each purpose?

Response: The BLM determines the availability of public lands for renewable energy development through the land use planning process. The BLM, in partnership with the public and other Federal, State, and tribal agencies, identifies public lands that have high potential for renewable energy development, access to transmission lines and low resource conflict. The BLM identifies these areas in field-level Resource Management Plans and prioritizes renewable energy development in these areas.

World War II Monument

I am very concerned about the monuments here in Washington, and I am especially fond of the World War II Memorial. There have been various efforts to upgrade facilities on the Mall in partnership with private organizations.

Kaptur Q2: How are those efforts proceeding?

Response: The National Mall and Memorial Parks has been a direct beneficiary of the philanthropic contributions of partners and friends groups. This support has helped improve the visitor experience at many of the parks monuments and memorials, including the World War II Memorial. The park is fortunate to partner with the Friends of the National World War II Memorial, a non-profit organization dedicated to honoring and preserving the national memory of World War II. The group is currently raising funds to support the Franklin Delano Roosevelt D-Day Prayer Plaque, which will be added to the Memorial's Circle of Remembrance.

Other organizations, such as the American Battlefield Monuments Commission, also help to ensure the long-term wellbeing of the Memorial. This organization is currently working to install a closed-circuit television surveillance system to support the protection efforts of the United States Park Police. Also currently underway is the work to upgrade all exterior lighting at the Memorial.

Other recent examples of enhancement projects supported by park partners and individual philanthropists are provided below:

- Modernization of the Washington Monument elevator - estimated completion date: December 2018. Supported by a donation from David Rubenstein with matching funds from the National Park Service.

- Infrastructure upgrades at Belmont-Paul Women's Equality National Monument - work to begin in fall 2017. Supported by a donation from David Rubenstein with matching funds from the National Park Service.
- Replacement of the roof and rehabilitation of masonry at the Lincoln Memorial - work to begin fall 2017. Supported by a donation from David Rubenstein with matching funds from the National Park Service.
- Rehabilitation of Constitution Gardens – currently in Phase 1. Supported by the Trust for the National Mall, the primary philanthropic partner of the park.

Kaptur Q3: I know that there is work being done to create smartphone apps that tell the history that these monuments represent, what else should we do preserve the history and share it with the visitors who come every day?

Response: Understanding the relationship between the American people and the national parks is critical for protecting resources unimpaired and providing for public enjoyment. The NPS utilizes a variety of activities to improve visitor services, enhance civic engagement, protect natural and cultural resources, and manage parks more effectively. As an example, the National Mall now has an official app which visitors can use as they explore some of the most cultural and historical sites in the United States. Additionally, efforts by the NPS to improve and increase its web presence have led to increased website traffic to www.nps.gov; in FY 2016, the site received over 553 million page views. The NPS also utilizes a Visitor Survey Card, which conducts satisfaction surveys servicewide for 13 indicators, including park facilities, visitor services, and recreational opportunities, and helps the NPS stay connected with visitors.

Asian Carp

I noticed that your budget cuts the Aquatic Invasive Species line at Fish and Wildlife Service by 16%. At the same time, much of the funding to control the advance of the Asian carp towards the Great Lakes at the Service comes from the GLRI program which is slated for elimination.

I know that there is a contingency emergency action plan in case the carp are found beyond certain critical boundaries.

Kaptur Q4: How will these budget cuts affect your ability to carry out that plan should it be needed?

Response: The Asian Carp Regional Coordinating Committee's Upper Illinois Waterway Contingency Response Plan (Contingency Plan) is a new component of the 2016 Monitoring and Response Plan for Asian Carp in the Upper Illinois Waterway and Chicago Area Waterway System. The Contingency Plan was developed by the U.S. Fish and Wildlife Service (Service), Illinois Department of Natural Resources (ILDNR), U.S. Army Corps of Engineers, U.S. Geological Survey (USGS), Illinois Natural History Survey, U.S. Environmental Protection Agency, and the Great Lakes Fishery Commission. The Contingency Plan provides a structured response process in the event that Asian Carp are detected in critical boundaries of the upper Illinois Waterway or Chicago Area Waterway System.

Great Lakes Restoration Initiative (GLRI) funding supports State and Federal interagency coordination and scenario-based table-top exercise planning to further develop and refine the Plan; participation of ILDNR as the lead State agency on Plan oversight and implementation; development of control and deterrent technologies; and deployment of contingency response assets (staff, equipment, and supplies), if Asian carp are detected beyond critical boundaries.

Elimination of GLRI funding would reduce the ability of the Service and its partners to implement the strategic response actions prescribed in the Plan in defense of the Great Lakes basin from Asian carp introduction and establishment. In FY 2018, the Service will continue to focus efforts on Asian carp monitoring and surveillance in the Chicago Area Waterway System, Illinois Waterway, and priority locations of the Great Lakes. The absence of GLRI funding will require the Service to reduce work being performed in the Upper Mississippi and Ohio Rivers, including the use of targeted contract commercial fishing for removal of Asian carp and field testing deterrent and containment methods.

The FY 2018 budget request for the Service's Resource Management account includes $7.9 million for controlling Asian carp, equal to the FY 2016 enacted level and $515,000 below the FY 2017 enacted level. This funding will continue to be used to detect and respond to Asian carp movements in critical waterways.

Kaptur Q5: What is the status of the grass carp in the Great Lakes and what are the short to medium term steps you will be taking to prevent the permanent establishment of that population in the Lakes?

Response: Grass carp have been detected in Lake Michigan, Lake Huron, Lake Erie and Lake Ontario and various tributaries. Although documented since the mid-1980's, diploid grass carp (fish capable of reproducing) have been detected at increasing rates in Lake Erie and, to a lesser extent, Lake Ontario. The USGS Nonindigenous Aquatic Species database is a repository for grass carp scientific information, including its current distribution.

The Department of Fisheries and Oceans-Canada, along with the Great Lakes Fishery Commission, released an ecological risk assessment of grass carp for the Great Lakes Basin. This assessment provides a science-based evaluation of the risk of establishment and potential ecological impacts to the Great Lakes watershed from grass carp and recommends immediate preventative action with concurrent control activities to reduce the risk of grass carp.

Collaborative efforts by State and Federal agencies to address this threat focus on development of multi-pronged prevention and control (removal) strategies. The Ohio Department of Natural Resources and the Michigan Department of Natural Resources are the lead agencies developing prevention and control strategies, planning and implementing surveillance and response actions, and collecting data in Lake Erie.

THURSDAY, JUNE 15, 2017.

ENVIRONMENTAL PROTECTION AGENCY

WITNESS

SCOTT PRUITT, ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY

HOLLY GREAVES, SENIOR ADVISOR TO THE ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY

OPENING REMARKS OF CHAIRMAN CALVERT

Mr. CALVERT [presiding]. The committee will come to order.

Good morning. Today we continue to keep all those affected by yesterday's events, including our colleague, Steve Scalise, in our thoughts and prayers. We applaud the Capitol Police for their continued efforts to be the first line of defense to serve and protect all members, public servants, and visitors here to the Hill. We have a few of them here today with us. Thank you for all the work that you do. We thank you.

Now, turning our attention to the hearing, we are joined by the 14th administrator of the Environmental Protection Agency, Scott Pruitt. On behalf of all our members, congratulations on your confirmation. You have joined a distinguished group. We look forward to hearing your vision and working with you to provide the resources necessary to manage an important agency.

We are also joined by Holly Greaves, senior advisor to the administrator. I believe this is your first time testifying before the subcommittee as well. Welcome to both of you.

Before we dive into the specifics, Administrator Pruitt, you have a tough job here today. Overall, the President's Fiscal Year 2018 Budget proposes to shift $54 billion from non-defense spending to the defense side of the ledger. Those are tough, tough top lines to meet, and many tough choices were necessary in order to meet those targets.

Earlier this morning, I, along with Chairman Frelinghuysen, Ranking Member Lowey, Ms. McCollum, and other members of the subcommittee discussed the defense budget at the hearing with Secretary Mattis. That conversation further underscored the need for additional funding to support our troops and overall U.S. readiness. I certainly wholeheartedly support that goal.

However, enacting $54 billion in non-defense program cuts in one Fiscal Year is an untenable proposition. To propose cuts of this magnitude puts agencies and important tasks at risk. I suspect that may be a common critique that you probably hear from other cabinet officials and may hear from Congress through the budget process. And that is why it is necessary, I hope at some point, that the Administration, Senate, and the House come together and come

up with a budget agreement where we can have a common goal that we can work with.

Nonetheless, we appreciate your being here today to defend a budget that proposes to reduce the Agency's funding by $2.4 billion. In many instances, the budget proposal proposes to significantly reduce or terminate programs that are vitally important to each member on this subcommittee. For example, the Diesel Emission Reduction Grants, or DERA, are essential to improving air quality in my home State of California. So, too, are the target air shed grants, but the budget fails to support the targeted air shed grants, and DERA grants are proposed to receive an 83 percent reduction.

The Superfund Program, while considered an infrastructure priority for the President, is reduced by 31 percent. This reduction will most certainly impact new clean ups and slow ongoing clean ups. These are all proposals that we are unlikely to entertain.

Further, the budget proposes to significantly reduce other important State grants while asking States to continue to serve as principal leads to implement delegated environmental programs. Finally, most geographic programs are proposed for termination. This is perhaps not how you personally would craft EPA's budget, but it is the budget you have to defend here today.

I am pleased the budget supports a healthy investment in water infrastructure, a priority of the subcommittee. The budget maintains funding for the Clean Water and Drinking State Revolving Funds at current levels, and continues to fund the new WIFIA program. These are both programs that create construction jobs in every State and every congressional district. As you know, I strongly support the WIFIA program given the ability to leverage additional sources of funding. It could be a game changer to stem the growing backlog of needs for improved water quality and a nice complement to the SRS.

Turning to policy, we all want clean air and clean water, and a strong, robust economy. My constituents in California command both a healthy environment and job creation. It is not an either/or proposition. In southern California, we have made tremendous improvements in our air quality over the past number of decades. It is important that we continue to look for ways to clean our air.

I supported EPA's decision last week to recalibrate the implementation of the 2015 ozone standards so that we can ensure our clean air efforts are carried out in an effective manner. I remain as committed as ever to providing resources to support proven programs that actually reduce particulate matter and ozone, and in doing so, improve outcomes in the impacted areas.

At last year's EPA budget hearings, the subcommittee raised concerns that statutory obligations were given insufficient attention while new regulations were prioritized. I think it is fair to say that you bring a refreshing new perspective to that position. We look forward to hearing that perspective today. It is my hope that moving forward we can work together in coordination with our State, local, and tribal partners to find sound solutions to tackle the challenges before us.

I know all members are eager to discuss various issues with you, so I will save additional remarks for the period following your testimony.

I am pleased now to yield to my friend and distinguished ranking member, Ms. McCollum.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you, Mr. Chairman, and good morning, Administrator Pruitt. The Environmental Protection Agency is responsible for protecting human health, the environment, ensuring clean air and clean water for families and children. The budget you have come before us today to support would endanger the health of millions of Americans, jeopardize the quality of our air and water, and wreak havoc on our economy.

The Trump Administration's Fiscal Year 2018 budget abandons EPA's responsibilities to the American people by proposing a $2.4 billion cut, a 30 percent cut. The last time EPA appropriations was this low was 1990. The Administration would set the Agency back 30 years, ignoring the complex environmental challenges we face today.

Mr. Trump campaigned last year on an agenda that included allowing companies to pollute our air, and our water, and our land. He embraced climate deniers, ridiculed science, and promised to surrender America's global leadership on climate change. Now Mr. Trump is President Trump, and he is putting his anti-environment agenda into action.

Executive orders have directed the government to ignore significant costs of pollution and climate change to our economy. Republican passed legislation was signed into law that stops the EPA rule to keep coal mining waste out of our water, and that waste is toxic. The most recent and most reckless action, in my opinion, was the withdrawal from the Paris Climate Agreement, which has made the United States a environmental rogue Nation when it comes to working on the planet's climate challenge.

This budget is the latest expression of the Administration's willful denial of climate science. The EPA's website, and I quote from it, "The earth is currently getting warmer because people are adding heat trapping greenhouse gases to the atmosphere." That is the end of the quote. Yet this budget ignores that science and cuts funding for climate change programs 91 percent. This budget also includes cuts so deep that 47 programs are eliminated. Many are widely supported and relied upon by industry.

One example is Energy Star, which has saved customers an estimated $430 billion on their utility bills since 1992. Realtors, manufacturers, builders, retailers, they all want the EPA to continue this program. The budget also promotes eliminating enormously successful geographic programs, as the chair mentioned, like the Great Lakes, Puget Sound, Chesapeake Bay, which are economic generators for local communities. For every $1 invested in Great Lakes restoration, there is $2 returned in benefits. These programs give the American taxpayer a great deal in return, and they also protect their resources while creating jobs and promoting growth.

The Trump Administration has shown its contempt for science both through this budget and through policy decisions. The budget proposes to cut the EPA's Office of Research and Development by $237 million, or 46 percent. This office provides the foundation for

credible science to safeguard human health from environmental pollution.

Administrator Pruitt, under your leadership, the EPA dismissed work done by scientists in the Office of Research and Development when you canceled the ban on harmful pesticides. I have a letter from the American Academy of Pediatrics in which they asked the EPA to protect vulnerable children and pregnant women from exposure to this pesticide because this pesticide damages children's brains. Yet the evidence was disregarded, evidence from doctors and scientists, and now this budget would stifle the very office that provides the scientific analysis within the EPA.

The budget also cuts State agencies' funding, proposing that the categorical grants be cut 44 percent. That is $469 million. These cuts will cripple States' ability to implement core environmental programs that protect public health.

But I would be remiss if I did not call attention to the Agency's workforce. This budget proposes to cut nearly 3,800 employees. These are frontline scientists, experts, and enforcement officers who protect the American people from toxins, carcinogens, radioactive waste, lead in water, and other dangerous chemicals. We tend to forget that we owe them a debt of gratitude. Every time we turn on the tap water which we drink from, it is safe.

As we know, Mr. Chairman, President Trump can propose this destructive budget, and Administrator Pruitt can come here and defend or promote it. But it is Congress and this committee who will determine EPA's funding.

On May 5th, President Trump signed into law a Fiscal Year 2017 omnibus appropriation bill. 178 Democrats and 131 Republicans voted together to fund the EPA at a level which sustains the Agency, supports a skilled Federal workforce, and protects public health. Mr. Chairman, I want to thank you for working with Democrats to achieve that very positive outcome for our Nation. And as we move forward, I know we will once again rely on each other to have a positive working relationship, and I know I can count on you.

However, I want to be clear. I will not support an interior environment appropriations committee that funds the EPA below the 2017 current level. And let me close with this example of why I feel so passionately about that.

Radon is responsible for about 21,000 lung cancer deaths every year. Radon is the number one cause of lung cancer among nonsmokers. Mr. Pruitt, this budget proposes to eliminate funding for the EPA's radon program, which educates Americans and saves lives. And this committee, both Democrats and Republicans, have always worked together to support radon.

As a member of Congress, I believe we cannot allow harm be done to American people that this budget would inflict, and I thank the chairman for the time. And I yield back.

Mr. CALVERT. I thank the gentlelady. Mr. Frelinghuysen is going to be here shortly, but in the meantime, I'm going to recognize Ms. Lowey. Thank you.

OPENING REMARKS OF MS. LOWEY

Ms. LOWEY. Thank you thank you very much, Mr. Chairman, and Ranking Member McCollum, for holding this hearing, and wel-

come, Administrator Pruitt. I have been eagerly awaiting your testimony before this subcommittee.

I will get straight to it. The Fiscal Year 2018 budget request for EPA is a disaster. You requested $5.655 billion, a staggering $2.4 billion below the Fiscal Year 2017 enacted level, a cut of more than 30 percent. While you claim most of these cuts will be part of a substantial reduction in workforce, it would surely impact EPA's ability to fulfill its critical mission of protecting the air we breathe and the water we drink.

Between your disturbingly close ties to the oil and gas industries, your past work to directly undermine the EPA, and skepticism that human activity plays a role in climate change, I suppose it is surprising you did not propose to eliminate the Agency all together. Let us be clear. Members of Congress from both sides of the aisle, scientists, business leaders, and the vast majority of Americans agree manmade climate change is real, and it poses a threat to our planet that must be confronted quickly and seriously.

Here are the facts. Carbon emissions are creating holes in our ozone layer and contributing to changing and often dangerous weather patterns around the world. Climate change has manifested as catastrophic events that threaten our national security and the livelihoods of American families. Yet this Administration is burying its head in the sand. And according to a new poll conducted by Washington Post/ABC News, 59 percent oppose President Trump's decision to withdraw from the Paris Agreement, which has ensured a unified global response to combat rising carbon dioxide levels in our atmosphere. A substantial 55 percent of people surveyed feel this decision has hurt U.S. leadership in the world.

Your budget request further demonstrates a willful ignorance to the pressing threat that climate change poses. Among the most egregious reductions and eliminations are a reduction of over $300 million for the Hazardous Substance Superfund, the elimination of over a dozen regional programs, including the Long Island Sound Geographic Program, and a nearly 50 percent reduction in scientific research and development.

We have a moral responsibility to safeguard our planet and ensure that our children and grandchildren have a healthy future. This budget would fall short of this objection. I do hope that Congress will reject in a bipartisan way this dangerous budget, and instead adopt spending bills that would invest in combatting climate change, keeping our air and our water clean, and creating jobs creating jobs—creating jobs—for the 21st century economy, especially green jobs of the future.

Thank you, Mr. Chairman.

Mr. CALVERT. Okay. Mr. Pruitt, Administrator Pruitt, thanks for being here today. And please, you are recognized for your opening remarks.

OPENING REMARKS OF ADMINISTRATOR PRUITT

Mr. PRUITT. Well, good morning, Chairman Calvert, Ranking Member McCollum, members of the subcommittee. It is good to be here with you this morning, and I thank you for the opportunity to discuss the EPA's proposed budget. I am joined at the table, as

you indicated, Mr. Chairman, by Holly Greaves. She serves as a senior advisor to me on budget and audit.

I do want to join you, Mr. Chairman, in expressing my prayers for your colleagues with respect to what occurred yesterday. I pray for the recovery and the protection as we go forward, and I just wanted to share that with you and the members of the committee.

Mr. CALVERT. Thank you.

Mr. PRUITT. With the budget being the focus of our discussion today, I thought it was important to note the very important work we are doing at the Agency to bring it back to its core mission. Specifically, as part of our back to the basics agenda, we are focused on air attainment and improving air quality, clean water, and fixing our outdated infrastructure, cleaning up contaminated land through Superfund and Brownfields programs, and carrying out the very important updates that this Congress passed last year, the TSCA statute, getting rid of the chemical backlog that existed with which you are very familiar.

More generally, when I began at the Agency, I set three core principles by which we were going to operate and make decisions. The first is to focus on rule of law. We are reversing an attitude and an approach that one can simply reimagine authority under statutes passed by this body.

I firmly believe that Federal agencies exist to administer laws as passed by Congress. It is Congress who has the constitutional authority to pass statutes and give agencies the direction on the environmental objectives that we seek to achieve as a Nation. Any action by the EPA that exceeds that authority granted to it by Congress, by definition cannot be consistent with the Agency's mission.

Along with the respect for rule of law, we are focused on process. Over the last several years, the Agency has engaged in rulemaking through consent decrees, sue and settle practices, guidance documents. Regulation through litigation is something that we will not continue at the EPA, and we will make sure that process is respected and implemented so that people across the country can have voice, due process, as we adopt regulations and impact the environment in a very positive way.

And finally, we are emphasizing the importance of cooperative federalism, respecting the role of the States. As you know very, very well, a one-size-fits-all strategy to achieve environmental outcomes does not work. What may work in Arizona may not work in Tennessee. And I recognize that the States have unique environmental challenges and needs, and I will continue to engage in meaningful discussion with you about how shared environmental goals related to these outcomes can be achieved.

With respect to the budget and these principles and priorities that I have outlined, I believe we can fulfill the mission of our Agency with a trim budget, with proper leadership and management. We will work with Congress, Mr. Chairman, Ranking Member McCollum, to help focus on national priorities with respect to the resources that you provide. We will continue to focus on our core missions and responsibilities, working cooperatively with the States to improve air, water, and land.

As I have indicated, clean air goes to the heart of human health, and we are focused on increasing air attainment through compli-

ance, and assistance, and enforcement. We have made tremendous progress as a country through significant investment, regulations, and industry, and citizens across this country working together. In fact, since 1980, total emissions of the six criteria pollutants that we regulate under the NAAQS program have dropped by almost 65 percent, and ozone levels, as you know, have dropped 33 percent.

We should celebrate this progress, but we should also recognize that there is work to do. Presently in this country, about 40 percent of our citizens live in nonattainment with respect to ozone, roughly 120 million people. So, we do have much work to do, and it should be the focus of the EPA to find ways to help increase the number of people living and working in areas that meet those air quality standards.

The President has made it clear that maintaining infrastructure is critical to this country. At EPA, that means ensuring to make investments in drinking water and wastewater infrastructure. We will continue to partner with the States to address sources of drinking water contamination. These efforts are integral to infrastructure because source water protection can reduce the need for additional water treatment and avoiding unnecessary cost. And like President Trump, I believe that we need to work with States to understand what they think is best on how to achieve these outcomes, and what actions they are already taking to do so. The EPA should only intervene when States demonstrate an unwillingness to comply with the law or do their job with regard to keeping water safe and clean.

With regard to contaminated land, we are going to punish bad actors, and that means that our job is to punish those who violate the laws to the detriment of human health and environment. EPA's enforcement efforts have produced billions of dollars in clean up commitments from violators, and billions of pounds of pollution have been prevented as a result of those enforcement activities. As States are the primary implementers of the many enforcement action programs, we will work with our State partners to achieve compliance and enforcement goals, and we will focus our resources on direct responsibilities.

When we do not stay within the law, we create inconsistency and uncertainty for the regulated community. Regulatory certainty is key to economic growth. We need to outline exactly what is expected across this country because when we do our job well, we create good environmental outcomes.

Mr. Chairman, Ranking Member McCollum, members of the committee, I appreciate the opportunity to share briefly these priorities, and I look forward to working with you as we move forward through this budget process to protect human health and ensure that we have clean air, land, and water. I thank you, and I look forward to your questions.

[The statement of Mr. Pruitt follows:]

TESTIMONY OF
SCOTT PRUITT

ADMINISTRATOR
U.S. ENVIRONMENTAL PROTECTION AGENCY

BEFORE THE

SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
U.S. HOUSE COMMITTEE ON APPROPRIATIONS

June 15, 2017

Good morning, Chairman Calvert, Ranking Member McCollum, and members of the Subcommittee. I am joined by Holly Greaves, my senior advisor for budget and audit, and we are here today to discuss the Environmental Protection Agency's (EPA) proposed FY 2018 budget.

As the Administrator of the Environmental Protection Agency, I am a firm believer in EPA's mission to protect human health and the environment and am committed to helping provide future generations with a better and healthier environment. I also firmly believe that federal agencies exist to administer the law. Congress passes statutes, and those statutes outline the responsibilities and work that EPA must do. Any action by EPA that exceeds the authority granted to it by Congress, by definition, cannot be consistent with the Agency's mission.

At the outset, it is important to recognize the tremendous progress that has been made over the years toward a cleaner environment across the country. The proposed budget supports EPA's highest priorities with federal funding for core work in air and water quality, contaminated land clean-ups, enforcement and ensuring the safety of chemicals in the marketplace so we can continue this progress. The president's budget aims to reduce redundancies and inefficiencies, and prioritize EPA's core statutory mission of providing Americans with clean air, land, and water.

EPA can accomplish a lot when the Agency focuses on working cooperatively with the states and tribes to improve health and the environment. It is essential for the federal government, state governments, and tribal governments to work together to provide the environmental protection that our laws demand and that the American people deserve. I strongly support cooperative federalism, and make every effort to partner with EPA's counterparts in state, local, and tribal governments to further these goals.

I recognize that states have unique environmental needs, and I will continue to engage in meaningful discussions about how shared environmental goals related to the regions can best be achieved. We will work collaboratively with states, tribes and local governments to provide

flexibility to address important priorities. And, I look forward to working with you all, and other Members of Congress, to ensure we meet the environmental needs of your communities. **In my testimony today, I will focus on five main areas where EPA is protecting human health and the environment: air, water, land, chemicals and enforcement.** I will also outline how EPA is reducing inefficiencies and redundancies, to better serve the American people and maximize every taxpayer dollar we are allocated.

Improving America's Air Quality

By funding air quality work at $448 million, EPA will continue to perform key activities in support of protecting human health and the environment through improving the quality of the nation's air with a focus on states achieving greater levels of attainment.

States have made tremendous progress and significant investment in cleaning up the air. Since 1980, total emissions of the six criteria air pollutants regulated under the National Ambient Air Quality Standards program have dropped by 63 percent and ozone levels have declined 33 percent. We are focused on finding ways to get more accurate measurements of the areas of the country that need help improving their air quality – and then working with states on meeting the standards set by the Agency.

Areas designated as being in "nonattainment" of the standard face consequences, including: increased regulatory burdens, restrictions on infrastructure investment, and increased costs to businesses.

EPA is working with states to give them additional time on their initial designations of nonattainment areas for the 2015 ozone standard to better understand some lingering technical questions and information needs. The agency also is looking at ways to provide greater flexibility in the development of their air quality improvement plans. And, I am establishing an Ozone Cooperative Compliance Task Force to develop additional flexibilities for states to comply with the ozone standard.

My staff and I inherited an unacceptable backlog of air quality implementation plans from the previous administration. The backlog of these State Implementation Plans (SIPs) creates vast uncertainty for states and compromises air quality benefits that otherwise could be attained. I am committed to reducing the SIP backlog and have directed my staff to work with the states to reduce this backlog as quickly as possible.

The proposed budget also provides funding for the Greenhouse Gas Reporting Program which requires mandatory greenhouse gas emissions reporting to inform the annual GHG inventory, a U.S. treaty obligation. Additionally, in FY 2018, the Federal Vehicle and Fuels Standards and Certification program will focus its efforts on certification decisions. The agency will conduct activities supporting pre-certification confirmatory testing for emissions and fuel economy for passenger cars.

When it comes to people living and working in areas that meet air quality standards, we are committed to working with states to do better than what was happening under the previous administration.

Restoring the Role of States in the Regulation of Water
The president has made it clear that maintaining infrastructure is critical to the foundation of this country's commerce. At EPA, this means in large part ensuring we continue to make investments in drinking water and wastewater infrastructure.

The FY 2018 budget includes $2.3 billion to capitalize the State Revolving Funds to assist our implementing partners in revitalizing and rebuilding our nation's aging water resources. The FY 2018 budget also includes $20 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program to address aging water infrastructure. The $20 million provided for WIFIA could provide up to $1 billion in credit assistance, which, when combined with other funding resources, could spur an estimated $2 billion in total infrastructure investment.

Established by the Water Infrastructure Finance and Innovation Act of 2014, EPA's WIFIA program is a federal loan and guarantee program that aims to accelerate investment in our nation's drinking water and wastewater infrastructure by providing long-term, low-cost supplemental credit assistance for eligible projects, including those of regional or national significance. WIFIA supports projects to repair, rehabilitate, and replace aging water treatment plants and pipe systems, and construct new infrastructure including desalination, water recycling, and drought mitigation projects.

Organizations from across the country are seeking to partner with EPA to invest in their local communities and improve water infrastructure with WIFIA, with 'letters of interest' from prospective buyers across 19 states, including: Arkansas, Arizona, California, Colorado, Florida, Georgia, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Mississippi, Missouri, Nebraska, Pennsylvania, Tennessee, Washington, and Wisconsin.

EPA will continue to partner with states, drinking water utilities, and other stakeholders to identify and address current and potential sources of drinking water contamination, particularly in areas of significant regional and national importance. These efforts are integral to infrastructure efforts because source water protection can reduce the need for additional drinking water treatment and avoids the associated costs.

To assure the American people that their water is safe to drink, the EPA's drinking water regulatory program monitors for a broad array of contaminants, evaluates whether contaminants are of public health concern, and regulates contaminants when there is a meaningful opportunity for health risk reduction for persons served by public water systems. In addition, the EPA will work to reduce lead risks through revisions to the Lead and Copper Rule (LCR), and regulations to implement the Water Infrastructure Improvement for the Nation Act and the Reduction of Lead in Drinking Water Act.

EPA will continue to provide scientific water quality criteria information to our partners and the public, review and approve state water quality standards, and review and approve state lists of impaired waters. In FY 2018, the agency will work with states and other partners on Total Maximum Daily Loads (TMDLs) as required by the Clean Water Act, as well as on other waterbody restoration plans for listed impaired waterbodies. EPA also will continue to implement and support core water quality programs that control point-source discharges through permitting and pre-treatment programs.

Like President Trump, I believe that we need to work with our state governments to understand what they think is the best way to protect their waters, and what actions they are already taking to do so. EPA should only intervene when states demonstrate an unwillingness to comply with the law or to do their job, with regard to keeping water clean and safe for families, businesses, and the public at large.

The Clean Water Act asserts federal control over "navigable waters" without providing clarity or details about the law's scope. President Trump signed an executive order on February 28, 2017 to directing the EPA and the Corps of Engineers to review the Obama Administration's Clean Water Rule – also known as the "Waters of the U.S." or WOTUS – and propose to rescind or revise the rule as appropriate and consistent with the law and to ensure that we are meeting the original goals and policies of the Clean Water Act, as Congress has established.

To meet the objectives of the executive order, the EPA and the Office of the Assistant Secretary of the Army for Civil Works have already begun soliciting input from states, tribes, and other stakeholders and are following a two-step process that will provide as much certainty as possible, as quickly as possible, to the regulated community and the public during this process.

Cleaning up Contaminated Land to Revitalize Communities

In an effort to restore the cleanup of contaminated lands to its rightful place at the center of the EPA's core mission, I am prioritizing Superfund cleanups. EPA's Superfund program is responsible for the cleanup of some of the nation's most contaminated areas. One of my first actions as Administrator was to visit the community of East Chicago, Indiana, a Superfund site where residents have been dealing for decades with lead contamination from a former smelter. We've installed a new ombudsman office in the community to make sure residents are kept informed, we have worked with the state and local officials on providing clean drinking water, and we have worked with some of the responsible parties to secure more money to clean up additional homes.

During my confirmation process and in my time as Administrator, I have heard from families and community members, elected officials, and business leaders that the cleanup of contaminated sites takes too long. I have already taken a number of steps to elevate these issues within the Agency and to make sure that we are doing all we can to ensure cleanups are occurring without delay, sites are being put back to productive use wherever possible, and families and nearby residents know that their communities are safe. I have changed the approval process for sites with remedies estimated to cost $50 million or more to ensure they get the appropriate level of attention from myself and my senior staff. I have also established a

Superfund task force to provide me with recommendations on how EPA can streamline and improve the Superfund program.

In addition to the Superfund program, the Brownfields grants programs will safely clean-up and restore to enable the redevelopment of contaminated land under my leadership at EPA. These programs not only return land to productive use but also help spur economic development and job creation. Brownfields grants have a community driven approach, with over 67,000 acres of idle land made ready for productive use and over 124,300 jobs and $23.6 billion leveraged.

Land cleanup and restoration efforts, including Superfund cleanup and Brownfields land restoration projects, will continue at a funding level of $992 million in FY 2018. When it comes to cleaning up these sites, I believe that with better leadership, and reducing inefficiencies and administrative costs, we can take steps to accelerate the pace of the clean-ups.

Ensuring the Safety of Chemicals in Commerce
Ensuring the safety of chemicals used in commerce is a priority. Resources are needed to support efforts to minimize American exposure to pesticides, help maintain a healthy food supply and address public health concerns.

The EPA's toxics program will maintain its 'zero tolerance' goal for preventing the introduction of unsafe new chemicals into commerce. In FY 2018, $65 million is requested for the Toxic Substances Control Act (TSCA) Chemical Risk Review and Reduction Program to support the agency's significant continuing and new responsibilities for ensuring that chemicals in commerce do not present unreasonable risks to human health or the environment. New chemicals will be evaluated and decisions will be based on the best available science and the weight of evidence.

EPA reviews about 1,000 new chemicals per year, and must complete the review of each submission within a specified timeframe, resulting in about 300 chemicals under review at any given time. By January 2017, the number under review had grown to about 600.

Under my leadership, we have split by half the backlog of new chemical submissions being reviewed under TSCA, with plans to fully eliminate the backlog by the end of July. The agency is also increasing transparency for the public and the regulated community about these chemicals.

We are working with companies to gather all the relevant information early in the process, to inform safety reviews for new chemicals. Reviewing new chemicals quickly will enable those deemed safe to enter the marketplace to support jobs and our economy.

The reduction in the backlog is the result of prioritizing and implementing process efficiencies. EPA will continue to work with all stakeholders to identify additional changes to improve the quality, efficiency and transparency of the new chemical review program.

For chemicals in commerce, EPA will maintain an ambitious schedule for initiating and completing chemical risk evaluations and, where risks are identified, for initiating and completing regulatory actions to address those risks. EPA also will implement the new mandates related to determinations on claims for confidentiality for chemical identities.

In FY 2018, the agency will continue implementing TSCA activities not amended by the Frank R. Lautenberg Chemical Safety for the 21st Century Act. The agency also will provide firm and individual certifications for safe work practices for lead-based paint abatement and renovation and repair efforts, as well as provide for the operation and maintenance of the online Federal Lead-Based Paint program database (FLPP) that supports the processing of applications for training providers, firms and individuals.

Identifying, assessing, and reducing the risks presented by the pesticides on which our society and economy rely is integral to ensuring environmental and human safety. Chemical and biological pesticides help meet national and global demands for food. They provide effective pest control for homes, schools, gardens, highways, utility lines, hospitals, and drinking water treatment facilities, while also controlling vectors of disease. The program ensures that the pesticides available in the U.S. are safe when used as directed. In addition, the program is increasing the focus on pollinator health, working with other federal partners, states, and private stakeholder groups to stem pollinator declines and increase pollinator habitat.

In FY 2018, EPA will invest resources to improve the compliance of pesticide registrations with the Endangered Species Act. A portion of the funding also will ensure that pesticides are correctly registered and applied in a manner that protects water quality.

Punishing Bad Actors

EPA will remain focused on punishing bad actors. That means enforcing civil and criminal cases in areas that address substantial impacts to human health and the environment. EPA's enforcement efforts have produced billions of dollars in cleanup commitments from violators and billions of pounds of pollution prevented and cleaned up as a result of those commitments to date.

As states are the primary implementers of many enforcement action programs, we will focus agency resources on non-delegated programs. We will rely on our state partners to achieve compliance and enforcement goals, and we will focus resources on our direct implementation responsibilities and oversight, emphasizing violations with public health and environmental impacts.

Streamlining

As careful stewards of taxpayer resources, we will look to attack waste by examining our programs that are unnecessary, redundant, or those that have served their purpose and accomplished their mission or are outside EPA's statutory mandates. The FY 2018 budget identifies and eliminates programs so that EPA can focus on its statutory mission, achieving greater value and greater results.

In FY 2018, these efforts include streamlining permitting processes and National Environmental Policy Act (NEPA) infrastructure project reviews along with the focused effort on improving Superfund processes. We will build on business process improvements by partnering with states, tribes, and local governments to expand and support approaches across all our programs.
To help achieve its mission, EPA will develop, review and analyze program requirements and implement options to effectively align and redistribute the agency's workforce based on priorities and technological advances. The result of these analyses is expected to create a need to reshape the workforce and maintain the current hiring freeze. The agency will also offer voluntary early out retirement pay (VERA) and voluntary separation incentive pay (VSIP) in FY 2018 to achieve effective reshaping.

This budget does not include plans to close regional offices, but we will continue to prioritize efforts that save taxpayer dollars through space consolidation and essential renovations to reduce and optimize our physical footprint.

The budget request also significantly reduces or eliminates funding for mature programs that no longer need a federal presence or can be implemented by others. We will work with states and tribes to target resources to core statutory work and provide flexibility to address particular priorities and concerns. The FY 2018 President's Budget identifies and eliminates programs, to save taxpayers $1.03 billion relative to our FY 2017 Enacted budget.

We are committed to performing the work that is necessary to meet our mission of protecting public health and the environment. With support from our state and local partners – and by working with each of you, and your colleagues in Congress, we can make a real difference to communities across America.

I look forward to answering your questions.

Administrator Scott Pruitt

On February 17, 2017, the United States Senate confirmed Scott Pruitt as the 14th Administrator of the U.S. Environmental Protection Agency.

Administrator Pruitt believes that promoting and protecting a strong and healthy environment is among the lifeblood priorities of the government, and that EPA is vital to that mission.

As Administrator, Mr. Pruitt's overarching goal is to lead EPA in a way that our future generations inherit a better and healthier environment as he works with the thousands of dedicated public servants at EPA who have devoted their careers to helping realize this shared vision, while faithfully administering environmental laws.

He has dedicated his career to creating policy that serves the people. He strongly believes that environmental law, policy and progress are all based on cooperation between the states, cooperation between the states and EPA, and cooperation between regulators and the public. As Attorney General for Oklahoma, he led the state's legal challenges against property rights intrusion, while protecting Oklahoma's natural resources and environment.

Pruitt is, first and foremost, a family man. He and Marlyn, his wife of 27 years, proudly raised their daughter, McKenna, and son, Cade, in Tulsa. Pruitt has made it a priority to pass on to his children the same principled family values with which he was raised.

Holly Greaves

Holly Greaves is the Senior Advisor to the Administrator for Budget and Audits at the EPA. She is responsible for advising the Administrator on EPA's annual budget and performance plan, strategic planning efforts, and other financial management matters for the agency. She is also part of the task force leading the agency's efforts related to the President's Executive Order on a Comprehensive Plan for Reorganizing the Executive Branch.

Holly has a strong background in government accounting and Federal financial management. Previously, she worked as a senior manager with the public accounting firm KPMG, providing auditing services to Federal entities. Prior to joining KPMG, Holly worked with the public accounting firm EY, where she served public and private companies in the transportation, financial services, commercial real estate, and healthcare industries.

Holly is a licensed CPA, CISA, and CGFM. She lives in Washington, DC with her husband, Travis, and son Fisher.

Mr. CALVERT. Thank you for your opening Statement.

Before we move to questions, I would like to remind committee members that we have a full committee markup of the MilCon bill scheduled for 2:00 p.m. this afternoon. Therefore, in order for us to finish hearings by 1:00 and allow for a break between now and the MilCon markup, I encourage members to abide by the 5-minute rule for questions and answers today.

With that, I know that Mr. Simpson needs to leave by noon to go to our friend's funeral, Bill Hecht. If it is okay with Mrs. McCollum and other committee members, I would like to recognize Mr. Simpson so he can ask his questions.

Ms. MCCOLLUM. I think that is very appropriate, Mr. Chairman.

Mr. CALVERT. Thank you.

PESTICIDE REGISTRATION IMPROVEMENT ACT REAUTHORIZATION (PRIA)

Mr. SIMPSON. I thank the chairman, and I thank the ranking member. And thank you, Administrator Pruitt, for being here today.

First, I have got a couple of specific questions. One of them is that the EPA has jurisdiction and oversight over pesticide review processes through the Office of Pesticide Programs. Last year, Congress passed the Pesticide Registration Improvement Act.

In recent years, we have seen lower levels of funding leading to an erosion of timely reviews, while on the positive side the OPP was not cut as much in this budget as other programs within the EPA. The President's budget proposes to cut well below the congressionally-mandated minimum. With a strong Office of Pesticide Programs, job creators in my district and other places in this country, such as the potato industry, would not have the access to essential crop protection tools. How can we ensure that OPP has the revenues to run effectively and within the PRIA timelines under your current budget proposal?

Mr. PRUITT. Well, thank you, Congressman. And you are right, the budget does not increase fees or impose any new pesticide fees. It expands the scope of activities that can be funded with current PRIA user fees. But the reauthorization of PRIA, I think, is very important as we head into this budget discussion.

I mentioned in my opening comments that with the update to TSCA last year, there are three new rules that we are obligated to issue this year. Those rules are on track, just to let you know. Secondly, there was a backlog of chemicals that existed when I came into this position. We are going to have the backlog of chemicals entirely addressed by the end of July. That was a priority that I set when I came into the position. We reassigned FTEs to really focus upon that. There were members of our team both at ORD as well as in the Chemical Office that worked very diligently. And I want to commend their efforts to reduce this backlog.

But your question is very important with respect to PRIA and these fees that are necessary for us to carry out those very important functions, and I agree with your assessment there.

RURAL WATER TECHNICAL ASSISTANCE PROGRAM

Mr. SIMPSON. I appreciate that. One other program that has been proposed to be eliminated in this budget, the Obama Administra-

tion proposed to eliminate it, too, and we have kept it funded at a level of about $12.7 million, and that is the Rural Water Technical Assistance Program. As you know, coming from Oklahoma, like Idaho, there are many rural communities that do not have the access to technical assistance for their water systems and the Rural Water Technical Assistance Program is very important to these communities for being able to get that assistance that they would not be able to afford otherwise.

Mr. PRUITT. When we look at water infrastructure across the country, it is clear that in rural communities and in tribal communities that the partnership that has existed historically between the EPA, the U.S. government, and those communities is very, very important to ensure safe drinking water prospectively. That is something as we go through this process I look to work with you on that very issue.

STATE IMPLEMENTATION PLANS (SIPS)

Mr. SIMPSON. Okay. One final question, and this is the real question. Many western States face undue hardship from overreaching or duplicative Federal regulations, including the proposed WOTUS rule, the proposed CERCLA financial assurance rule for hard rock mining, the arsenic standards, which are below background levels in many western States, and the State regional haze standards implemented under the Clean Air Act.

I am pleased that the Administration has taken steps to provide relief from the WOTUS and CERCLA financial assurance rule. It is very much appreciated in my part of the country. For regional haze, western States have had a very hard time getting the EPA to approve their State implementation plans. Instead, EPA would overrule them and impose a Federal implementation plan. How do you view the EPA's role in working with the States on these important issues? What can we expect, and what is your perspective on the arsenic standard?

Mr. PRUITT. This is a very important question as we look at the statutes that Congress has enacted. Clean Water Act, Clean Air Act, the partnership that you have actually put into statute in my estimation has been disregarded the last several years, and it is not particular to one Administration. I think it has just evolved in that direction.

You have given specific authority to States to partner with the EPA to achieve good air quality and good water quality. We have committed to making sure that those SIPs are properly reviewed, and their answers provided in a meaningful timeframe. We actually have a backlog, and this is something that I mentioned the chemicals to you. We have a backlog of over 700 State implementation plans that have not been responded to at all by the Agency. That is unacceptable.

We need to provide input to those States across the country on the SIPs that they have submitted in every category of the Clean Air Act or otherwise, and provide answers in that regard. And we will work very diligently to achieve that, Congressman.

Mr. SIMPSON. Thank you. I appreciate that, and we look forward to working with you. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you. I thank the gentleman. Ms. Lowey.

ENDOCTRINE DISRUPTORS PROGRAM

Ms. LOWEY. Thank you very much. Administrator Pruitt, the budget proposes to eliminate the Endocrine Disruptors Program.

Mr. PRUITT. Sorry?

Ms. LOWEY. It is called the Endocrine Disruptors Program. Are you aware of it?

Mr. PRUITT. Yes, ma'am. I just didn't hear you very well. I apologize. Yes.

Ms. LOWEY. No problem. I am happy to discuss it. Through this program, EPA screens pesticides, chemicals, and environmental contaminants to determine their potential effect on human hormone systems, altered reproduction function in males and females, abnormal growth patterns in neurodevelopmental delays in children, increased incidence breast cancer and changes to immune function. I knew Theo Coburn. She has recently passed, but I would not be surprised if hearing cuts in this program, she comes back up to talk to us.

Her work truly changed the way we consider chemical safety. Because of endocrine disruptor research, BPA is banned in baby bottles, and PCBs have been dredged out of the Hudson River in New York. This is the perfect example of senseless cuts that will cost us more in the long run with threats to public health and safety, that are costlier in treasure and possibly in lives.

We have so much more to learn about what chemicals in the environment are doing to us. How do you justify eliminating funding for this program? Are you not alarmed by the link between exposure to chemicals in the environment and consumer products, and changes to hormones, health, and development of people and animals? What should EPA's role be?

Mr. PRUITT. Congresswoman, I do share your concerns. In fact, as we have studied this particular proposal, our hope is that we can absorb the remaining functions of the EDSP, you know, within the office of the existing Chemical Safety and Pollution Office we have, using currently available tiered testing, battery systems and models to achieve that.

But you raise a very, very important question, and it is that the program was established in 1996, as you know, and has had a significant impact. It is something that as we study the proposal and talk with Congress, this is our approach presently. But we look forward to your input on how maybe this can be restored and/or addressed in a different way.

Ms. LOWEY. That is great news, and I will not even ask my next question. I want to thank you for your consideration. This is such an important program. And I do hope that you will address all of our concerns today, so that we can continue——

Mr. PRUITT. Well, I will endeavor to.

Ms. LOWEY [continuing]. To have an EPA that protects us. I want to tell you as a mother and grandmother of eight, I really worry about issues like this. And it would be so irresponsible if we do not continue to move forward. So, thank you so much. Thank you, Mr. Chairman.

Mr. PRUITT. If I could, that office, as I indicated, the TSCA updates that Congress provided last year, the work that has been

going on in our chemical office has really been extraordinary since having come into this position. There was the backlog that I mentioned to you on the new chemicals, Congresswoman, that they have worked extremely diligently to address.

It is quite something that in about 120 or so days that backlog is going to be entirely addressed. That sends a good message, I think, to citizens across the country that it is a priority. I think it also provides certainly to industry that as new chemicals enter the flow of commerce, that the EPA is going to do its job within the timeframe set by this body, and provide confidence that we can get those things done in an efficient way.

Ms. LOWEY. I am delighted to hear about your focus on efficiency, but why would you recommend cutting the Endocrine Disruptors Program that saves lives?

Mr. PRUITT. Well, as I have indicated, Congresswoman, our objective and goal is to address it in the way that I have shared, and I look forward to working with you in that regard.

Ms. LOWEY. I hope we can work together and make some changes in these recommendations. Thank you.

Mr. PRUITT. Thank you.

Mr. CALVERT. I thank the gentlelady. Next, the chairman of the full committee, Mr. Frelinghuysen.

Mr. FRELINGHUYSEN. Mr. Secretary, we have not made acquaintance.

Mr. PRUITT. Good morning.

SUPERFUND SITES

Mr. FRELINGHUYSEN. But it is a pleasure to meet you, and I want to thank Mr. Calvert for the time. I am here just to remind everybody that the power of the purse is here on Capitol Hill. We obviously respect the proposal for your Department, but ultimately it will be this committee and our Senate counterparts that will determine the final outcome.

May I say I share at times some of the animus that is aimed at your Agency by a variety of different groups. I sort of share some of that frustration because of the huge bureaucracy, but I also come from the Nation's most densely populated State, New Jersey. And we are home to a historical background which shows us to have more Superfund sites than any other State in the Nation. I am probably one of the few members of Congress that actually highlights our history.

I visit the sites in my district. I work very closely with the New Jersey Department of Environmental Protection, and you have a good team that comes out of Region Two in New York. I know there has been a proposal here to reduce substantial funding for this program. I think you are aware that 70 percent of the program, money for the program comes from the polluters, the polluters pay. About 30 percent comes from the American taxpayer.

I would just like to say that I think it is good to sort of move with precaution and caution before you take too many dramatic steps.

Mr. PRUITT. This area of Superfund is absolutely a priority for this Administration. I think there is a significant amount of oppor-

tunity that we can achieve for the benefit of citizens in cleaning up contaminated sites.

I think as I have gotten into the Agency and evaluated the entire portfolio, when you look at the roughly 1,330 Superfund sites across the country, there are many that have been on that National Priority List for decades, languishing for direction, leadership, answers in some instances about how we are going to remediate sites.

I mean, one example that I have highlighted quite extensively is a site just outside of St. Louis, the West Lake facility that was listed on the National Priority List in 1990. The site is very unique in the sense that it has 8,000 pounds of uranium commingled with about 38,000 tons—I am sorry—8,000 tons and 38,000 tons of solid waste. And it has been distributed over a fairly large geographical area.

It was listed in 1990, and here we are 27 years later, and there has not been a decision on whether to cap the site or to excavate the site and to remove the uranium. That is just poor leadership. That is not serving the citizens in the St. Louis area at all or this country. What we are doing with respect to the portfolio is renewing our focus to provide clear direction on how we are going to remediate and achieve good environmental outcomes.

Funding could be an issue, and it is something that I look forward to talking to Congress about. But you have indicated that the CERCLA statute, the objective is to hold potentially responsible parties accountable to make sure that they fund the remediation effort. Our goal is going to be to get accountability from those PRPs, to provide certainty on the type of cleanup, and make sure that those timelines are met as we try to get sites cleaned up across the country.

But if funding ever becomes an issue with respect to orphan sites, as an example, because we have orphan sites that exist within the portfolio, we will address those with you and make you aware of those concerns.

Mr. FRELINGHUYSEN. I look forward to working with you. We have a lot of people in a narrow space, and we are committed to clean air and clean water. And this is one of the issues that is important to our entire delegation.

Thank you, Mr. Chairman.

Mr. PRUITT. Thank you.

Mr. CALVERT. Ms. McCollum.

PROPOSED PROGRAM CUTS

Ms. MCCOLLUM. Thank you, Mr. Chair. Mr. Pruitt, I take your sincerity in answering Ms. Lowey's question about wanting to look into answering her question about how the endocrine disruptors are going to be funded for the research in the future. But I am quite baffled about how you are going to have any tools in the toolbox to do that.

Once again, the EPA is reduced by $2.4 billion, 30 percent below 2017. Endocrine disruptors, zeroed out. Radon, zeroed out. Superfund slashed. Brownfields slashed. So, you can have a conversation with us and say you are going to look into this and you are going to make sure that these things are going to happen, but I do not

see how it can happen when you are cutting the EPA's overall budget by $2.4 billion.

For example, the pesticide ban, which I mentioned in my opening statement, and it's called chlorpyrifos. Everybody says it differently because nobody knows how to say it right, right? But it is important that we do learn how to say it right because this chemical is very dangerous.

In December 2014, the EPA completed a human revised health risk assessment, and it was very highly sophisticated. It was thoroughly peer reviewed. I know you said one of your goals is rule of law, but I think when science is looking at what to do about pesticides and toxins in these chemicals, they have to do no harm as their first goal.

The EPA determined that there is serious concern for long-term and neurodevelopment effects as a result of prenatal and possibly early life exposure. The Agency could not come up with any level that was safe on this toxin, and they do come up with some toxins that they find safe levels with. But on this one, they could not find anything.

So, I am curious to know how it happened that you were there a month, and then this is reversed. How did you come to find yourself disavowing, going backwards, not looking at any of the scientific peer review on this pesticide? And with all the other cuts to the Agency and the cuts in research, how am I going to have confidence that the best science is being used, that we "do no harm" to women who are pregnant, we do no harm to children who are born possibly having all these toxins lingering in their systems?

Mr. PRUITT. You mentioned several programs that you were concerned about, Superfund and others. I think there are some of those programs from a management perspective that will be easier for us to address the proposed cuts than others.

I mean, with the Superfund program, as we were just talking about, 70 percent of that portfolio approximately is privately funded. We have collected over billions of dollars since the inception of the program to address cleanup. My estimation at this point on that kind of program, Ranking Member McCollum, is that it is more about decision making, leadership, and management than about money presently. Now, that is that particular program. There are others that you have cited that it may be more funding than management and leadership.

With respect to the decision on chlorpyrifos, the USDA had a completely different perspective, and, in fact, had made the EPA aware of that as the process was ongoing. We based that decision, like we base every decision, on meaningful data and meaningful science. It was a decision that we felt was merited based upon that, and a collection of information that we considered.

Ms. MCCOLLUM. Could you provide this committee with the peer-reviewed science from the other agency as well as the science from this Agency?

Mr. PRUITT. The USDA. We will provide that, yes.

[The information follows:]

Chlorpyrifos Insert

This document contains 10 files supporting Rep. McCollum's request to the Administrator during the HAC hearing. The first three files are the EPA documents and the last seven are USDA documents.

EPA Materials

- 2014 revised human health risk assessment, https://www.regulations.gov/document?D=EPA-HQ-OPP-2008-0850-0195
- 2016 Revised Human Health Risk Assessment, https://www.regulations.gov/document?D=EPA-HQ-OPP-2015-0653-0454
- Chlorpyrifos: Analysis of Biomonitoring Data, 2016 SAP Issue Paper, https://www.regulations.gov/document?D=EPA-HQ-OPP-2016-0062-0005

USDA Materials & Links

- EPA-HQ-OPP-2016-0062-0136_USDA_Comment_SAPdocket_050916: USDA comment submitted to the SAP docket, https://www.regulations.gov/document?D=EPA-HQ-OPP-2016-0062-0136
- Transcript of April 19-21 2016 SAP Meeting: Page 411, line 22 through page 415, line 8, https://www.epa.gov/sites/production/files/2016-05/documents/fifra_sap_04_19_16_to_04_21_16_final_transcript.pdf
- EPA-HQ-OPP-2008-0850-0833_USDA_RHHRA_Comment: USDA's comment on the Revised Human Health Risk Assessment that published January 2015, https://www.regulations.gov/document?D=EPA-HQ-OPP-2008-0850-0833
- EPA-HQ-OPP-2015-0653-0369_USDA_ProposedRuleComment (note: three attachments): USDA's comments on the October 2015 proposed tolerance revocation – three attachments, one is the comment they submitted on the revised human health risk assessment (above), https://www.regulations.gov/document?D=EPA-HQ-OPP-2015-0653-0369
- EPA-HQ-OPP-2015-0653-0648_USDA_NODA_Comment: USDA's Comments on the November 2016 NODA, https://www.regulations.gov/document?D=EPA-HQ-OPP-2015-0653-0648

In addition, below we provide links to where all of these documents are available in the public dockets as well as other public dockets opened by EPA on Chlorpyrifos.

Links to Chlorpyrifos and related issues SAP docket numbers:

- EPA-HQ-OPP-2007-1005 Petition docket number
- EPA-HQ-OPP-2008-0274 September 16 – 18, 2008: The Agency's Evaluation of the Toxicity Profile of Chlorpyrifos
- EPA-HQ-OPP-2009-0687 December 1-4, 2009: Scientific Issues Associated with Field Volatilization of Conventional Pesticides
- EPA-HQ-OPP-2009-0851 February 2-4, 2010: Incorporation of Epidemiology and Human Incident Data into Human Risk Assessment
- EPA-HQ-OPP-2011-0284 February 15-18, 2011: Chlorpyrifos Physiologically-Based Pharmacokinetic/Pharmacodynamic (PBPK/PD) Modeling linked to the Cumulative and Aggregate Risk Evaluation System (CARES)
- EPA-HQ-OPP-2012-0040 April 10 – 12, 2012: Scientific Issues Concerning Health Effects of Chlorpyrifos
- EPA-HQ-OPP-2016-0062 April 19-21, 2016: Chlorpyrifos: Analysis of Biomonitoring Data

This set of documents and links best represents the information request by Rep. McCollum.

RULE OF LAW

Ms. MCCOLLUM. I want their peer-reviewed science by comparable scientists, not just someone's opinion. Okay.

Can you go back to the cuts that I mentioned, and with the questions that you are being asked, how will you stand up and make sure peer-reviewed science is happening? With the cuts to over 3,000 employees, how does that happen? I mean, I can wish for a lot of things, but in reality, I have to figure out how I make those things happen with using real dollars, real employees.

You told me rule of law was your first and foremost concern. I have to tell you rule of law is very important. I am a person who obeys the law. But the EPA's mission is to protect public health first and foremost, in my opinion. Do you disagree with that?

Mr. PRUITT. Not at all, and I think with respect to the science at our Agency, ORD, and the program offices, it is important that we prioritize the mission of those respective offices insofar as how we are going to use the science. The science should be in support of rulemaking.

The primary function of the EPA is to carry out statutory requirements and mandates that Congress has required, from the Clean Water Act, to the Clean Air Act, to TSCA, and across the board, and engage in rulemaking and administration of those statutes.

RULEMAKING

Ms. MCCOLLUM. So, does this go to the change that has happened on EPA's website before January 30th, 2018. Standards were science-based, peer-reviewed science, safe levels of pollutants. That language has disappeared from the mission statement, and now it states, "What is economically and technology available standards." So, that is a significant change for me. Is that what you are talking about with new rulemaking?

Mr. PRUITT. No, what we have a responsibility to do in rulemaking is build a record and base a decision on informed decisions from science to those across the country that engage in the APA process to make us aware of how rules are going to impact them. That is going to continue in each of our respective program offices, from clean water to clean air, the Air Office, across the board.

I mean, science is going to be key to what we do. It is going to be key to informed rulemaking. Each of the program offices, Congresswoman, actually have scientists embedded in those program offices as well. So, with the proposed cuts to ORD, we are going to be able to carry out our core mission of supporting rulemaking that is based in sound science, that is transparent and peer-reviewed, and is based upon real data that is not monitored, but actually collected—excuse me—is monitored and collected.

Ms. MCCOLLUM. Thank you, Mr. Chair. I know that there are others that have questions. I have two other questions I need to get to later, but at this point, I will yield back my time.

Mr. CALVERT. I thank the gentlelady. Next, Mr. Rogers.

Mr. ROGERS. Thank you. Mr. Administrator, and welcome to the hearing. Most people do not know that the administrator is a native Kentuckian, a native of Danville, Kentucky, and a graduate of

Georgetown College in Georgetown, Kentucky. He then ran off to Oklahoma, where he was educated in Tulsa law school. But welcome, and we are proud of you, Mr. Pruitt.

Mr. PRUITT. Thank you.

RULE OF LAW

Mr. ROGERS. I want to talk to you about the culture of overreach in that Agency. Time and again over the last 2 years, Federal courts have held that the Agency was overreaching its legal authority, engaging in activities that are not authorized by the United States Congress. And that became a practice that repeated itself time and again. It had devastating impacts on certain parts of the country, including mine, in the coal fields where the war on coal, led by the EPA, resulted in some 12,000 miners losing their jobs and their homes in my region alone. So, we do not take kindly to that type of thing.

What will you be doing to change the culture of overreach in that Agency, where the employees, both career and political, engaged in overstepping their authority time and time again? What can we expect?

Mr. PRUITT. Well, the ranking member made reference to this as well, and I think that when I mention rule of law, it is not intended to be something that is academic at all. When you disrespect rule of law, and that fundamentally is when you take statutes passed by Congress and act in a way that is not authorized, it creates uncertainty.

You mentioned the litigation that resulted from many previous actions over the last several years. We can go from the Clean Power Plan to others, the WOTUS Rule as an example, subject to stays by the U.S. Supreme Court and the 6th, respectively. What that creates in the marketplace, again, is uncertainty to know what is expected of citizens and industry to achieve good environmental outcomes.

So, when we talk about rule of law, it is not intended to be, again, academic. It is intended to be practical because when the Agency carries out its functions consistent with the authority that you have provided, those types of lawsuits go away, and you can actually provide the kind of certainty to citizens in working together and partnering to achieve good environmental outcomes.

So, when I mention that, we are going to stay within our lane. We are going to stay within the authorities provided by Congress. If you have not spoken to an issue, if you have not given authority to the Agency, we are not going to reimagine it. We are not going to create it. We are going to let you know when those deficiencies arise.

We have talked about Superfund a couple of times here today. If there are concerns that we have as far as being able to carry out our responsibilities under the CERCLA program and the Superfund program, and we think that there is a legislative response that is necessary, we will advise you because we need the help of Congress to achieve these good environmental outcomes as well.

PERSONNEL REDUCTIONS

Mr. ROGERS. What about your staffing size? In your budget request, you indicate quite clearly about the reduction in personnel. Can you elaborate on that?

Mr. PRUITT. Well, I think with respect to the proposed cuts on personnel, that is something that we plan to achieve through attrition, continuation of the hiring freeze, and the initiation of voluntary buyouts. About 20 percent of the Agency is eligible for retirement today. That is going to increase over the next several years. As you know, we have talked about this budget having up to $25,000 per employee that seeks to retire, and so that is how we are going to address the proposed cuts to personnel.

About half our employees are in the regions across the country, half the employees approximately are in Washington, D.C. The regional concept is very important because you want offices dispersed across the country partnering with States, and those across the country to ensure that we are working together in a partnership format, so this regional concept is very important. But as far as the personnel reductions, those are the steps we are taking to address the proposed budget.

Mr. ROGERS. Thank you.

Mr. CALVERT. I thank the chairman. Mr. Kilmer.

Mr. KILMER. Thanks, Chairman, and thanks for being with us.

Mr. PRUITT. Good morning.

Mr. KILMER. Good morning. I actually appreciate the chairman's comments and the ranking member's comments at the opening of this hearing raising concerns about some of those proposals and how it affects your Agency's mission to protect the environment and human health. I could spend 500 minutes talking through some of the concerns I have in that regard, but I only have 5. [Laughter.]

PUGET SOUND

My hope and my expectation is that this committee will do better, and we will do that in a bipartisan way.

I am not going to ask you to defend what I consider to be indefensible proposals. Rather, I want to talk about a specific issue. My colleagues on this committee often talk about the role that EPA plays in affecting local economies. In my region, we actually want the EPA to be engaged both from an economic and an environmental perspective. We cannot afford to let the EPA check out on Puget Sound recovery.

Our region has 3,200 people whose livelihoods are tied to shellfish growing along the Puget Sound. Those are jobs that generate over $180 million in revenue in our State. They depend on clean water. They depend on Puget Sound. You talked about going back to basics, and part of that is a focus on clean water. They depend on that, and this budget jeopardizes that.

Our marine industry, which includes the fishing fleets and our seafood processors, generates billions of dollars of revenue and over 57,000 direct jobs in our region, not to mention tourism and recreation dollars. People come to our area to fish. They come to see orcas. They depend on clean water and a healthy Puget Sound. And

I would also add, money spent on Puget Sound recovery has a direct impact on jobs and the economy in my State. Democrats and Republicans, business leaders, the conservation leaders, all agree on that.

Every dollar the EPA invests on Puget Sound leverages $24 in State, and tribal, and local funding. So, if the Administration is committed to growing the economy and bolstering jobs in rural areas, what I would say is that is not reflected in this budget.

You have said this is a back to basics approach intended to return responsibility to the States. And I want to remind you of the obligations of the Federal government in this regard. There are 19 tribes with treaty reserved rights to fish in Puget Sound. Do you acknowledge that obligation?

Mr. PRUITT. Yes.

Mr. KILMER. There are multiple federally protected species, including orcas and chinook salmon, that call Puget Sound their home. Do you acknowledge the presence of those protected species in Puget Sound?

Mr. PRUITT. Yes, and as you know, there was an application for a no discharge zone for the entire Puget Sound. I actually am very sympathetic and sensitive to that application because of the things you are describing.

Mr. KILMER. The EPA also has obligations under the Clean Water Act, the Federal Water Pollution Control Act, and multiple other statutes. Do you acknowledge that those are statutory obligations of your Agency?

Mr. PRUITT. Absolutely.

STATES AND RURAL COMMUNITIES

Mr. KILMER. So, listen, I am all for partnership with the States, and I agree with the fact that there is not a one-size-fits-all approach. But my question is this. Why should States and rural communities be stuck holding the bag for the Federal government?

Mr. PRUITT. They should not, and that is something, as we have seen over the last several years. This cooperative model goes back decades, as you know, to achieve good environmental outcomes. We need to rely upon the expertise, the information, the resources of those at the local level and the State level to partner with the EPA. But the EPA has a very important role, a very important role.

There are air quality issues that cross State lines. There are water quality issues that cross State lines. There are responsibilities that you have identified that are statutory. We are going to carry out those responsibilities along with the States and ensure that there is a partnership.

You know, literally my first weekend, after I had been sworn in, we had 18 to 20 governors, Democrats and Republicans, in my office on a Sunday. We talked about these very issues from Superfund, to air attainment, to remediation. How do we achieve those things together? And from Democrats and Republicans, they said to me, thank you for listening so we could have a voice in the process. It has not happened for a number of years. We can learn, but we should not abdicate responsibility, to your point, and we will not abdicate responsibility.

PUGET SOUND—FUNDING

Mr. KILMER. The budget you have produced zeros out funding to support this effort.

Mr. PRUITT. More specifically, which effort?

Mr. KILMER. Puget Sound recovery.

Mr. PRUITT. Well, as I indicated, the Puget Sound application for no discharge is something I am very, very interested and concerned about, but also the grant program is similar to others. The Great Lakes Initiative, the Long Island Initiative that was mentioned earlier, those are important. Those are important partnerships that have existed for a number of years. As we go through this process together, I want to work with you to achieve good outcomes in each of those areas.

STATE IMPLEMENTATION PLANS (SIPS)

Mr. KILMER. So, I would just emphasize I think it is important the Federal government not leave States holding the bag. Between a quarter and a third of State environmental agency's budgets depend on Federal support. I do not know how we can expect States to take on more of your Agency's obligations with less money.

Mr. PRUITT. Let me say, too, we need to also recognize that with respect to SIPs. We were talking about this earlier. A backlog of over 700 where States have done their job, where they have actually submitted to the Agency a plan to achieve better air quality, and the Agency simply has not responded. So, we can do better in many areas to improve that partnership. You mentioned some, but I think that is important as well.

Mr. KILMER. Thanks, Chairman. I yield back.

Mr. CALVERT. Thank you. Mr. Joyce.

FY 2018 BUDGET REQUEST

Mr. JOYCE. Thank you, Mr. Chairman, and welcome again, Administrator Pruitt and Ms. Greaves.

I want to tell you that I am concerned also about the impact of the Mulvaney budget on the efforts to clean up the Great Lakes and leverage them as an economic asset for our region. I say that in jest for Mr. Mulvaney having been a former member. [Laughter.]

For example, in my home State of Ohio, 3 million people receive their drinking water from Lake Erie, and tourism along the lake generates more than $14 billion in spending annually and nearly 125,000 jobs. Forty million tons of cargo are shipped annually through Ohio's eight federally authorized ports on Lake Erie.

We see these types of benefits in other States that border on the Great Lakes, and for this reason, our Great Lakes delegation has strongly supported the Great Lakes Restoration Initiative. This program has been highly successful. It is facilitating collaboration among our States and the Federal government, local communities, and industry, and is making real progress in solving some of the most serious problems facing our lakes.

It is also helping communities revitalize degraded waterfront areas, creating jobs and new economic development. For example, in my district, cleaning up the contaminated sediments in the Ashtabula River allowed for the return of normal commercial shipping

and recreational boating, and sustained the economic viability of the city's port. For us, cleaning up the Great Lakes is not just about correcting mistakes from the past, but creating new opportunities and a brighter future for our shoreline communities.

The President's budget—sorry, I misspoke there—the Mulvaney budget, if enacted, would cripple our collective efforts, halt the progress we are making, and undermine the investments we have made to date. Funding under the GLRI has been instrumental in implementing costly cleanup projects, such as in the Ashtabula River. Simply put, this work would not happen without Federal support, which has leveraged financial contributions from States, industries, and communities.

For example, more than 40 percent of the costs of the contaminated sediment cleanups has been provided by non-Federal partners. This money will be left on the table and many cleanup projects will not move forward if the GLRI is eliminated. In addition, the bulk of our efforts to prevent the introduction of Asian carp would cease, and targeted nutrient reduction actions would not be possible, likely resulting in millions of pounds of phosphorous entering the Great Lakes and contributing to harmful algal blooms.

It is clear that funding is vital to sustain an effective Federal, State, and local partnership to restore the Great Lakes. However, equally important is the EPA's role as the coordinator of the overall restoration program. Federal leadership is indispensable in addressing problems that cut across State and national borders; coordinating work among multiple Federal, State, and tribal agencies; providing technical support; establishing science-based goals; and managing binational efforts with Canada. EPA has played this role over the past several years and it has been key to the success of the GLRI.

Can you explain to us how these functions will be maintained if the GLRI is eliminated?

Mr. PRUITT. You have said it well, and thank you for your comments and your summary. This body for a number of years has recognized the importance of the initiative, and we at the Agency have recognized that as well. As we start and continue this process, we look forward to working with you to address the objectives, the water quality objectives, and you mentioned invasive species as well. We want to make sure that the States affected, the commerce that is a part of the Great Lakes is preserved, and we address that going forward in this budget.

Mr. JOYCE. Will the Great Lakes Interagency Task Force and Great Lakes Advisory Board be maintained?

Mr. PRUITT. I think, Congressman, as we go through this, I think what is important is to recognize the priority of the initiatives that have been historically prioritized by this body. We are going to work with you to ensure that those priorities are addressed in whatever form it takes.

GREAT LAKES LEGACY ACT—CONTAMINATED SEDIMENTS

Mr. JOYCE. Will the cost-share approach to cleaning up contaminated sediments under the Great Lakes Legacy Act continue?

Mr. PRUITT. You know, I think that from a State perspective, you know, we have talked to many of the governors that are impacted by these issues. We are engaged in discussions with them on how we can have a shared and more vibrant approach. But as far as the funding that has been proposed to be reduced and/or eliminated under this budget, I will just echo what I have already shared with you, Congressman. We recognize the importance of the Great Lakes, we recognize the importance to the citizens in that region, and we are going to work with Congress to ensure that those objectives are obtained.

Mr. JOYCE. We can appreciate the fact that your Agency has provided leadership in what I think is the way government should work: agencies all working together on a common goal, sharing information, and getting to an end result. The money that we have there was needed over a period of years. Last year in the water bill, we managed to pass $300 million for 5 years so that the agencies will not have to worry about the stop/start approach of having to, you know, not know what money is coming in next year, so why start the research this year.

That has moved us backwards. From the 70s to where we are now, the Great Lakes has made a tremendous difference, and your leadership or your Agency's leadership in that is tantamount to making it happen.

Mr. PRUITT. I think you said it well in your summary and your comments. It is the money, but it is also the facilitation. It is the coordination that the Agency has provided historically to each of those interested parties and stakeholders, both private as well as States. It is important that we recognize that and continue it.

GREAT LAKES

Mr. JOYCE. Simply put, the Mulvaney budget appears to largely remove the Federal government as a partner in our work to restore and manage the Great Lakes. Is that fair?

Mr. PRUITT. I think there are functions that the Agency can perform outside of, again, the funding and appropriations. We have cited some of those. As an example, the Chesapeake Bay TMDL, you know, that is an example of States coming together to address non-point source, and the Agency provided leadership, and management, and facilitation in that area. I think that is similarly true to the Great Lakes area as well. Obviously, money is important, but I think this leadership role is important as well, and that is going to continue.

Mr. JOYCE. It is not just Lake Erie, of which we are proud. Congresswoman Kaptur, I am sure, will be following up with questions regarding this. But the Great Lakes, I do not view it as just a lake or a series of lakes. I view it as a national treasure. And so, given the national significance of the Great Lakes, is it fair to expect the States and local communities to shoulder the burden of caring for them?

Mr. PRUITT. We view those States as partners and stakeholders, and we will continue to view them in that fashion as we go forward. And it is important that we facilitate and show leadership, but work with each of those stakeholders to achieve good outcomes.

Mr. JOYCE. I appreciate you moving me up in line, Mr. Chairman. I know I have exceeded my time. Thank you very much for your time.

Mr. CALVERT. Thank you. Next, Ms. Pingree.

FY 2018 BUDGET REQUEST: PROPOSED CUTS

Ms. PINGREE. Thank you very much, Mr. Chair. Thank you, Administrator Pruitt, for being with us here today. It is my first chance to get to know you a little bit, and I hope we can find ways to work together, although you have heard a lot of us on the Committee have deep concerns with the President's budget. So, I hope we can coerce you into making some changes in this budget as we move along.

I need to say, like some of my colleagues have before me, we certainly disagree with the Administration's stand on the Paris Accord. I come from the State of Maine where people have a lot of concerns about climate change, and it has an effect on our lives every day.

I also want to just mention I was with a bipartisan group of my colleagues in Germany a couple of weeks ago when the announcement was made, and a lot of our colleagues in the Bundestag and the government over there were just so shocked that we would make this decision, and also worried that they could not trust the United States anymore to keep with an agreement. I want to echo those sentiments.

But I want to get into a little more specifics because sometimes I think we put these environmental issues and talk about them as sort of the idea of it is environmental extremists against businesses. As someone who comes from the State of Maine and understands the importance of the environment and the economy working together, and how much I hear about it from my constituents, climate change to us is very real. It is not an environmental platitude.

I live in a lobster fishing area. In fact, I would say probably that the highest lobster landings in the world are in Penobscot Bay where I live. So, I see lots of fishermen every day, and they look at me with this fear in their eyes of saying, what are we going to do. The ocean is warming around us. We are watching the migration of lobsters up into the coast, and once they get to Canada, they are going to belong to them, not us. We do not get them back. We have seen the disappearance in the shrimping industry.

And as my colleague, Mr. Kilmer, said, between the fishing industry and tourism, these are important to our identity. They are important economically. And I cannot go home and say to people this is not really happening. I cannot go home and say to the people in the shellfish industry ocean acidification does not exist. "You know, do not worry about it, it is going to go away." And we may sometimes disagree on this Committee about the causes of climate change, but doing something about it is critical, and we cannot back out of these agreements.

I also represent a huge coast line, and with sea level rising, we may not see it every day just the way they do in Miami Beach, but we see it when people try to get a mortgage, or sell their home, or get insurance. These are economic issues. When you talk about un-

certainty in the marketplace, whether it is fishermen, or farmers, or people who live in coastal communities, these are the people I deal with every day, and they are looking at this with fear and concern. And they are saying to me, and I am saying to myself, what am I going to tell my grandchildren if we do not do something about it. So, that is my first concern.

The second one, and I feel a little bit like Mr. Kilmer. I could go on for 500 minutes, and I feel confident the chair will not let me do that, kind as he is. But there is the economic question for tourism States, for fishing States, for natural resources States. And maybe you say one size does not fit all, and it is the not the same in Oklahoma, and I understand. It is different when the fossil fuel industry is in your backyard. But I represent one of those States that is in the tailpipe of the fossil fuel industry, and I want to talk a little bit about clean air.

We have deep concerns about the cuts in this budget and your approach to this. I am looking for any way I possibly can to work with you, but people in my area have deep concerns. You were an attorney general that sued the Environmental Protection Agency, that disagreed with these ideas, that was the head of the Republican Attorney Generals Association that got a lot of money from the Fossil Fuel Association. And I know we all get criticized at times for who supports the work that we do, and I want to take you at your word.

So, I want you to hear in my State, this does not work so well. We are the most oil dependent State in the Nation, so we know how hard it is to get over our fossil fuel dependence. We are deeply concerned about cuts potentially to energy independence, because if we cannot have more solar and more wind, we cannot have a healthy balance. We are deeply concerned about the rollback of clean air rules and the cuts in this Administration.

We have one of the highest rates of childhood asthma, and that is just a tragedy, the fact that so many people in our State have to deal with the impacts of being at the end of the tailpipe about coal-fired power plants and the dirty air coming to our State. What do you think it is like to see the highest rate of emergency room admissions because of asthma, or to have ozone alerts in the middle of our tourism season? We just cannot say to people do not come visit our State because the air is going to be dirty right now. Again, you talk about, you said uncertainty in the marketplace. This creates a lot of uncertainty.

You have heard a lot of our concerns. You said we should celebrate the downturn in CO_2 levels. Well, those are because we have had higher fuel efficiency standards and because we have invested more in clean energy, but your budget does all the opposite. It also cuts your commitment to our States, and we cannot leave States holding the bag. About a hundred employees at our Department of Environmental Protection are funded through the Federal government. We do not get that money back if you take it all away.

So, obviously I have piled on you with a million concerns, and it is only a few, but I think I represent what I am hearing every day. I do not see how more cooperation or more efficiency replaces those 4,000 employees you are about to cut or put some of the money back into these programs we care about.

Mr. PRUITT. Let me say first that I look forward to us, as you indicated, working together. I appreciate you saying that, and it is something that I endeavor to do as well with respect to attainment issues. It actually is a priority of our Administration to focus on achieving better attainment outcomes.

As you know, when you look at asthma, you mentioned asthma, the two criteria pollutants that we regulate under the NAAQS program, there are six, but two of them predominantly impact asthma, particulate matter and ozone. The PM2.5 standard is better than any that are in Europe, and we are making, I believe, tremendous progress toward achieving good health outcomes for our citizens.

But, Congresswoman, I really believe that we can do more. When I say "celebrate progress," I just think we have to recognize that we have prioritized it as a country, that we should recognize the success that we have achieved, but it does not mean that we stop. It means that we work with the States to get better data, not model better, but monitored data, real-time data, and then focus on compliance and assistance with those States to achieve better outcomes in the attainment program.

With respect to CO_2, you know, I want to say to you, the President when he announced withdrawal from the Paris Accord, said something else as well. He said that he wanted to continue engagement on this issue. I just left the G7. I spent four days in Bologna with my counterparts, and we started bilateral discussions. I started bilateral discussions with them with respect to our continued leadership with respect to CO_2 reduction. That is another area that we need to recognize that progress has been made.

You mentioned the progress we have made through government regulations, predominantly in the mobile source area. But innovation and technology have brought about a tremendous amount of CO_2 reductions, particularly hydraulic fracturing and horizontal drilling, a conversion of natural gas that powers our power grid. What we should be focused upon as a Nation as we generate electricity using various forms of energy, from coal, to natural gas, to oil, to hydro, to renewables, we need to focus on using the latest technology that reduces emissions in a very meaningful way, and focus on leading an international discussion and exporting that type of innovation and technology.

This is not a sign of disengagement. The President made that clear. It is a sign of saying that we are going to approach it from a way of demonstrating real action to reducing CO_2 through the implementation of what we have done in the past several years.

CARBON DIOXIDE (CO_2)

Ms. PINGREE. I appreciate your thoughts, and I hope it is not a sign of disengagement, and that we are going to continue to be focused on CO_2. I am not at all clear how we do that if we reduce funding for all these areas, and I hope you can continue talking to me about that because——

Mr. PRUITT. If I may, I mean, in this regard. I mean, it is very important that Congress does not address this from a stationary source perspective. I mean, we have tremendous regulation in the mobile source category. The auto sector has taken significant steps to reduce GHG emissions, and has done an extraordinary job. But

as far as stationary sources, when you look at the Clean Air Act, I do not know how many of you were here in 1990 when the Clean Air Act was amended. But if you ask members that amended that act in 1990, including Congressman Dingell, he described regulation of CO_2 and GHG under the Clean Air amendments of 1990 as being a glorious mess. That is how, you know, that framework is used.

We have to ask the question at the EPA, and this is the reason I mentioned this in my opening comments. We cannot just make up our authority. We cannot just make up processes to address whatever objectives that have been identified. We have to receive authority, and direction, and process from this body.

So, as we evaluate steps that we are going to take at the Agency, it will be focused upon what are the tools in the toolbox that we have, and if there is a deficiency of those tools, we will let you know and advise you accordingly because I think it is very important that we recognize that.

Mr. CALVERT. I thank the gentlelady.

Ms. PINGREE. I just hope that we can discuss the Clean Power Plan again because that was about stationary clean air. Thank you, Mr. Chairman.

CLEAN AIR ACT

Mr. CALVERT. I thank the gentlelady. I am going to recognize Mr. Cole, but since we brought up clean air, I am going to briefly say that the Clean Air Act is very important to me, and certainly my State, and certainly my area. In fact, as you know, Mr. Administrator, California was the first State to start cleaning up its own air. Before 1963, before the Clean Air Act was even envisioned, California had already started stepping forward to clean up its air and to step up with pollution rules.

As a matter of fact, there is a history of bipartisan cooperation. It was Jerry Lewis, who is a former chairman of this committee, who helped create the South Coast Air Quality Basin. Certainly there are a lot of concerns about clean air. These concerns were shared by Governor Reagan back when he was governor in 1966. One thing that is important to California is our waiver. We have had these waivers for over 50 years.

I want to ask the question, do you plan to continue the Clean Air Act preemption waiver that the Agency granted to California?

Mr. PRUITT. Currently the waiver is not under review. You are right, this has been something that has been granted going back to the beginning of the Clean Air Act because of the leadership that California demonstrated. It was actually preserved, as you know, in the original writing of the Clean Air Act. So, it is important we recognize the role of the States in achieving good air quality standards, and that is something that we are committed to in the Agency. The waiver is not currently being reviewed by the EPA.

Mr. CALVERT. Thank you. Mr. Cole.

Mr. COLE. Thank you very much, Mr. Chairman. I am going to start with a point of personal privilege, if I may, because I think I have probably known the administrator longer than anybody on this panel for well over 20 years. I was secretary of state when he was elected to the State Senate in 1996, if I remember correctly,

and then, frankly, was one of many people that urged him to run for attorney general in Oklahoma in 2009. He won that campaign, and he did the job so well that nobody filed against him for reelection as either a Republican or Democrat. So, I can just assure my colleagues on the panel, we may have disagreements over budgets or policies or what have you, but you will find the administrator is unfailingly professional, is unfailingly courteous, will look for ways to work with you, not against you, and will handle himself in an absolutely above board and ethical manner.

And he has got some pretty good people around him, too. I see his chief of staff back there. I have known Ryan for a lot of years, too. He worked for Senator Inhofe and was his chief of staff. He has got a good team. He will do a tremendous, tremendous job. It is a privilege to see you in this position, my friend.

Speaker. [Off audio.]

Mr. COLE. No, I am not actually. Everybody on this table knows I am not kind, and I will show you in a minute how unkind I can be. [Laughter.]

But I want to begin by also congratulating you on the Paris Accord. You know, we had Secretary Zinke in here not too long ago testifying about his budget, and he made the point I thought very succinctly. It was a bad deal for the United States. It just simply was, with all due respect to my friends that have a different opinion. If it was a good deal, they would have put it in front of the United States Senate and actually turned it into law rather than run the risk of having it overturned, which, again, President Obama chose to do that, and that was his choice. But when he had a successor with different views, that evaporated pretty rapidly.

And I want to commend the President for making it crystal clear, as you did in your testimony, that he is ready to engage, ready to sit down, but we are going to have to have a deal that is better for the United States, the American people, than the one we had. So, I know you have caught a lot of flack for it. I know you played a big role in it. I am proud of the role you played. I am proud of the advice that you gave the President, and, frankly, I am very proud of how ably you have defended that decision. I have seen you on television and in print. You clearly know your stuff, as you always did as a legislator and as attorney general in our home State. So, very, very proud of you.

Now, that is enough praise for a minute. I actually want to congratulate you on one other thing. I can assure you, you are going to be the first EPA administrator that has come before this committee in 8 years that actually gets more money than they ask for. [Laughter.]

TRIBAL ASSISTANCE PROGRAMS

And that does not mean you will get as much as you have had, but you will do better than you have asked for.

Look, my friend, Mr. Joyce, alluded to it, and my friend, the chairman, and I were upstairs a minute ago talking to Secretary Mattis about the defense budget, and we understand budget wars and budget games. And the decision was made, appropriate in my view, to plus up defense, and a decision was made to take all of that out of nondefense. I think was an appropriate decision.

You know, President Obama used to have a linkage of spending one-to-one. Any increase in defense, we had to increase domestic. That is a false narrative, you know. I actually think defense has the priority, but there is no such relationship. That is just as false as every one we do, we are going to cut one. You look at each individual function, and you try to make the right decision.

Now, your job is to do exactly what you are doing. You work for the President of the United States. I would expect you to defend the budget of the President of the United States. I suspect your private counsel to the Office of Management and Budget may have been a little bit different. I know some of your colleagues in the Cabinet. I can tell you they did not agree with every decision, but when the decision is made, it is your job to go defend it.

But the final decision rests here. The Constitution is pretty clear, and I would never advise you about the Constitution of the United States. You know it better than I do. But in the end, we have the spending authority, so we will look at this. And it is important that we have the President's priorities, but at the end of the day, Congress will make the decision, and I think you are going to do better than you asked for. So, that might be a good thing.

I will tell you I am concerned. I will give you three areas. My colleagues, we all have our particular areas of concern, but you will find one of the great common themes on this subcommittee is the bipartisan cooperation on Native American affairs. So, when I see the Indian Environmental General Assistance Program cut by $19.6 million, and I see State and tribal assistance grants cut by $678 million, and I see a $69 million cut in the Pollution Control Grant Program of the Clean Water Act, which, you know, has a section on tribal guidance, that worries me. And I want to ask you this in a serious way because we have talked about burden sharing, and that is, you know, that is fine, and I think that is appropriate, frankly. And I know that you will approach that seriously because I know who you are.

But there is a big difference between States and localities that have taxing powers and Indian tribes that do not. You know, they may or may not have revenue, but they cannot tax. We do not give them that power. So, when you make these cuts, how will they make up that money, particularly given the biggest recipients tend to be the poorest tribes, and the most isolated land masses and areas with the most limited economic tools available, and with citizens that by any measure in terms of their economic opportunities, their educational opportunity, their employment prospects, are at the very bottom of the heap as we measure those sorts of things.

Mr. PRUITT. Well, first, thank you for your kind comments, and I have known the Congressman for a number of years, and he is a friend. He is someone I have partnered with on many endeavors, and he, too, is serving the State of Oklahoma and his country in a very, very wonderful fashion, and I appreciate your leadership.

With respect to the issues that you have raised, I think it is particularly important with respect to rural communities across the country in addition to tribal communities, as you have indicated, the tribal nations, Congressman, that we recognize the very important role the EPA plays in water infrastructure, air attainment, facilitation around those, and also the technical assistance. As we go

through this budgeting process, I look forward to working with you, the chairman, and the ranking member to address those concerns.

GLYPHOSATE

Mr. COLE. We will, and, again, I know you will be open to that. We have worked on Native American issues before in our home State. But I will also remind you that, as one of my colleagues referred, these are treaty obligations. They are not generous grants. We have made certain commitments, so maintaining those commitments and advancing them, as this committee has, is something we are awful serious about.

I will ask you one last question because I have taken a lot of time, if I may, and it is not a question I know a great deal about, I want to preface it. It is something that was brought up to me by constituents actually in light of this hearing. But it is my understanding you are currently doing a review of glyphosate, but I understand it is a pesticide or herbicide, sold as something called Round Up, and in the past, it, I think, had a label that it might have carcinogens in it. But I understand there is a new study that has not yet been released called the Agricultural Health Study. It is over at Health and Human Services. But for some reason, it has been held for 2 years, and it comes to a very different conclusion.

So, I am just curious, as you do your review, could you look into that and could you see if that study is there, and just make sure that your people as they make their determination have access to that data?

Mr. PRUITT. I will, and I will say that I have had interagency discussions with Secretary Perdue at the Department of Agriculture, Secretary Price, as you mentioned, at HHS. It is important that we collaborate and work together around these issues, and we will do that and report back.

Mr. COLE. Okay. I appreciate that. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you.

Mr. COLE. I look forward to working with you.

Mr. CALVERT. Thank you. Mr. Stewart.

PARIS AGREEMENT

Mr. STEWART. Thank you, Mr. Chairman. And, sir, we look forward to working with you. I know that people who know you have tremendous respect for you, and we think that we are lucky to have you in the position you are.

I have to mimic what Mr. Cole said, if I could, and I will do so quickly, and that was in regards to the Paris Agreement, and it was exactly the right decision. And I say if someone is serious about climate change, if they really feel that it is an existential threat that faces our country, you cannot defend the Paris Agreement because it was not a serious effort. It was not a serious document. It had no compliance. It cost trillions of dollars to every country except for China. There was no enforcement mechanism. And as I am going to get to in a minute when I get to my question, the negative impacts of it actually had impacts on us here in the U.S., which I will show you in a moment.

I did a media interview earlier in the day, and I said I felt like the EPA had their boot on the throat of America. If not their boot

on the throat, please at least just be on our chest, and that is all we are hoping for here is a little bit of a relief from what we believe, as the chairman said, the sense of regulatory overreach.

One more premise, if I could, and that is I think many times when people start a conversation with me, they say you are a Republican, therefore, you do not care about the environment. I think that is just a nutty premise. I mean, there is a reason I live out West, because I love to rock climb and ski. I love to sit in my backyard and look out at the mountains. I do not want to look through ozone. I do not want to look through haze. I think all of us are committed to try to protect this beautiful place that God has given us. The question is how to best to do that and what cost.

Now, to my question, if I could. Administrator, you know that while the country has made significant progress in reducing pollution, especially ozone levels, those of us in the West are kind of hosed by this whole thing. I represent downtown Salt Lake City, but I also represent very rural parts of Utah, Zion National Park, Bryce National Park, for example. These are very remote places, and yet they are out of compliance with ozone, and there is not a thing in the world they can do about it. It is not like there are factories spewing or a lot of cars that are driving through there and creating the pollution and the particulate matter. It is naturally occurring.

And the second thing, coming back to the Paris Agreement now if I could, Princeton and NOAA have said that 65 percent of the particulate matter is coming from overseas, which is why it was nuts to allow China to continue to spew until 2030 while we pay the price for that.

So now, here we are, we have these rural communities who are not compliant with ozone and cannot get compliant. There is not a thing in the world they can do. The Native Americans living there 500 years ago would not have been in compliance with the rules that have been proposed by the previous Administration.

My question to you is, will you work with us on that? You cannot punish us for something that we cannot control.

Mr. PRUITT. You know, it is a very, very important question because when you look at background ozone levels, as an example, our ability to measure with precision background ozone is very important because what we ought to be focused upon with respect to our NAAQS program, around ozone as an example, is the margin above the background. As you have indicated, there are certain communities across the country that if you took out all activity, all economic activity, it still would be in noncompliance and nonattainment under the Clean Air Act. That is something that we are reviewing administratively.

But I will say to you that we may need the help of Congress to address that, and we will advise you accordingly on the ability to baseline ozone or background ozone, and then focus on areas above that that I think are important to address attainment issues.

And one other thing. The Cross-State Air Pollution Rule and the ability to make sure that States are sharing, you do not want one State contributing to the nonattainment of another State. You want to make sure that there is accountability, and that steps are

being taken in one State to address it downwind. So, that is a very important objective and role that we have as an Agency.

The Agency has endeavored to do that in the past, and that Cross-State Air Pollution Rule was actually stricken by the courts, and so we are trying to make sure that that does not happen again. But you mentioned that as a very important priority, and it is because we do not want the process of one State contributing to the nonattainment of the other. We want a shared responsibility there.

Mr. STEWART. I will just conclude by saying, A, we do not want one State contributing to another, nor do we want one nation contributing to another, which is clearly happening. Then the second thing is if you say you may need the help of Congress, well, all hope is lost then——

[Laughter.]

Mr. STEWART [continuing]. Because I am pessimistic about being able to, convince some of my colleagues that, because the narrative will be, Republicans want to weaken clean air standards, and that is not true. We are just simply trying to reflect the reality that there is nothing these communities can do.

Mr. PRUITT. You know, it is interesting. It is not just air. You mentioned trans-boundaries with other nations. It is not just air that we have those challenges, but it is also mercury in our fish. There are many issues around our environmental standards that we need more cooperation and more partnership from our neighbors to the south and our neighbors to the north.

Mr. STEWART. Thank you. And, Mr. Chairman, I yield back.

Mr. CALVERT. I thank the gentleman. Ms. Kaptur.

Ms. KAPTUR. Thank you, Mr. Chairman, and also Madam Ranking Member. I apologize for being late. We had a concurrent hearing which I also had to be at. So, Administrator Pruitt, welcome.

Mr. PRUITT. Good morning.

LAKE ERIE: HEALTH

Ms. KAPTUR. My first question, I want to follow on Congressman Joyce's excellent remarks, and say would you accept an invitation to travel east of the Mississippi to the Great Lakes, and join Congressman Joyce and myself with a bipartisan group of elected officials to discuss the compromised health of Lake Erie?

Mr. PRUITT. It would be a pleasure to join you and a bipartisan effort to do that. In fact, I have spent some time in Region 5 already around other issues, the Superfund issue there in East Chicago. But we talked about the Great Lakes Initiative and the importance of that while I was in Region 5, and look forward to the continued discussion with you and others on the committee.

Ms. KAPTUR. Thank you very much. We will make it convenient, and we will make it easy. We will not serve you Asian carp. We will serve you perch or pickerel.

Mr. PRUITT. Thank you.

Ms. KAPTUR. Let me just say that——

Mr. CALVERT. Walleye is better. [Laughter.]

GREAT LAKES RESTORATION INITIATIVE (GLRI)

Ms. KAPTUR. America really cannot afford to shortchange our environment and human health. I would assume you share that be-

lief. The budget submission, however, that is before us is simply unacceptable, and it cuts environmental protection by, if one adjusts for inflation, by over a third, and it is the lowest budget request we have had in 40 years.

And our part of the country is experiencing threats to the Great Lakes, the largest body of fresh water on earth. Lake Erie is the shallowest, so it is experiencing these threats first. It drains the largest watershed in the Great Lakes. And we have an increasing population in our country now. We are 326 million. The world is 7.5 billion. They are not making any more fresh water. But we understand what environmental stress is all about and why the Environmental Protection Agency is so important to the future of this country. So, we thank you for your service.

In your confirmation, you committed to support the Great Lakes Restoration Initiative, so the following questions you can answer "yes"' or "no." We can make it easy. Can you please clarify, when you sent EPA's 2018 budget submission to the White House and OMB, did your budget leave EPA with the $300 million in funding for the Great Lakes Restoration Initiative whole or zeroed out?

Mr. PRUITT. You know, that process, Congresswoman, as far as the submission to the Agency and the pass back, that is something that it has been a little while since I looked at those numbers. But we in our discussions with OMB talked about the importance of the Great Lakes Initiative.

Ms. KAPTUR. I had a hunch. Okay. Your budget submission recommends also taking out $50 million of the GLRI's current Fiscal Year funding for 2017 that we just passed, and giving that back to Treasury. $50 million. Does that mean you will not be able to complete work, and you probably cannot answer this, to complete the cleanup of the area of concern at Lorraine, Ohio on the Black River, because I am quite concerned if the Administration is going to zero out GLRI and then take $50 million away from this year's budget, that really could stop work on the adjoining river that flows into the Great Lakes that was terribly damaged.

Mr. PRUITT. Yeah. So, we will look at the ongoing work and the particular focus on that area, Congresswoman, and get information to you.

[The information follows:]

BLACK RIVER AREA OF CONCERN

The Black River Area of Concern currently has six remaining management actions that must be completed in order to delist it. Grant funding has already been awarded in an amount expected to be sufficient to fund two of those management actions. EPA is in the process of awarding $7,975,000 from unobligated FY2017 funding this year in order to fund remaining work related to the other four management actions. If this funding is provided in FY2017, all remaining actions items for the Black River AOC will have been fully funded by the end of FY2017. Ultimately, in order to delist the AOC, additional funding and technical support will be required in future fiscal years to evaluate the status of the remaining Beneficial Use Impairment after completion of the planned management actions.

EPA is working expeditiously to make these awards before September 30; however, if awards have not been made by then, this funding could be subject to rescission and progress in removing beneficial uses at this Area of Concern will be slowed.

Mr. PRUITT. But the rescission that you are referring to, I think, is around $369 million, which includes the $50 million. That carryover typically is there, and that is not intended to be punitive to-

wards the Great Lakes. It is just an overall pass back or rescission of the entire amount. But we will look at that particular area that you have identified, and make sure that the ongoing work as far as contracts that have been let, that work can continue during the pendency of the budget discussions.

REGION 5—GREAT LAKES OFFICE CLOSURE

Ms. KAPTUR. Thank you. We were guaranteed that that would happen, so that really scared us. We have heard it is your intention to permanently shut down the Great Lakes Region 5 office in Chicago, and move it out of the Great Lakes to west of the Mississippi River to Kansas. Could you confirm for me whether EPA intends to do that?

Mr. PRUITT. That is pure legend as far as the discussion about moving. There is no consideration presently with respect to any regional offices about moving them, one location or another. I am not sure where that came from.

Ms. KAPTUR. Right.

Mr. PRUITT. I actually was visiting Region 5, the East Chicago Superfund site, and when I went into Region 5, there were media reports that somehow Region 5 was going to be moved. That has not been something we had discussed up until that point, and it is not something that is currently under discussion presently.

PROPOSED CUTS TO CINCINNATI, OHIO LAB

Ms. KAPTUR. Thank you. EPA's second largest research lab is located in Cincinnati, Ohio and employs 1,700 scientists. Since you are proposing a 33 percent cut in your science budget, does this mean you will pink slip over 500 EPA scientists located in Cincinnati, Ohio serving our country?

Mr. PRUITT. You know, we will not. In fact, as I indicated to the chairman earlier, the proposed cuts to personnel in this budget will be achieved through attrition, through voluntary buyouts, and through the hiring freeze that currently is in place. We have, as I indicated, 20 percent of our workforce that are retirement age today, and that number increases substantially over the next 3 to 5 years.

LAKE ERIE—TRI-STATE BODY OF WATER

Ms. KAPTUR. Thank you. I want to ask your help in a very specific situation that is why we want you to come to Ohio. 2 years ago, Toledo, Ohio's freshwater supply was shut down over an entire weekend due to toxic algal blooms from Lake Erie that crept into the water treatment facility. The amount of money required to fix this tristate binational environmental threat was enormous, and the responsibility for purifying the water should not simply rest with the City of Toledo, a community of 250,000 people that sits inside the largest watershed in the Great Lakes of over 2 million people and about 11 million animals.

Further, Michigan has declared Lake Erie is impaired, but Ohio has not declared that Lake Erie is impaired. Indiana has said nothing, and Canada sits out there on the other side of the lake. EPA has incomprehensibly accepted both of the State-level determina-

tions, Ohio saying nothing, Michigan saying Lake Erie is impaired, and Indiana saying nothing. In your federalist view of EPA's role, is a tristate binational and disputed body of water not precisely where EPA is statutorily mandated to take action?

Mr. PRUITT. You know, Congresswoman, it is my understanding that the Ohio EPA has not assessed the open waters of Lake Erie just yet. But this is an area that we are committed to working with the State, all States, in that region to ensure water quality standards are advanced and protected.

With respect to algal blooms, EPA currently serves as the co-chair of the Harmful Algal Bloom and Hypoxia Research and Control Act Interagency Working Group, and we understand the importance of non-point source discharge into our waters. States have the primary responsibility, as you know, with respect to non-point source regulation. It is important we provide facilitation and technical assistance as we work with them, but it is very important that we work together in that regard.

GLRI CUTS

Ms. KAPTUR. Well, I will tell you this, and I will end with this, Mr. Chairman. The cuts that you have recommended to GLRI, whether it is OMB or some of your advisors there, on top of the cuts to the State Implementation grants, means that Ohio EPA will have a 30 percent cut to its budget, and with the cuts in GLRI and so forth and the lack of clarity on what we can do to handle this massive water threat. This is why we want you to come to Ohio.

Mr. PRUITT. I look forward to visiting with you.

Ms. KAPTUR. Thank you.

Mr. CALVERT. Thank you. Mr. Jenkins.

ENERGY POLICY

Mr. JENKINS. Thank you, Mr. Chairman. Administrator Pruitt, thank you for being here. Thank you for your leadership in your new role. A lot of very nice things have been said about the leadership from you and this Administration, from the Paris agreement to right-sizing the Agency, and I want to associate myself with those accolades and compliments.

A couple of quick things. I think you have heard very clearly around this table, and I know you feel it as well, we all appreciate, we want, we love clean air and clean water. In West Virginia, our mountains and forests are second to none. But we are also an energy State in West Virginia. We have coal, natural gas, oil. We are also a human resource State with the hardest-working people I would put up against anybody in this country.

And your predecessor, candidly, and the prior entire Administration did everything it could to put West Virginia out of business and put West Virginians out of work. I respect my colleague from across the aisle from Washington worrying about his 3,200 employees from Puget Sound at risk of losing their jobs. In West Virginia, as a result of the prior Administration, we did lose over 10,000 direct jobs of coal mining, good jobs. We put so many people on the unemployment line because of the actions of the prior Administration and the prior EPA administrator.

So, as Chairman Frelinghuysen mentioned a moment ago, it is about the power of the purse. I have been working here in this committee to try to use the power of the purse to influence the direction and the work of the EPA and it's policies. I simply want to say thank you for creating signs of hope and opportunity for the hardworking people of West Virginia. We do have coal mines that are opening up. We have got people going back to work to create a sense of hope and opportunity in their lives. So, I want to thank you for that.

A couple of questions. Number one, I just want to make sure it is clear for all to hear and see and listen, does this Administration make it a priority of having an all-of-the-above energy policy?

Mr. PRUITT. Yes, Congressman. I think what is important as you look at how we generate electricity in this country, we need to truly have fuel diversity because as we have 1 percent growth in our GDP, there is not as much concern about grid stability and grid security. But as we see 3 to 4 percent growth, it is important that utility companies across this country actually have diverse portfolios in which to generate electricity. And that includes the solid hydrocarbon of coal.

Because you can actually store, and this is important with respect to energy security. You can store solid hydrocarbons on site. There is only so much natural gas you can get through a pipe, and if there is an attack on the transportation system, it puts your ability to generate electricity at risk if you have a heavy reliance on any particular fuel source in generating electricity.

It may be like a business, Congressman, having one client or two clients, and then if you lose that client, your business goes away. It is important that the American citizens know that our price per kilowatt compared to Europe, compared to other nations, is very, very competitive. In fact, it provides us the ability to grow a manufacturing base, and the stability of our grid is important.

And so, our focus should be on using innovation and technology as decisions are made, whether it is hydro, or nuclear, or coal, or natural gas, or oil in the generation of electricity, that we use innovation and technology to achieve the lowest emission standards possible in each of the areas that we regulate under our NAAQS program or otherwise.

FUTURE OF COAL

Mr. JENKINS. So, this Administration and you in your leadership role the EPA do see a future for coal.

Mr. PRUITT. I believe it is absolutely essential that, again, we have a very robust fuel diversity in how we generate electricity in this country, and we already see the optimism across the country. You cite that. And so, it is absolutely an all-of-the-above strategy.

CLEAN POWER PLANT WOTUS, 2015 OZONE

Mr. JENKINS. Thank you. Three quick areas: Clean Power Plant, WOTUS, 2015 Ozone. Thanks to the leadership of this subcommittee, we put riders in the funding bills to make sure CPP did not continue to be further implemented under the prior Administration. We helped halt funding for implementation of WOTUS using that power of the purse. I proudly sponsored an amendment

adressing ozone standards and the funding mechanisms through this process to bar the EPA from moving the goalpost.

Does the work we have done in this committee resonate moving forward with this Administration and the EPA, understanding that we are matching up in priorities on those issues and others?

Mr. PRUITT. Yes, and let me say because there have been a couple of questions and discussion points about Clean Power Plant specifically. I think it is important to recognize that with respect to WOTUS and CPP, that the U.S. Supreme Court in the latter issued a stay against the actual implementation of the rule. You do not get a stay, as you know, from the U.S. Supreme Court or any court unless there is a likelihood of success on the merits.

So, the uncertainty that was created with respect to the steps taken by the EPA to regulate under the Clean Power Plan and also under WOTUS, the environmental objectives were not achieved. We are in the process of withdrawing each of those rules, both the 2015 WOTUS rule in addition to the CPP that was issued as well, and we will take steps on WOTUS. We will have a final rule that will provide a definition for waters of the United States by the 4th quarter of this year, no later than the 1st quarter of next year because that is the job of the Agency.

And so, Congressman, I would just say to you that that goes to the heart of my comments in my opening statement, that when an Agency acts in excess or inconsistent with the statutory framework, lawsuits occur, it creates uncertainty in the marketplace, and the environmental objectives that are focused upon are not achieved.

NEW SOURCE REVIEW

Mr. JENKINS. One very brief. New source review. We have a number of coal-fired power plants across the country that would like to invest in their plants for improved efficiency, keep that baseload available, enhance grid security. I am working with Congressman Griffith to develop legislation to bring some predictability for those power plants that continue to operate that we can improve efficiency. I welcome the opportunity to work with you and your office. Do you have any thoughts about reforming new source review to encourage investment to give the predictability our power generators need to make investments today, knowing that the rules will not be changed on them in the future?

Mr. PRUITT. It is a very important area because you have businesses and industry across the country that literally want to invest, in some instances, hundreds of millions of dollars in existing facilities to produce better outcomes on emissions. But as they do so, it triggers new Source Performance Standards requirements that actually disincentivizes that. So, we should work together to provide clarity to encourage that kind of investment because it is good for the environment, and it is good to provide that certainty to those that want to invest to achieve those outcomes.

Mr. JENKINS. I look forward to working with you on that legislation we are drafting. Thank you.

Mr. CALVERT. Mr. Amodei.

Mr. AMODEI. Thank you, Mr. Chairman. Mr. Administrator, it is good to see you again. I had not planned on this, but I do want to straighten something out that my colleague from the Buckeye State

had talked about. Actually Region 5 is not going to move to Kansas. It is going to move to Winnemucca, Nevada. [Laughter.]

But the water from Lake Erie when it is drained is going to be treated in Kansas before it is delivered to Nevada to facilitate the cleanup of the lake bed of Lake Erie. [Laughter.]

Mr. PRUITT. We have not had this discussion. [Laughter.]

Ms. KAPTUR. Will you clean up all the arsenic at the bottom of Lake Erie? Will you take care of that?

Mr. AMODEI. I think that is Yucca Mountain, and we are going to help you on that, too, so it is all good. Thank you very much. [Laughter.]

Mr. Administrator, I want to echo the comments of my colleague from the Sooner State in terms of there has been a lot of discussion about the budget. And as a history guy, I think it is important to note that the Congress has cut the Agency quite a bit before you got there, and quite a bit recently in relative terms. And so, speaking only for myself, I would expect to take those cuts into account and echo my colleague's sentiments about how you may be the first person to get more than you asked for because, quite frankly, as many people have made the point, nobody is standing on the rooftops begging for dirty water, and dirty air, and dirty soil, and those sorts of things.

So, and I cannot help but give a shout out to, and I hate to do this publicly, but referring to the budget by the name of the director of OMB I think is beautiful and appropriate and, if anything, kind compared to what he probably deserves. [Laughter.]

ADMINISTRATIVE PROCEDURES ACT

So, I like that in terms of giving you a pass on that. Beyond that, I will tell you this. I have got some issues that I want to talk, but we have had some success dealing with your Agency through your liaison folks and with the folks out in Region 9 actually. And so, we will look forward to getting on the calendar of the appropriate folks in the Agency and dealing with those specifically in the coming days.

So, thank you very much. I appreciate the fact that on several occasions you have made the point that you are a process person. And so, when these things go forward, whether it is the Paris Accords or a rule that is supposed to go through there, that public opportunity is important stuff. And when that has gone through, things tend to take care of themselves.

So, thank you very much. I appreciate your help working with us on water from Ohio, and we will talk with you offline.

Mr. PRUITT. If I might, I really appreciate the reference to process. There is a reason why Congress has said the Administrative Procedures Act sets forth very strict guidelines on how we do rulemaking, that we introduce a rule, we propose a rule, we take comment from citizens, and States, and industry across the country. Our job as an Agency is to take those comments and respond to them on the record, and make an informed decision as we finalize a rule.

The reason that process matters is how you reach consensus. I mean, that is how you reach an informed decision that actually takes into consideration all the various regions across the country,

the impact of a rule economically, the impact of the rule on the environment. When that process is not respected, it actually contributes to bad outcomes. And so, I mentioned that to you in my opening comment because it matters to, I think, the success of working together. We are going to do that and refocus our attention there. We should not regulate the litigation.

You know, one of the things that was a very, very, and still remains, a very difficult challenge, is we inherited a host of consent decrees. Those consent decrees actually sometimes changed the very statutes that you have passed, timelines that you have established, substantive obligations that you have put into statute, and that just should not be. You should not have a court process, litigation, yield to a change in statute that Congress has passed.

And so, this process focus is something that I think will yield good outcomes along with a partnership that I have mentioned with the States, but also that really key focus on what is our authority in meeting the timelines that Congress has set. That is the reason the TSCA update, that you passed last year, is so important that we meet those deadlines, those rules being out, put out, the RFS issue, you know, the RVOs that are supposed to come out every November that provides certainty to those in the marketplace. That has not been met in many years, and so we are going to meet that deadline in November.

So, I appreciate your comments about the process component, and it is something that we take seriously.

Mr. CALVERT. Thank you. Ms. McCollum.

TIMELY RESPONSES TO LETTERS

Ms. MCCOLLUM. Thank you, Mr. Chair. I just want to restate something that was touched on by several members here, that the budget cut to the categorical grants to States and tribes of 40 percent is just going to be a nonstarter here. States rely heavily on these grants. So do tribes. Even a report from the Environmental Council of the States says that Federal funding accounts on average for 27 percent of State environmental budgets. That is over a quarter of State budgets. And I think it is really important to remember that States have the ability to return this responsibility back to the EPA, so we have to keep this partnership moving forward.

You mentioned working together. One of the things that I asked Secretary Zinke about is the response to Members. Sometimes there are things out there happening, and I heard people talking about this, that no one is responding back to my letter. So, if you could please tell me, is there a policy or a guidance you could share with the chairman and I on what we can expect for timely responses to both the chairman and I and other members of Congress when we submit letters?

We are hearing that some committees are only going to respond to chairmen, and some are not going to respond to rank and file members. Do you have such a policy, and if so, could you share it with us?

Mr. PRUITT. You know, I appreciate the question because as I went through the confirmation process, I met with roughly 40 to 45 senators, both Democrat and Republican, many of whom were

not on the actual EPW Committee, because I wanted to spend time with them and hear their concerns. Since having been sworn in, I have actually been on Capitol Hill multiple times meeting with both Democrat and Republican members.

It is my belief that it is my job to respond and serve all members of Congress, and I look forward to doing so. I mentioned I actually was in East Chicago, as I indicated earlier, with Senator Donnelly on that very important Superfund site that needs new leadership. So, that is something that there is not a policy that recognizes majority versus non-majority.

ELECTRONIC COMMUNICATIONS

Ms. MCCOLLUM. Well, I will call you if I do not think I am getting a timely response. Another thing that has just been in the news, and I know you saw it, is that there were reports that you failed to disclose an email account that you had while you were attorney general, the one that is ESP@oklahomaAG.gov. This is distressing because at your hearing you said you only had two email addresses, and now this third one came forward, so you were not completely accurate at the time.

Senator Whitehouse said that you have had several opportunities to correct the record on your emails. In fact, he has a letter, which I am going to submit for the record, that goes on to say that it has been in a public disclosure of your emails that Congress has learned of your relationships with energy companies that now regulate the EPA.

[The information follows:]

United States Senate

WASHINGTON, DC 20510

June 15, 2017

The Honorable Scott Pruitt
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

Dear Administrator Pruitt:

We write today to express our serious concern that it appears you still have not provided the Senate Environment and Public Works (EPW) Committee a full accounting of email addresses you used while Attorney General of Oklahoma. According to documents recently released by the Oklahoma Office of the Attorney General, you used an additional business email address—a third, esp@oag.ok.gov—that you never disclosed to the Committee despite multiple requests and opportunities to do so. This is the second time that documents responsive to long-languishing Open Records Act (ORA) requests that you failed to process as Attorney General in your role as open records overseer have revealed that you did not provide truthful responses to Congress.

Having a full accounting of your email use as Oklahoma Attorney General directly bears on the Committee's ability to conduct effective oversight of your conduct as Environmental Protection Agency (EPA) Administrator. It has only been through the public disclosure of your emails that Congress learned of your symbiotic relationship with the energy companies you now regulate as EPA Administrator. In a Pulitzer Prize winning investigation, *The New York Times*[1] documented your practice of raising political funds from energy companies in exchange for advancing their interests through litigation and the regulatory process. Now that you direct much of that litigation and rulemaking as Administrator, a full accounting of communications you have had with that industry is of obvious importance.

The EPW Committee asked you to identify all email addresses you used as Attorney General when it was considering your nomination to be Administrator of the EPA. After providing an initial incorrect response, you corrected your answer. Then you had to correct your answer again with a second email address. Now it appears you will have to correct the record a third time. The Oklahoma Bar Association is already investigating whether your testimony to Congress involved "dishonesty, fraud, deceit or misrepresentation" in violation of Oklahoma Rule of Professional Conduct 8.4. This latest omission is plainly relevant to that inquiry.

The following timeline of events documents your continuing pattern of obstruction and evasion on this issue.

January 4, 2017

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[1] Eric Lipton, "Energy Firms in Secretive Alliance with Attorneys General," *New York* Times, December 6, 2014, available at https://www.nytimes.com/2014/12/07/us/politics/energy-firms-in-secretive-alliance-with-attorneys-general.html.

You listed an "@me.com" email address as your only "Business E-Mail" in your EPW questionnaire that you submitted to Congress. (*See* Appendix A)

January 18, 2017

You appeared before the EPW Committee at a hearing on your nomination to be EPA Administrator, and you had the following exchange:

> *Senator Whitehouse:* ... [O]n your questionnaire you listed an email address with a me.com domain as your business email. You also have an oag.ok.gov address, are there other email addresses that you have, are there other email address that you use for business other than your me.com and your oag.ok.gov email addresses?
>
> *Scott Pruitt:* The me.com address is not a business email address, I'm not sure why it was designated as such.
>
> *Senator Whitehouse:* Ok well we can just correct the filing on that.
>
> *Scott Pruitt:* There are no other email addresses if that's your question, senator.

January 24, 2017

You responded in writing to questions for the record after your confirmation hearing.

> *Senator Whitehouse (Question 114):* How many email addresses have you used since becoming Attorney General of Oklahoma? How many do you still use? Please provide the domains of all email addresses you've used during your time as Attorney General of Oklahoma, along with the dates used, and note whether they were personal, professional, or both.
>
> *Scott Pruitt:* I have used two e-mail addresses since becoming Attorney General of Oklahoma. I use a personal e-mail address for personal e-mail, and an official e-mail address for official business. The domain of my personal e-mail address is me.com and the domain for my official e-mail address is oag.ok.gov.

February 7, 2017

The Center for Media and Democracy (CMD) filed a lawsuit alleging you violated the Oklahoma Open Records Act for failing to respond to ORA requests for over two years, asking the court to compel the release of responsive documents and block the destruction of emails.

February 10, 2017

In response to CMD's lawsuit, the Oklahoma Attorney General's Office provided 411 documents responsive to a January 2015 ORA request by CMD. You were still Attorney General at the time this disclosure was made. One innocuous email with your personal address was included and none with the esp@oag.ok.gov address.

February 14, 2017

CMD filed a status report alleging the Oklahoma Attorney General's Office had improperly withheld thousands of emails from the February 10 release, describing at least 27 missing emails that your office had provided to *The New York Times* in 2014 that were responsive to its request.

February 16, 2017

The Oklahoma County Court ordered you to release emails improperly withheld from the February 10 release, and ordered you to disclose documents responsive to five other outstanding CMD requests by February 21.

February 17, 2017

You were confirmed by the Senate.

February 21, 2017

The Oklahoma Attorney General's Office provided an additional 7,564 pages of responsive records to January 2015 request. Documents in this disclosure showed that you used your @me.com email address for business purposes, contradicting your January 24 responses to the Committee. Emails to esp@oag.ok.gov were included in this disclosure but did not display your name next to it. This release shows that people outside of your office emailed you at your undisclosed esp@oag.ok.gov email address as far back as 2014 and emailed your personal email address about official business as far back as 2013.

Emails using the @me.com address, attached in Appendix B, included:

- August 14, 2013 email to you from Sarah K. Magruder Lyle, Vice-President of Strategic Initiatives at the American Fuel & Petrochemical Manufacturers (AFPM), copying Clayton Eubanks (your then solicitor general). The email included the AFPM's Renewable Fuels Standard (RFS) waiver petition it filed with EPA and expressed AFPM's interest in Oklahoma "filing a similar waiver requests highlighting the environmental harm caused by the RFS mandate."
- April 16, 2013 email from Amy Kjose Anderson, Civil Justice Task Force Director and Oklahoma Membership Contact at the American Legislative Exchange Council (ALEC) to you, Ashley Olmstead (your former executive assistant), and Melissa Houston (your then chief of staff), copying Derek Albro (Devon Energy), regarding your remarks at an ALEC meeting. (@me.com was redacted)

Emails using the esp@oag.ok.gov address without your name displayed, attached in Appendix C, included:

- March 31, 2014 email from Henry N. Butler (George Mason University School of Law) to you, Roger Nober (BNSF Railways), Shawn Regan (Property and Environment Research Center), Nathan Richardson (Resources for the Future), and Frank Wolak (Stanford) about your participation in a panel discussion "Collateral Damage in the War on Carbon," copying your Melissa Houston (your then chief of staff), Tom Bates (your then First Assistant Attorney General), and others.

February 24, 2017

Oklahoma Fox 25 published a story, "Okla. AG's office confirms Pruitt used private email for state business," and released a video reporting the Oklahoma Attorney General's Office confirmed you used your personal email address for official business.[2] These stories featured emails Fox 25 obtained through an Open Records Act request that was nearly two years old, showing you used your @me.com address to conduct official business.

March 17, 2017

Senators Carper, Sanders, Whitehouse, Markey, and Duckworth asked you to correct the record on emails and commit to transparency at EPA after "recent reporting and long-delayed disclosure of emails and other documents from your time as the Oklahoma Attorney General show that you were not fully forthcoming and truthful with the Committee in advance of your confirmation."[3]

March 21, 2017

University of Oklahoma College of Law Professor Kristen van de Biezenbos and the Center for Biological Diversity filed a complaint with the Oklahoma Bar Association requesting an investigation into whether you violated Oklahoma Rule of Professional Conduct 8.4(c), which states, "[i]t is professional misconduct for a lawyer to ... engage in conduct involving dishonesty, fraud, deceit or misrepresentation," because the emails released after your hearing indicated you had provided untruthful answers to the Committee.[4]

March 28, 2017

The Oklahoma Bar Association indicated it opened an investigation into the complaint against you, and asked you to respond. (*see* Appendix D)

May 5, 2017

After the Oklahoma Bar Association started its investigation of you, you responded to our March 17 letter acknowledging you used your personal email address to conduct official business. You explained your incorrect answers were "based on the best information available at the time and having only four days to complete approximately 1,100 written questions and subparts." You did not explain that your personal email address only came to light after the Oklahoma Attorney General's Office was compelled by court order to release documents responsive to an ORA request from 2015. You also did not explain that the only obligation you were under when responding to questions for the record was to be complete and accurate, and that the decision to

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[2] Phil Cross, "Okla. AG's office confirms Pruitt used private email for state business," *Fox 25*, February 24, 2017, available at http://okcfox.com/news/fox-25-investigates/ags-office-confirms-pruitt-used-private-email-for-state-business.

[3] Letter to EPA Administrator Pruitt from Senators Carper, Sanders, Whitehouse, Markey, and Duckworth. https://www.epw.senate.gov/public/index.cfm/2017/3/carper-leads-senators-in-asking-pruitt-to-correct-the-record-and-commit-to-transparency-at-the-epa. March 21, 2017.

[4] Center for Biological Diversity Oklahoma Bar Association Complaint, March 21, 2017, available at https://www.biologicaldiversity.org/programs/biodiversity/pdfs/2017_03_21_Center_KVDB_to_OBA_Grievance_Pruitt.pdf.

respond in only four days was your own. In your May 5 correction, you still did not acknowledge your third email address, esp@oag.ok.gov.

May 12, 2017

The Oklahoma Office of Attorney General released additional emails – this time in response to a November 2015 CMD ORA requests pertaining to the Clean Power Plan – which for the first time displayed your name next to the email address esp@oag.ok.gov. These emails show that you sent and received email from this address and used it to interact with your senior staff as recently as October 2016. Emails include (*See* Appendix E):

- May 25, 2016 email to you from Will Gattenby (your then press secretary), copying Mike Hunter (current Attorney General of Oklahoma who was First Assistant Attorney General at the time) and several other members of your staff, about your appearance before the House Energy & Commerce Subcommittee on Environment on the "Impact of Clean Power Plan on States." It includes suggested answers to potential questions, including why you had not responded to Open Records Act requests and mentions a "dropbox."
- October 5, 2016 email to you from Lincoln Ferguson (previously your press secretary in the Oklahoma Attorney General's Office and currently an EPA spokesperson) about an interview focused on "discussing federal overreach (Clean Power Plan, DOL, ICANN)" that includes talking points.

Based on these new emails, we again ask you to correct the record and provide a complete and accurate answer to Whitehouse QFR 114 regarding the email addresses you used while serving as Attorney General of Oklahoma. We also request you answer these additional questions:

1) There are dozens of outstanding Oklahoma Open Record Act requests pertaining to your time as the Attorney General of Oklahoma. Does the Oklahoma Attorney General's Office have access to all esp@oag.ok.gov emails, has that address been searched for emails and documents responsive to Open Records Act requests, and will it be searched in response to outstanding requests?
2) Have all emails sent by and received at the esp@oag.ok.gov been retained?
3) An email in Appendix E mentions a "dropbox." Please explain what that is. Has it been searched for emails and documents responsive to Open Records Act requests; will it be searched in response to outstanding requests; and have all documents been retained?
4) Have you informed the Oklahoma Bar Association about your failure to tell the Committee about your esp@oak.ok.gov email address? If so, on what date? If you did so before the date of this letter, why did you disclose this information to the Oklahoma Bar Association and not the Committee? If you have not yet disclosed this information, why not?
5) During your confirmation, you were asked to commit "to notifying the Committee of all of the email addresses you plan to use upon confirmation and within seven days of using a new email address including any aliases or pseudonyms." In response you stated: "I commit to notifying the Committee of the e-mail I use for official business." Since you were confirmed on February 17, you have provided the committee with only one email

address, Pruitt.Scott@epa.gov, which is listed in the public directory. Are you using any other email address at EPA to conduct official business?

6) For any email addresses responsive to the previous question, please confirm that that EPA is searching those addresses to respond to Freedom of Information Act requests requesting electronic communications to and from you.
7) Have you used any other email addresses or other forms of electronic communication since you became EPA Administrator to communicate for any purpose with any entity that has business before EPA, or representatives thereof? If so, please provide those addresses. We emphasize the phrase "for any purpose" because we do not want you limit your answer to this question by narrowly construing what constitutes EPA business.

These continuing revelations raise serious questions about whether you continue to hide information from your time as Oklahoma Attorney General and that you cannot be trusted to inform Congress about your communications as EPA Administrator. The EPW Committee expects, and federal law requires, that you respond to the Committee completely and accurately. We request a prompt and complete response by Thursday, June 22, 2017, as your response will inform next steps that may be appropriate in this matter.

Sincerely,

Sheldon Whitehouse
United States Senator

Thomas R. Carper
United States Senator

Bernard Sanders
United States Senator

Jeffrey A. Merkley
United States Senator

Edward Markey
United States Senator

Tammy Duckworth
United States Senator

Cc: John Barrasso, Chairman, Senate Committee on Environment and Public Works

Gina Hendryx, General Counsel, Oklahoma Bar Association

Appendix A

UNITED STATES SENATE
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

UNITED STATES SENATE

COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS

ROOM 410 DIRKSEN SENATE OFFICE BUILDING
WASHINGTON, DC 20510

INFORMATION

REQUESTED OF PRESIDENTIAL
NOMINEES

In order to assist the Committee in its consideration of nominations, each nominee is requested to complete the attached Statement for completion by Presidential Nominees. The Statement is intended to be publicly available. In the event that a nominee asks that a specific answer be kept confidential, he or she should notify the Chairman and Ranking Member.

The original and forty (40) copies of the requested information should be made available to the Honorable John Barrasso, Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC 20510 (Attn: Susan Bodine) as soon as possible.

Name of Nominee: Edward Scott Pruitt

Position to which nominated: Environmental Protection Agency Administrator

Date of Nomination: 12/08/2016

Business Name: Office of the Oklahoma Attorney General

Business Address: 313 N.E. 21st Street

City, State & Zip: Oklahoma City, OK 73105

Business E-mail: scott.pruitt@me.com

Business Phone: 405.522.4396

Full Legal Name: Edward Scott Pruitt

Date of birth: 05/09/1968

State of residency: Oklahoma

Appendix B

From: Sarah Magruder Lyle
To: Scott Pruitt (Scott.pruitt@me.com)
Cc: Clayton.Eubanks@oag.ok.gov
Subject: AFPM's 2014 Renewable Fuels Standard Waiver Filed
Date: 08/14/2013 03:48 PM
Attachments: AFPM RFS Waiver Petition 8.13.2013.pdf

Dear General Pruitt –

I hope you are doing well!

Attached you will find AFPM's 2014 Renewable Fuels Standard (RFS) waiver petition which was filed with the Environmental Protection Agency (EPA) on August 13. While this petition does not address environmental harm, it provides compelling support on the economic harm cause by the ethanol blendwall under the RFS mandate. The filing of this petition starts the statutory 90-day time period within which EPA must respond.

AFPM remains very interested in the prospect of your state filing a similar waiver request highlighting the environmental harm caused by the RFS mandate which we discussed previously. I would be happy to answer any questions you may have. Please feel free to contact me at slyle@afpm.org or at 202.552.4367.

Best,

Sarah K. Magruder Lyle
Vice President, Strategic Initiatives

American
Fuel & Petrochemical
Manufacturers
1667 K Street NW
Suite 700
Washington, DC 20006
202.457.0480 office
202.552.4367 direct

slyle@afpm.org
Learn more about AFPM at afpm.org

CONFIDENTIALITY NOTICE: This electronic message contains information from the American Fuel & Petrochemical Manufacturers that may be confidential or privileged. The information is intended solely for the use of the individual(s) or entity(ies) named above. If you are not the intended recipient, be aware that any disclosure, copying, distribution, or use of the contents of this message is prohibited. If you have received this e-mail in error, please notify us immediately by telephone at (202) 457-0480 or by reply e-mail and permanently delete this e-mail, any attachments, and all copies thereof.

From: Amy Kjose Anderson
To: Ashley.Olmstead@oag.ok.gov; Melissa Houston; Scott PRuitt (scott.pruitt@[redacted]
Cc: Albro, Derek
Subject: ALEC Speaking Engagement
Date: 04/16/2013 11:38 AM

Wanted to provide you with details on General Pruitt's speaking engagement at the May 3rd ALEC meeting. The energy workshop will be in Ballroom DE at the Cox Convention Center and runs from 11am to 12:15 on the 3rd. General Pruitt will be joined by Jack Stark, Continental and Corey Goulet, TransCanada. Corey will be discussing infrastructure, Jack will be talking about fracking technology and safety, and we are looking forward to hearing General Pruitt's remarks on state primacy in oil and gas regulation and the EPA's sue & settle modus operandi. We expect that Corporation Commissioner Douglas will moderate the panel, though this is still underworks. Each panelist will have 15 to 20 minutes, which should leave 15 minutes for Q&A. If he has any questions, don't hesitate to call or email me. I will also be available on the day of at (202) 870-1110.

General Pruitt will be registered to attend any of the ALEC conference he would like. He's welcome to attend the Board Dinner on the evening of the 2nd at the Governor's Mansion (just let me know ahead of time) and we'd love to have him stick around for any of the rest of the conference... there is a reception on the evening of the 3rd at the Petroleum Club from 6 to 8pm. And let me know whether you've considered if he would like to participate as the Civil Justice Task Force Luncheon speaker... would be delightful to have our current legislative members benefit from his experience as a former state legislator, an ALEC member and a now attorney general. Koch Industries is sponsoring that luncheon.

Melissa, would you also like to be registered for the event? I can extend you a complimentary registration.

Best,
Amy

Amy Kjose Anderson
Civil Justice Task Force Director and Oklahoma Membership Contact
American Legislative Exchange Council
(p) (202) 742-8510
(m) (202) 870-1110
alec.org/CivilJustice

Appendix C

Subject: Panel Discussion on "Collateral Damage in the War on Carbon" -- April 7, George Mason University
From: Henry N Butler <hnbutler@gmu.edu>
Date: 3/31/2014 7:43 PM
To: "esp@oag.ok.gov" <esp@oag.ok.gov>, "roger.nober@bnsf.com" <roger.nober@bnsf.com>, "shawn@perc.org" <shawn@perc.org>, "Richardson, Nathan" <richardson@rff.org>, "Wolak, Frank A" <wolak@stanford.edu>
CC: "Katie.Dark@oag.ok.gov" <Katie.Dark@oag.ok.gov>, "melissa.houston@oag.ok.gov" <melissa.houston@oag.ok.gov>, "tom.bates@oag.ok.gov" <tom.bates@oag.ok.gov>, "ann.lawler@bnsf.com" <ann.lawler@bnsf.com>, Jeffrey Smith <jsmithq@gmu.edu>, Richard Faulk <rfaulk@gmu.edu>

Dear Panelists,

We're looking forward to your panel on Monday at 3:40. As you can see from the attached agenda, we have allocated almost 2 hours for your presentations.

For purposes of our discussion, please assume that there is a war on carbon and that there are some benefits to the reduction in carbon emissions. What is often missing from the policy discussion is the costs.

I will moderate your panel. We will have a brief panel discussion after each presentation. I suggest the following order and timing:

General Pruitt – will open with a broad discussion of the impact of current policies on federalism, jobs, the rule of law, etc. (20 to 25 minutes for presentation)

Roger Nober – will address some of the special challenges that BNSF and the industries its serves are facing (15 minutes for presentation)

Shawn Regan – will discuss his research on the adverse consequences of current policies for Native Americans (15 minutes for presentation)

Nathan Richardson – will share his views on the benefits of current policies and the relevance (or irrelevance) of the previous presentations. (15 minutes for presentation)

Frank Wolak – will compare and contrast the views presented from the economic perspective he will have offered in the keynote opening lecture.

Time permitting, all of this will be followed by a moderated Q&A with the audience.

I'm looking forward to a dynamic and interactive panel.

If possible, please submit your PowerPoints (not required) by Friday at noon.

Please contact Jeff Smith at 703-993-8382 with any questions.

Thank you.

Sincerely,

Henry

Henry N. Butler
GMU Foundation Professor of Law
Executive Director, Law & Economics Center
George Mason University School of Law
3301 Fairfax Drive
Arlington, VA 22201
703.993.8644 (direct)
224.330.0540 (mobile)
hnbutler@gmu.edu
www.MasonLEC.org

--- Attachments: ---

FINAL AGENDA -- LEC Public Policy Conference on Energy and the Environment April 7 2014.pdf	137 KB

GEORGE MASON UNIVERSITY SCHOOL OF LAW
LAW & ECONOMICS CENTER

Energy and the Environment: Old Fuels, New Technologies, and Market Dynamics

LEC Public Policy Conference
LEC Initiative for Energy and the Environment

George Mason University School of Law
Arlington, Virginia

Monday, April 7, 2014

8:00 – 8:30 am	**Breakfast**, *Gallery*
8:30 – 8:40 am	**Welcoming Remarks, Richard O. Faulk**, Senior Director, Initiative for Energy and the Environment, Law & Economics Center
8:40 – 9:40 am	**Keynote Address: "The Future of Fossil Fuels in the United States"** **Frank A. Wolak**, Holbrook Working Professor of Commodity Price Studies and Director, Program on Energy & Sustainable Development, Stanford University
10:00 – 11:00 am	**Life after The War on Coal: Clean Coal Technology, Carbon Sequestration, and Exportation of Coal** **Richard O. Faulk (Moderator)** **Paul Bailey**, Senior Vice President for Federal Affairs and Policy, American Coalition for Clean Coal Electricity **Jacob A. Williams**, Vice President, Global Energy Analytics, Peabody Energy
11:20 am 12:30 pm	**Hydraulic Fracturing: Oil and Gas Industry Dynamics** **Henry N. Butler (Moderator)**, GMU Professor of Law and Executive Director, Law & Economics Center, George Mason University School of Law **Christopher A. Wright**, CEO, Liberty Resources LLC, Denver **Erica Bowman**, Vice President of Research and Policy Analysis & Chief Economist, America's Natural Gas Alliance (ANGA) **John A. Arrell, Jr.**, Manager, Market Development and New Products, ATK Defense Group, Missile Products Division
12:30 – 1:40 pm	**Lunch and Luncheon Address**, *Multipurpose Room* **The Honorable Tim C. Fox**, Attorney General of Montana
2:00 – 3:20 pm	**Who Should Regulate Hydraulic Fracturing?** **Richard O. Faulk (Moderator)** **Thomas W. Merrill**, Charles Evans Hughes Professor, Columbia Law School **Michael L. Krancer**, Partner, Blank Rome, LLP **Sharon Buccino**, Director, Land and Wildlife Program, Natural Resources Defense Council
3:40 – 5:30 pm	**Roundtable Discussion: Collateral Damage in the War on Carbon** Jobs and the Economy? Free Trade? Federalism? The Rule of Law? Public Health: Wealthier is Healthier? Owners of Natural Resources? Native Americans? World Peace? The Environment? **Henry N. Butler (Moderator)** **The Honorable E. Scott Pruitt**, Attorney General of Oklahoma **Roger Nober**, Executive Vice President, Law and Secretary, BNSF **Shawn Regan**, Research Fellow, PERC – The Property and Environment Research Center **Nathan D. Richardson**, Visiting Scholar, Resources for the Future **Frank A. Wolak**, Holbrook Working Professor of Commodity Price Studies and Director, Program on Energy & Sustainable Development, Stanford University

Feb-17-2017 007895

Appendix D

OKLAHOMA BAR ASSOCIATION
Office of the General Counsel

March 28, 2017

Kristen van de Biezenbos
c/o The University of Oklahoma College of Law
300 Timberdell Rd.
Norman, OK 73019

RE: Grievance against Edward Scott Pruitt, DC-17-70

Dear Ms. Biezenbos:

We are in receipt of your complaint against the above-named attorney. We have on this date opened this matter for investigation and written the attorney asking for a response to the grievance. We will then conduct whatever further investigation we feel is needed.

After the matter has been fully investigated, your grievance, along with the response of the attorney and the results of our investigation, will be presented to the Professional Responsibility Commission. The Commission will then decide what further action, if any, to take.

Under the Rules of the Oklahoma Bar Association as promulgated by the Supreme Court of the State of Oklahoma, our investigation must remain confidential. Our investigation is strictly limited to the ethical and professional conduct of the lawyer. We cannot provide legal advice nor can we represent you in any pending litigation. It is therefore essential that you continue to protect your own legal interests. You will be notified in writing of the disposition of this matter. If at any time you have any further information you wish to be considered or investigated regarding your grievance, please feel free to provide the information to us.

It is imperative that you keep us advised of any change in your address. If you are unavailable to testify as a witness in the event of a trial, your grievance may be dismissed.

Sincerely,

Gina Hendryx
General Counsel

GLH/mlc

1901 North Lincoln Blvd.
P.O. Box 53036
Oklahoma City, OK 73152-3036
office 405.416.7007
fax 405.416.7003
toll free 800.522.8065

www.okbar.org

Appendix E

Subject: Testimony Q&A prep
From: Will Gattenby <will.gattenby@oag.ok.gov>
Date: 5/25/2016 7:49 PM
To: Scott Pruitt <esp@oag.ok.gov>
CC: Mike Hunter <mike.hunter@oag.ok.gov>, Lincoln Ferguson <lincoln.ferguson@oag.ok.gov>, Michelle Hale <michelle.hale@oag.ok.gov>, Johnny Moyer <johnny.moyer@oag.ok.gov>

GP – attached (and in your dropbox shortly) are a couple pages of prep material to consider for the Q&A portion of your testimony.

PW has contributed a significant portion, and CR has contributed on questions that may arise from the Open Records Act request.

-WG

Will Gattenby
Press Secretary
Oklahoma Attorney General Scott Pruitt
Direct: (405) 522-0166
Cell: (405) 291-0865
will.gattenby@oag.ok.gov



Attachments:

House CPP Testimony - Q and A prep 5-26-16.docx	24.5 KB

ORR CMD 11/5/15 Request 00178

Testimony Prep: House – Subcommittee on Environment

Thursday, May 26 at 9:30 AM ET

RE: Impact of Clean Power Plan on States

*NOTE: Below are some general notes that PW thought would be helpful. Also below are:

- Notes from only other CPP hearing in this subcommittee
- Stats about CPP impact in Oklahoma and the country
- Potential questions & notes from opposing viewpoints re: CPP
- Potential Quesstions & Notes re: Open records Request from Takano

Other witnesses:
Charles McConnell, Executive Director of Energy and Environment Initiative at Rice University
Brianne Gorod, Chief Counsel for the Constitutional Accountability Center

**Committee staff estimates 10-12 committee members will be present (~4 w/ from minority)*

Summary of comments/tactics of Subcommittee Members at a previous CPP hearing:

Suzanne Bonamici, Ranking Member (D-OR-01):

- Talking about impacts of climate change and cost if we do not address climate change
- Will try to make a point of the co-benefits of the Clean Power Plan and that Clean power Plan will be modest accompanied with long-term benefits

Alan Grayson (D-FL-09):

- Cites extensive studies in an attempt to disprove any estimates that CPP may increase costs or to discredit the research of anyone who did not consider the health benefits of CPP regulations

DID NOT ATTEND LAST HEARING ON CLEAN POWER PLAN:

Mark Takano (D-CA-41)
Donna Edwards (D-MD-04)
Ami Bera (D-CA-07)
Bill Foster (D-IL-11)

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(From PW) - **Additional notes that might be handy in response to questions:**

The Rule violates anti-commandeering principles by forcing States and state officials to exercise their sovereign powers by revamping their utility sectors. Under the Rule, state actors will be the ones to account for the Rule's impact on electric reliability, 40 C.F.R. § 60.5745(a)(7), through such means as "[public utility commission] orders," 80 Fed. Reg. at 64,848, and "state measures" that make unregulated renewable energy generators "responsible for compliance and liable for violations" if they do not fill the gap, 40 C.F.R. § 60.5780(a)(5)(iii). Indeed, the Rule pushes substantial duties on even those States that "decline" to administer it. A federal plan's mandate to retire coal-fired plants or reduce their utilization (including by requiring the purchase of emissions allowances) would force state utility and electricity regulators to respond in the same way as if the State itself had ordered the retirements. Likewise, if EPA orders through a federal plan that power-plant owners construct new electric generating capacity, state officials will be forced to review siting decisions, grant permit applications, and issue certificates of public convenience for EPA's preferred generation sources and for the associated new transmission lines that EPA's transformation of the power sector will require.

And political accountability will be frustrated because it is these state officials who "will bear the brunt of public disapproval" for increased costs and lost jobs, because they appear to retain exclusive authority under state law over electricity generation but cannot regulate in accordance with the views of the local electorate.

EPA's response is simply to assert that no State action is required to implement the Rule. 80 Fed. Reg. at 64,881-82. But even under a federal implementation plan, state agencies will have to be involved in decommissioning coal-fired plants, addressing replacement capacity, addressing transmission and integration issues, and undertaking all manner of related regulatory proceedings.43 See id. at 64,678; supra pp. 20-21. In fact, EPA's proposed federal plan expressly relies on state authorities to address reliability issues caused by the Rule. 80 Fed. Reg. at 64,981.

In short, while EPA makes much of the purported flexibility States have in implementing the Rule, see, e.g., 80 Fed. Reg. at 64,665, the Constitution requires the federal government to allow States the choice to "decline to administer the federal program," not a multitude of choices of how to administer the federal program.

Stats about CPP and Impact on Oklahoma consumers

- Oklahoma's energy generation mix: Coal – 40%; nat gas – 38%; wind – 17%
- Choices available under CPP will cause OK to shutter coal-fired plants and will drastically increase costs for consumers
- Estimated to increase the typical household's annual electricity and natural gas bills by $680, or 35%, by 2020, with costs only escalating each year thereafter as EPA regulations grow more stringent.
- Will hurt most vulnerable in our state the most – poor, single mothers, elderly, minorities
    - Households earning less than $10,000 per year already spend an astounding 60-80 percent of income on energy costs, and those earning $10,000 to $30,000 per year spend greater than 20 percent of their income on energy

Potential Question re: Clean Power Plan

1) **Has 111(d) ever been used "Outside-the-fence-line?"**
    a. Nothing even like this has ever occurred. It is truly an unprecedented approach
    b. Even supporters of the CPP admit that the EPA is expanding their authority to regulate "outside-the-fence" where statutorily they are limited to "inside-the-fence" solutions
    c. 5 rules have been developed within 111(d) since 1990 – not one, until now, has been an outside-the-fence regulation
2) **Doesn't the CPP give states the ability to create their own plans to meet the goals and timelines of the CPP?**
    a. For states like Oklahoma – who are already a leader at renewable energy technology (Top 4 in wind production – 17%) – who already have clean air - how exactly are we supposed to meet the goals of CPP?
    b. The EPA will reject our plan if we do not curtail fossil-fuel-generated electricity generation – if the plan does not meet the objective of their federal will – then will enforce a Federal Implementation Plan
    c. If this is such a cooperative effort – why would they generate a FIP
        i. Sounds like the proverbial gun to the head
    d. Example: regional haze rule

ORR CMD 11/5/15 Request 00179

3) **Is CPP consistent with the 10th Amendment?**
   a. Less about 10th amendment – more about the a case of statutory construction
   b. That conversation shouldn't be a novel idea
   c. Flexibility should be key in implementation of EPA goals – with CPP that is not the case.
4) **Do you recognize man-made climate change? Is it a problem anywhere in the world?**
   a. My job is as the chief legal officer of Oklahoma, not to debate the policy merits of the climate change or whether it should be addressed.
   b. Process matters and the ways
5) **What is Oklahoma doing at the local level to address carbon pollution and climate change?**
   a. Oklahoma has engaged in robust balancing effort (wind – 17%)
   b. BUT… question of whether or not Oklahoma is addressing climate change is not an issue for the EPA to decide unless Congress gives them the authority to do so
   c. That has not happened.

Questions re: Oklahoma Open Records Act request *(input from CR)*:

1) **Why haven't you given me the docs I requested?**
   a. According to the Oklahoma Open Records Act, which is what you have requested records under, agencies can establish reasonable procedures in responding to requests
   b. My office handles requests numerous requests from citizens, the press and law firms. To ensure fairness, we handle those in the order they come in.
   c. We have placed your request in line and will respond when it has been completed.
   d. Your request gave us an arbitrary 3 business days to respond, BUT
   e. OK Law only requires prompt, reasonable access – does not mandate arbitrary deadlines like the one you have set

ORR CMD 11/5/15 Request 00180

2) **The New York Times cites multiple letters where oil and gas executives provided draft letters and you submitted them on their behalf. Is this true?**
    a. My Office receives numerous requests from citizens, state agencies and various industries to sign-on to letters, amicus briefs, multistate litigation and comments to proposed rules.
    b. We research the issue at hand and the law pertaining to the matter, and if it aligns with the interests of the citizens and state of Oklahoma, we then determine the level of participation.
    c. We decline the majority of the requests we receive – BUT it is the content of the request not the source of the request that matters.

3) **Do you think that behavior is appropriate? Was it a mistake for her to be involved in this matter?**
    a. It is my job to defend the interests and well-being of the citizens and state of Oklahoma
    b. Energy sector is a major driver of the Oklahoma economy
        i. 4th in natural gas production in 2013
        ii. 5th in crude oil production in 2013.
        iii. thousands of jobs
        iv. hundreds of millions of dollars in tax revenue for the state.
    c. FRANKLY - Energy industry has been targeted unfairly by this administration through unlawful and overly burdensome regulations.

4) **ALSO**
    a. My office seeks input from the energy industry to determine real-life harm stemming from proposed federal regulations or actions.
    b. This even helps bolster the chance of success of a lawsuit.
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ORR CMD 11/5/15 Request 00182

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The Rule violates anti-commandeering principles by forcing States and state officials to exercise their sovereign powers by revamping their utility sectors. Under the Rule, state actors will be the ones to account for the Rule's impact on electric reliability, 40 C.F.R. § 60.5745(a)(7), through such means as "[public utility commission] orders," 80 Fed. Reg. at 64,848, and "state measures" that make unregulated renewable energy generators "responsible for compliance and liable for violations" if they do not fill the gap, 40 C.F.R. § 60.5780(a)(5)(iii). Indeed, the Rule pushes substantial duties on even those States that "decline" to administer it. A federal plan's mandate to retire coal-fired plants or reduce their utilization (including by requiring the purchase of emissions allowances) would force state utility and electricity regulators to respond in the same way as if the State itself had ordered the retirements. Likewise, if EPA orders through a federal plan that power-plant owners construct new electric generating capacity, state officials will be forced to review siting decisions, grant permit applications, and issue certificates of public convenience for EPA's preferred generation sources and for the associated new transmission lines that EPA's transformation of the power sector will require.

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- Estimated to increase the typical household's annual electricity and natural gas bills by $680, or 35%, by 2020, with costs only escalating each year thereafter as EPA regulations grow more stringent.
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Subject: KOKC interview tomorrow
From: Lincoln Ferguson <lincoln.ferguson@oag.ok.gov>
Date: 10/5/2016 4:01 PM
To: Scott Pruitt <esp@oag.ok.gov>

GP -

Want to make sure you are up to speed for tomorrow morning's interview. The majority of the time will be spent discussing federal overreach (Clean Power Plan, DOL, ICANN).

You will also discuss the latest round of Safe Oklahoma Grant recipients (OCPD being one of them). We are sending a press release on the latest grant tomorrow, so this will be the first the public has heard of the latest recipients. I have included a list of recipients on your talking points, but I thought you could use the interview to "announce" to the listeners that OKC and several surrounding communities were selected for the award.

Thanks,
LF

Lincoln Ferguson
Press Secretary
Oklahoma Attorney General Scott Pruitt
Direct: (405) 522-2283
Cell: (405) 250-8792
Lincoln.Ferguson@oag.ok.gov



Attachments:

AG Pruitt Awards Safe Oklahoma Grants 4-10-15.docx 15.2 KB

Radio Interview – KOKC with Trebor Worthen

Thursday, 10/6 @ 8:00am CST (18 min.)

Call-in: (405) 478-1520

Topics: Fedreal Overreach, Lawsuits, Safe Oklahoma Grant

Clean Power Plan –

- Was in DC last week to attend oral arguments – full day
- OK has devoted substantial resources to the constitutional questions
- SCOTUS granted a stay last February – halting implementation of the plan
  - Appeals court expected to rule by the end of the year
- EPA wants to reduce power plant carbon dioxide emissions by 32 percent from 2005 by 2030.
  - Impacts consumers in a very personal way
  - OK has already made strides, without heavy hand of the EPA
  - Standards will drive up electric rates, threaten the power grid and create economic havoc
- Scalia's final decision from the bench

DOL Overtime –

- OK is one of 21 states challenging the new overtime rule.
- Not arguing the policy discussion – that is ongoing at Congressional and state levels through meaningful debate.
- President is stopping the debate by imposing his own policies – arbitrarily and unlawfully.
  - Does not have authority to dictate to OK or any state how they budget state employees salaries.
- Detrimental to working families:
  - Face increased hardships: reduced hours, slashed salaries, unrecognized overtime
- Ultimately costs Americans their jobs and states millions of dollars.

ICANN Lawsuit

- Oklahoma, Arizona, Nevada and Texas filed lawsuit challenging the Obama administration's decision to hand over Internet control to an independent, private organization.

- ***Here's why:***
  - 1) Violates the Property Clause of the U.S. Constitution
    - By giving away government property without Congressional authorization
  - 2) Violates the First Amendment of the U.S. Constitution
    - By allowing a private corporation to effectively provide or deny access to large blocks of the Internet, the Freedom of Speech is no longer guaranteed.
  - 3) Violates the Administrative Procedure Act
    - APA has a requirement that the public be given notice and the opportunity to comment prior to the government taking such actions.

- In today's age, the Internet is a critical state infrastructure used to communicate with and provide services to citizens
  - State domains (.gov)

- What is at stake cannot be understated:
  - Like the printing press before it, the Internet has been one of the greatest instruments of free speech and the exchange of ideas in history.

- The President's decision cedes control of this infrastructure to an opaque body subject to international control.
  - This comes at a time when cyber security remains a great threat to our country.
  - Vital that the management and control of the Internet remains in U.S. hands

- How it worked before Oct. 1:
  - The Internet Corporation for Assigned Names and Numbers (ICANN) was overseen by the U.S. Commerce Department.
  - ICANN is now fully independent – current contract expired 9/30.
  - ICANN now will manage core Internet infrastructure without any direct oversight.

- ***What's next:***
  - OK, AZ, NV, TX lawsuit sought declaratory or injunctive relief – denied by U.S. District Court in Southern District of Texas.

  - States looking at possible next steps.

- Evaluating whether the "bell can be un-rung"
- If we think we can unravel what has already been done, we will continue to pursue.
- Its business as usual for the Obama Administration – continue to undermine the rule of law and make unlawful decisions.

Safe Oklahoma Grant

- Just notified recipients of the grant this week – this is the second round of 2016 grants.
- Announcing for the first time this morning – we were able to provide an additional $1.4 million to law enforcement agencies across the state:
    - In the OKC metro area: ***OKCPD – more than $700,000, Moore PD, Blanchard PD, Newcastle PD, Spencer PD, Minco PD – as well as others around the state.***
    - Provides additional funding for law enforcement agencies
        - Assist in reducing and preventing violent crimes in cities/towns across OK
        - Evidence-based practices and deployment tactics
        - Neighborhood targeting
        - Community partnerships
    - Some of the factors considered during grant review: violent crime rate, usage of grant funds, and demonstration of need.
- During a difficult budget year, these funds help ease the burden on our law enforcement agencies and help ensure our communities continue to grow safer.
- Excited about this list of awardees – both urban and rural – large and small – all making Oklahoma a safe place for our children and families.

Recent issues in the media:

- OK Supreme Court abortion ruling:

"It is disappointing that the Oklahoma Supreme Court would come to this conclusion. Designed to better protect the health and safety of women, the State Legislature passed this law on the heels of a local abortion provider's arrest for prescribing abortion-inducing drugs to women who were not actually pregnant. This law would have given law enforcement the ability to more easily prosecute sexual assaults of children that are discovered when a child under 14 has an abortion. The Attorney General's Office remains committed to defending laws aimed at protecting the safety and well-being of Oklahoma women."

- OAG Audit:

"The state auditor's office conducted the audit with diligence and professionalism. I appreciate the efforts expended by the auditor's office, working closely with my staff, to ensure an independent review and assessment of agency operations, confirming that state dollars are being collected, managed, and dispersed appropriately. Both recommendations in the operational audit report have already been addressed and resolved."

Ms. MCCOLLUM. So, for the record, can you get back to us, regarding what you are using for email addresses as EPA administrator, and what other forms of electronic communication that you are using, because I want to build a level of trust between all of us.

Mr. PRUITT. If I may, both in my oral testimony as well there is a letter actually that I submitted to the EPW Committee in May that recognized multiple State email accounts, so there has been a consistency there. The representations that you are citing are not accurate, so we have informed the committee. That was consistent with my oral testimony, and we will provide you information about current activities as well.

[The information follows:]

The Agency maintains a primary email account to contact the Administrator, *pruittscott@epa.gov*. EPA staff has also established secondary accounts in the Agency's Outlook email system that are used for calendaring, scheduling, and internal communications.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

THE ADMINISTRATOR

May 5, 2017

The Honorable John Barrasso
Chairman
Committee on Environment
and Public Works
United States Senate
Washington, D.C. 20510

The Honorable Tom Carper
Ranking Member
Committee on Environment
and Public Works
United States Senate
Washington, D.C. 20510

Dear Chairman Barrasso, Ranking Member Carper,

I appreciate the opportunity to respond to a March 17, 2017 letter, to the U.S. Environmental Protection Agency, relating to use of personal messaging systems consistent with the requirements of the Federal Records Act and the Freedom of Information Act (FOIA). EPA's Records Policy applies equally to all staff, including the Administrator. I, of course, support the Agency's policy as it provides the foundation for the Agency's adherence to the Federal Records Act. I intend to continue the Agency's commitment to responsible federal records management, and to ensure that EPA's Records policy is updated as necessary.

The EPA Records Policy strongly discourages the use of non-official messaging systems by all Agency employees. If such use occurs, all employees have a short period of time by which they must send the record to their official EPA email account, consistent with the requirements of the Federal Records Act. At the EPA, all incoming political appointees are also required to take specific records training soon after they arrive at the Agency. The training addresses employee responsibilities under the Federal Records Act, email records management and related tools, text messaging records and mobile device management, the Freedom of Information Act, and agency policy concerning the use of non-governmental email accounts to conduct agency business, among other topics. As you may be aware, EPA's Office of Inspector General (OIG) is investigating allegations referenced in a February 14, 2017, letter from the House Committee on Science, Space, and Technology to the OIG. The matter relates to allegations of use of an encrypted messaging application by EPA career staff. It would not be appropriate to comment on an open OIG matter at this time, however EPA is also in communication with the National Archives and Records Administration, and takes this matter seriously.

The letter asks for information relating to my personal email account and requests that I correct the record regarding my response to a question asking whether I "conducted business" using that account. My response to that question stated that I used my official, state-provided email accounts and government-issued phones to conduct business. This response was based on the best

information available at the time and having only four days to complete approximately 1,100 written questions and subparts.

In response to the letter and to put to rest any other questions concerning this matter, a complete and exhaustive review of my personal email account was undertaken. Based on this exhaustive review, I have determined that a small portion of those emails may relate to state business as that term is understood either generically or under Oklahoma's Open Records Act. However, because I am no longer the Oklahoma Attorney General, I am in no position to make that determination. With this in mind, and although not required to do so, I have made *all* of my personal emails available to the Oklahoma Attorney General's office, including those that have no possible connection to state business, for review in responding to pending Open Records Act requests. To date, as has been reported, that office's review has not identified as responsive to Open Records Act requests any documents from my personal email account that were not already captured by the official Oklahoma Attorney General accounts.

I believe my original response to Senator Whitehouse's question for the record number 115 was and remains correct. But to prevent any possible confusion, I supplement my original response as follows:

> 115. Have you ever conducted business using your personal email accounts, nonofficial Oklahoma Attorney General email accounts, text messages, instant messenger, voicemails, or any other medium? If yes, please provide all business-related emails, texts, from those mediums and any others you've used to conduct official business.
>
> My practice is to conduct official business through official channels, including my state-provided email accounts. Under Oklahoma law, political matters must be transacted using personal email accounts. That includes emails concerning political matters that may arguably also touch on state business. Importantly, the Oklahoma Open Records Act makes no distinction between a state devices and personal devices for purposes of ensuring transparency of "conducting business." Elected officials oftentimes utilize a personal device so as to ensure that no state property is used to conduct political business, which is legally prohibited.
>
> I make my best efforts to ensure that communications related to state business are copied or otherwise provided to official state systems. It is my understanding that the Attorney General's office will continue to search through the entirety of my personal email account as they work through the pending Open Records Act requests—including the more than 90 requests regarding my confirmation alone—to ensure any responsive and non-privileged records are provided. However, because I am no longer Attorney General, the office of the Oklahoma Attorney General must make the determination as to what, if any, communications constitute official business.

The letter also asked for information regarding the use of official Agency email accounts. The Agency maintains a primary email account to contact me, pruitt.scott@epa.gov. EPA staff

have also established secondary accounts in the Agency's Outlook email system that are used for calendaring, scheduling, and internal communications. My staff is currently considering the best means to provide the public with the important information regarding my day-to-day activities and meetings on behalf of the Agency.

The letter also asked about the process the Agency follows to address public financial disclosure requirements. Pursuant to the Ethics In Government Act, 5 U.S.C. app, certain executive branch officials are required to file public financial disclosure reports (OGE-278). The Office of Government Ethics (OGE) established government-wide regulations that dictate who should file such reports and provide specific guidance about the release of such documents to the public. *See, e.g.,* 5 CFR § 2634.202 and § 2634.603. To request a public financial disclosure report, please fill out the OGE Form 201, provide the name(s) of the people whose reports you seek, and submit your request to EPA's ethics office at ethics@epa.gov.

In addition, the letter asked about individuals serving at EPA in various capacities. A routinely updated directory of all current EPA staff is available on the Agency's website.

Finally, the letter also expressed an interest in a monthly report of open FOIA requests pending with EPA. Information concerning all FOIA requests filed with the Agency, including the date the request was filed and the request status, are available at any time through EPA's FOIA Online tracking system, at https://foiaonline.regulations.gov/foia/action/public/search.

Again, thank you for the opportunity to respond. If you have further questions, please contact me or your staff may contact Troy Lyons in the EPA's Office of Congressional and Intergovernmental Relations at (202) 564-4987 or Lyons.Troy@epa.gov.

Respectfully yours,

E. Scott Pruitt

cc:

Senator James M. Inhofe
Senator Shelley Moore Capito
Senator John Boozman
Senator Roger Wicker
Senator Deb Fischer
Senator Jerry Moran
Senator Mike Rounds
Senator Joni Ernst
Senator Dan Sullivan
Senator Richard C. Shelby
Senator Benjamin L. Cardin
Senator Bernard Sanders
Senator Sheldon Whitehouse
Senator Jeff Merkley
Senator Kirsten Gillibrand
Senator Cory Booker
Senator Edward J. Markey
Senator Tammy Duckworth
Senator Kamala Harris

DEVON ENERGY

Ms. MCCOLLUM. Great. One of the things that has come forward and that I have been following is, that when you were attorney general, you had a different job than you have now. You had a lot of correspondence with Devon Energy, who was aggressively challenging rules proposed by the EPA. You sent a letter to the EPA while you were AG in Oklahoma urging that the EPA overestimated air pollution from natural gas wells, and the letter very closely reflected lawyers from Devon Energy. This is also something that has been in the public.

The New York Times is now reporting that Devon Energy is reevaluating their settlement posture for illegally emitting 80 tons per years of hazardous chemicals, like benzene, which is a known carcinogen. The company, from reports, is now backing away from an agreement to install a system to detect and reduce leaks of dangerous gas. Additionally, the company now, after agreeing and admitting that it violated the law, is backing away from a proposed settlement, which has a 6-figure penalty claim back to the taxpayers down to $25,000.

Based on your relationship with Devon Energy when you were attorney general, how do you plan on handling this issue? Are you going to recuse yourself because now you are at the EPA? Is someone else going to be looking at it? Because as you said, we want to work together, and so I bring these articles up not to play gotcha politics, but to create an honest and open dialogue about how the EPA is going to be conducted so that we can work together.

Mr. PRUITT. I appreciate you not making presumptions, Ranking Member McCollum. I would say to you that as far as enforcement is concerned, I talked about that in my opening comments. Enforcement matters to me. You mentioned my time as attorney general. We had a grand jury that I led. We had significant enforcement activities.

I understand that there are bad actors in the marketplace. There are individuals and companies that discharge toxics and pollutants into our water, and they need to be prosecuted. There are people that engage in fraud under our RIN system with respect to RFS. There are folks that violate permits that we have established with respect to air attainment.

So, all those things—but I am trying to respond to your question here.

LAWSUITS AGAINST EPA

Ms. MCCOLLUM. I know you are, but at the same time you are painting one side of it. You also filed multiple lawsuits against the EPA.

Mr. PRUITT. The lawsuits, it is interesting that the lawsuits actually are a topic of discussion. We won those lawsuits because the Agency was not acting within the authority of this body. The reason lawsuits were filed, 31 States filed a lawsuit against the EPA for the WOTUS rule, is because they acted outside of their authority. The reason 27 States sued the EPA under the Clean Power Plan is the same thing. This body ought to be very jealous of any

agency of the executive branch flaunting the framework that you have established under any statute.

DERA PROGRAM

Mr. CALVERT. I thank the gentlelady. Real quick. One thing I wanted to bring up, and I mentioned this in my opening statement, the DERA program. The Agency noted that 10.3 million legacy diesel fleet engines are still in use. Also in the report, the EPA estimated over 1 million of the oldest and dirtiest diesel engines will still remain in use until 2030.

The Inland Empire in California where I live was part of the South Coast Air Quality District, which has been in nonattainment for ozone for about as long as a Federal standard for ozone has existed, but it is not for a lack of trying. As I mentioned, we have been regulating air quality longer than any other area on the planet, and implementing some of the most stringent air pollution control measures.

We have done all we can do pretty much to reduce emissions from stationary sources. Our issue is the amount of cars and trucks, and you mentioned mobile sources. That is the problem. And we also have two of the largest port facilities in the United States, the Port of L.A. and the Port of Long Beach, which are responsible for 40 percent of all U.S. container cargo in the United States. These containers are loaded onto trucks, which then travel through my district to the rest of the country.

Mobile sources contribute to about 80 percent of the air quality in the South Coast region. I think there is about 20-some, 26, 27 million people who live in the Los Angeles Basin.

We have made significant progress in improving air quality. However, largely due to the topography, a large volume of transportation occurs in and around the Inland Empire. We need some additional resources to make those improvements. That is why we fund the Targeted Air Shed Grant Program, provide additional resources to areas across the Nation that need help to meet air quality standards. The same is true for DERA grants. And as I mentioned in my opening statement, I appreciated the announcement with flexibility for implementation of the 2015 ozone standard because communities are just starting to work to meet the 2008 standards.

The Fiscal Year 2017 omnibus directed EPA to send a report to Congress regarding administrative options for regulatory relief as States and communities attempt to comply with both the 2008 and 2015 standards. In response, EPA has convened a task force, as you mentioned, to examine what options may be available.

So, my question is, in your opinion, how can we accelerate the process for some of these communities to reach their attainment goals?

Mr. PRUITT. Well, I do want to address DERA for a second. I think it is a very important program. The GAO has found a duplication across Federal agencies, and the mission behind DERA is right, and we believe it should be funded. I think this committee should give direction on how it should be funded, that we are committed to that DERA Program and believe it is important, however you choose to achieve that.

With respect to how do we improve attainment, I mean, I think a lot of it, Mr. Chairman, is restoring that joint cooperation through compliance and assistance, equipping those at the local level to achieve better outcomes, but I do think some of it may be legislative. I do really believe that addressing some of the issues we talked about earlier with ozone is something that this body ought to consider.

But air attainment in our NAAQS program is some of the best work we can do as a Nation to impact health outcomes. And it should be an absolute priority of our Agency working with Congress to achieve those outcomes.

Mr. CALVERT. Thank you. As I mentioned when we started the meeting, we were trying to finish this by 1:00 because we have a meeting for the full committee I have to attend. So, if any real quick comments because we are going to wrap this up. [No response.]

I see none. I appreciate you being here, Administrator Pruitt. Very quickly, Mr. Kilmer.

GENERATIONAL BURDEN OF DEBT

Mr. KILMER. I appreciate it, Chairman. I will keep it quick. My colleague from Oklahoma in our last hearing made a very thoughtful comment about the generational burden of debt. There are a lot of moms in this room who are concerned about the generational burden of climate change on the next generation, and the inability of our government to do something about it.

I understand that there is going to be a difference of opinion on the Paris Climate Accord. What I do not get is the complete elimination of some of the programs that are not even mandatory, things like the Energy Star Program. You know, there is a whole list of them in your budget. The Natural Gas Star Program, which is a voluntary program to reduce methane leaks. Things like the Combined Heat and Power Partnership to promote use of wasted heat, saving both energy and water and reducing pollution.

If you can just take a quick minute to help explain why all of those programs are wiped.

Mr. CALVERT. Well, I can answer. I am going to work with you to make sure that we address those issues. I suspect he has to defend his budget, but I am going to work with you to make sure that we work with that.

Mr. KILMER. Thanks, Chairman.

Mr. CALVERT. Any other comments? [No response.]

I appreciate your attendance. Thank you very much.

Mr. PRUITT. Thank you, Mr. Chairman, Ranking Member McCollum.

Mr. CALVERT. We are adjourned.

Ms. MCCOLLUM. Thank you.

U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Budget Hearing: Environmental Protection Agency
June 15, 2017

Questions for the Record – Administrator of the Environmental Protection Agency

Questions from Mr. Calvert:

Rewriting Several Rules per Executive Orders: WOTUS, Clean Power Plan, and Methane

I was pleased to see two early actions from the President to issue:

- Executive Order 13778 on *Restoring the Rule of Law, Federalism, and Economic Growth by Reviewing the "Waters of the United States" rule*, and
- Executive Order 13783 on *Promoting Energy Independence and Economic Growth.*

I have a number of concerns with the WOTUS rule's flawed history -- it was originally proposed before the scientific studies were complete, the Small Business Association believed EPA should have conducted a Small Business Advocacy Review Panel prior to releasing the rule, and in December 2016 the GAO determined that EPA had violated the law by expending funds on a social media campaign to promote rule.

In my opinion, the only clarity that the WOTUS rule offered was that more Federal permits would be required under an Administration that was not approving permit applications. It was a clear example of Federal overreach.

The FY17 Omnibus included language asking EPA (and the Department of the Interior) to keep the Committee apprised of actions to comply with the Executive Order to promote energy independence and economic growth. For EPA, there were a number of specific directives within the Executive Order related to the Clean Power Plan, the methane rule, and other regulations.

Calvert Q1: Please provide an update on what steps the Agency is taking to comply with these Executive orders.

Answer: Executive Order 13778 directs EPA to review the final 2015 WOTUS rule EPA, the Army, and the Army Corps of Engineers (ACOE) are pursuing a two-step approach for the Waters of the U.S. rule:

Step 1: Formally withdraw the 2015 rule and recodify the prior regulations
Step 2: Initiate a rulemaking to revise the definition of Waters of the U.S. consistent with the February 28, 2017 Executive Order.

On June 27, 2017, the Environmental Protection Agency, Department of Army, and Army Corps of Engineers (the agencies) are proposing a rule to rescind the Clean Water Rule and re-codify the regulatory text that existed prior to 2015 defining "waters of the United States" or WOTUS. This action would, when finalized, provide certainty in the interim, pending a second rulemaking in which the agencies will engage in a substantive re-evaluation of the definition of "waters of the United States." The proposed rule would be implemented in accordance with Supreme Court decisions, agency guidance, and longstanding practice.

Executive Order 13783 directs EPA to undertake a number of actions, including reviews of: 1) the Clean Power Plan (CPP) and related rules and actions, and 2) the oil and gas sector emission standards for new, reconstructed, and modified sources ("oil and gas methane rule").

On March 28, 2017, the President signed the Executive Order on Energy Independence. In order to comply with the President's action, EPA issued Federal Register notices related to review of the Clean Power Plan, the 2016 Oil and Gas New Source Performance Standards for New, Reconstructed, and Modified Sources, and Standards of Performance for Greenhouse Gas Emissions from New, Modified, and Reconstructed Stationary Sources: Electric Generating Units. For more information, please refer to the following website: https://www.epa.gov/Energy-Independence.

Calvert Q2: Where is the agency in the process with respect to each of those rules?

Answer: See response to Calvert Q1.

Superfund and Brownfields: Budget Request vs. Needs

The 2018 budget proposes a 31% reduction for the Superfund program, a $327 million decrease from the FY17 enacted level. This includes a $203 million decrease for direct Superfund cleanup activities, which would prevent new cleanups from starting and slow ongoing cleanups.

For Brownfields, the 2018 budget proposes an $11 million reduction for the project grants, and a $14 million reduction for the categorical grants.

Both of these programs support land cleanup, job creation and economic redevelopment. I understand the overall pressure that the targets in the President's budget put on your Agency, so I'm not going to hold your feet to the fire on this. Further, I think it's safe to say on behalf of our full committee Chairman that we will take this proposal in a much different direction.

I understand you've created a Task Force to review Superfund contracts and program implementation to identify efficiencies as a way to further your commitment "to accelerate the pace of cleanups". That is a goal that I know we both share as we have over 1,300 sites on the National Priority List that need to be cleaned up.

We often cite the needs associated with water infrastructure because those are well-documented (roughly $1 trillion).

Calvert Q3: Does EPA have similar estimates for what is required to cleanup all of the Superfund sites currently on the National Priority List?

Answer: Remedial activities at Superfund National Priorities List (NPL) sites are funded with annually appropriated funds out of the Superfund: Remedial program project where special account funding from settlements with responsible parties is not available and responsible parties are not directly cleaning up the site. Approximately one-third of NPL sites are financed by potentially responsible parties (PRPs). The remainder of sites require appropriated funding. The mix of funding sources complicate the estimation of costs.

In 2010, the Government Accountability Office (GAO) analyzed responses to a survey of EPA regional officials and estimated that, as of September 30, 2009, the cost to conduct remedial construction at non-federal NPL sites in 2015 and beyond was $3.036 billion. (GAO Report 10-380, p.20 – May 2010).

Superfund Special Accounts - $3.2 billion Waiting to Spend on Cleanups

EPA has roughly $3.2 billion in settlement agreements from responsible parties. These funds reside in Special Accounts for the cleanup of individual Superfund sites. That's nearly five times the budget request for the program.

Calvert Q4: What, if anything, is required to accelerate the use of these funds so that we can make progress cleaning up some of the most toxic sites?

Answer: Superfund special account funds are generally used before annually appropriated funds for response actions at sites identified in the terms of the settlement agreements. EPA's Special Accounts Senior Management Committee comprises agency senior managers responsible for the management and use of special accounts, and monitors the use of special account funds to ensure the agency uses the funds as quickly and efficiently as possible to conduct cleanups at Superfund sites. In addition, the new Superfund Task Force is examining how to improve the management of special accounts.

Funds retained in special accounts must be used site specifically, and are not available for use at sites outside the scope of the settlement agreement. Special accounts are crucial to EPA's ability to continue to fund construction projects at sites across the country and save tax payer dollars for those sites where no viable or cooperating responsible party has been identified.

Questions from Mr. Simpson:

TMDL

I am pleased that you mentioned TMDL's in your opening statement and a commitment from EPA to work with states and localities. I have met with Mayor's and city council members, and there is real fear in regards to the financial stress around and how these communities can meet and/or pay for costly upgrades to facilities. For example, Twin Falls recently invested $38 million to upgrade their water treatment facility. However, the last Administration proposed lowering their TMDL for phosphorous by 98.5%. This would result in the city needing to upgrade their facilities again. The cost is estimated to be between $60 and $100 million.

Now, this is just the start of this issue. I met with Mayor's in the smaller towns near Twin Falls - Buhl, Jerome, Ammon, and Filer – and they surely can't afford these types of upgrades as these towns have smaller populations.

We did have success in Boise, Idaho, with a project called Dixie Drain that saved tens of millions of dollars by using a flexible innovative model to reduce phosphorous levels. This was a common sense approach that didn't hammer taxpayers with costly regulations. I hope this is a model we can use to help Twin Falls and other communities avoid massive rate increases.

Simpson Q1: Can we work together – along with Idaho Department of Environmental Quality - to review the TMDL process along the Mid-Snake and see what can be done to help these communities?

Answer: The Idaho Department of Environmental Quality (Idaho DEQ), with the support of the local Watershed Advisory Group (WAG), is now working to revise the Mid-Snake TMDL. EPA will seek to collaborate with Idaho DEQ, the WAG, and all stakeholders in the mid-Snake to help DEQ produce a revised TMDL that will support protection of water quality in efficient and cost-effective ways.

Simpson Q2: What are some of the approaches we can take to ensure these communities reach a solution that doesn't bankrupt ratepayers?

Answer: A revised TMDL, that is flexible while consistent with the Clean Water Act, is the best path forward to ensure that ratepayers will not be required to pay for unnecessary treatment. As part of TMDL development, EPA encourages consideration of least-cost options to achieve TMDL goals, such as water quality trading or treatment plant offsets such as the Dixie Drain used in the Lower Boise River.

With regard to the City of Ammon, the agency recently advised the City that, if they believe they need an extension to the compliance schedule under their permit, they should submit a letter to EPA requesting such an extension and describing why it is needed. Their request and justification for a permit modification would need to be reviewed and published for public comment for 30 days. To date, the agency has not received such a request for an extension.

P.O. Box 1907 321 Second Avenue East Twin Falls, Idaho 83303-1907 Fax: (208) 736-2296

Office of the Mayor (208) 735-7287

September 16, 2016

Mr. Mike Simpson
US House of Representatives
2312 Rayburn Building
Washington, DC 20515

Re: SUMMARY OF THE CITY OF TWIN FALLS CONCERNS AS TO DRAFT NPDES PERMIT

Congressman Simpson:

The City of Twin Falls owns and operates a wastewater treatment plant that sends its treated effluent to the Middle Snake River. The Middle Snake River is not meeting water quality standards for nutrients. To address that issue, the State, working through its stakeholder Watershed Advisory Group, established a Total Maximum Daily Load (TMDL) for the river, which provided specific loading allocations for various discharging entities, including the City of Twin Falls. In the TMDL, the City is provided an allocation of 710 pounds of phosphorus per day. The TMDL was submitted to USEPA, and approved; the most recent version of the TMDL was approved by USEPA in 2005.

The TMDL allocation for the City was incorporated into the City's NPDES permit for the treatment plant. The most recent permit was issued in 2009. Since that permit was issued, the City has spent over $32 million to make major improvements in the treatment plant, resulting in substantial reductions in the plant's nutrient discharge. The plant has always complied with its TMDL allocation; in fact, the plant currently discharges at levels that are roughly half of that allocation. During this time period, there has been substantial progress in implementing the TMDL, with many dischargers reducing their phosphorus levels being sent into the river.

Now, EPA is moving to issue the next NPDES permit for the City. In doing so, EPA has indicated that even though the TMDL is still EPA-approved, it will disregard the TMDL allocation for the City of 710 lbs/day, and instead impose a new limit of only 10 lbs/day. This new restriction will impose new costs on the City of $60 to $100 million, in a situation where the City has no readily available means to obtain that funding. Moreover, this action by EPA has larger policy implications; it will severely damage the TMDL program, and undermine the stakeholder-led process that Idaho and other States have used to develop and implement TMDLs. The overall effect will be counterproductive for the environment, as well as to the residents of Twin Falls and any other community that suffers similar treatment.

The basis for EPA's action, according to Agency staff, is that the current EPA-approved TMDL is "flawed," and therefore, EPA cannot rely on the TMDL allocations to develop limits for the City's new permit. Logic would indicate that if the TMDL is indeed "flawed," that EPA would tell the Idaho DEQ that the TMDL needs to be redone. However, EPA staff has stated that the Agency lacks the legal authority under the Clean Water Act to require the State to redo a "flawed" TMDL. In fact, EPA has done exactly that in a similar situation. When the State of Vermont developed a TMDL for Lake Champlain, EPA initially approved the TMDL. Then, after an environmental group filed suit against EPA, challenging the approval of the TMDL, EPA reversed itself, and announced that it would now withdraw its approval. As a result, a new TMDL had to be performed. EPA could do the exact same thing here; if the Agency honestly believes that the TMDL is "flawed," then the proper action to take is to withdraw the 2005 approval of the TMDL, and require that the State reassess the TMDL and make any needed revisions.

In fact, though, EPA's claim that the TMDL is "flawed" is itself flawed. It appears that EPA has two reasons for stating that there are problems with the TMDL. The first is a claim that the reductions in loadings called for in the TMDL will not be sufficient to bring the Middle Snake into attainment of standards. However, that claim ignores the substantial progress that has already been made in moving toward that goal. It was always understood that reaching attainment would take time; that was part of the discussion when the TMDL was developed. So the fact that the Middle Snake is not yet in attainment is not relevant to whether the TMDL is adequate; nobody expected the waterbody to be in attainment by this point. Moreover, the kinds of testing that need to be done to assess the biological health of the stream is being done right now, by the State. Those results will help the stakeholders better evaluate progress and determine if something more needs to be done, beyond what is already called for in the TMDL. EPA's claim that the TMDL is inadequate is, at best, premature, and at worst, simply inconsistent with the extended timeline that was always going to be needed to bring the Middle Snake River into attainment.

EPA's other claim of "flaws" is even more questionable. The Agency now states that the river flow on which the TMDL was based is incorrect. EPA wants to reduce the river flow estimate substantially from the one that was used in the TMDL. This makes a major difference in the loading reductions that will be required from the City; in fact, it accounts for most of the reduction in the allowed loading from 710 lbs/day to 10 lbs/day. But this change is problematic, for several reasons. For one thing, EPA wants to move to a very low flow estimate, similar to those that are used in estimating impacts of toxic pollutants. Using that low flow is appropriate for toxics, which have more impact when there is little water in the steam, and can have very short-term, acute impacts in those situations. But that is completely wrong to do for nutrients, whose impacts are much more watershed-based and long-term. EPA itself has allowed use of annual averages to calculate permit limits for nutrients in waters such as Chesapeake Bay, so requiring a low-flow estimate in the Middle Snake River simply makes no sense. Moreover, this change in policy by EPA amounts to a radical change in the assumptions used to develop the EPA-approved TMDL, and changing it through an individual permit, rather than by reexamining the TMDL, is the wrong way to make such an important policy change.

Even if, as EPA argues, there are "flaws" in the TMDL that is no reason to discard the TMDL process and instead impose new requirements in the City's NPDES permit. As noted above, if EPA honestly believes that the TMDL needs to be redone, then the Agency can withdraw its approval of the TMDL and require that it be redone. That process could be done quickly, by Idaho DEQ and the Watershed Advisory Group for the Middle Snake – probably within 2 years. During that time, the City could continue to operate under its existing permit – and continue to implement actions to further reduce its nutrient discharges. To instead issue a new permit, with a drastically reduced loading limit of 10 lbs/day (forcing the City to appeal that permit to the EPA Environmental Appeals Board and, possibly, to Federal court) would be unnecessary, as well as unfair. The unfairness stems from the fact that, instead of involving the entire stakeholder group, and fully reevaluating all aspects of the TMDL with full public input, EPA would be redoing the TMDL's loading limits for one discharger, in a process that involves only that entity and whoever else is interested in filing comments on that individual permit. Any new approach mandated by EPA for the City would not be applied consistently to all dischargers - unless EPA issues similar mandates for all permits, in which case one wonders why it would not be better to reopen the TMDL and deal with all at once, in the same forum, open to all.

Even more than being unfair, though, EPA's new mandate on the City would be illegal – simply contrary to the Agency's own rules. Those regulations (in 40 CFR 122.44(d)) require that permit limits must be "consistent with" the "assumptions and requirements" in a TMDL. The limits that EPA is proposing for the City would be blatantly inconsistent with those assumptions and requirements. The Agency would be reducing the City's allocation by 98.5%. Moreover, it would be fundamentally altering the flow basis on which all of the TMDL's loading allocations were derived. It is hard to see how those decisions are "consistent" with the assumptions and requirements in the TMDL. EPA's only defense appears to be that in a case years ago, the Agency's own Environmental Appeals Board allowed EPA to give the town of Moscow, Idaho less than its full allocation, since the full allocation would not be needed until a future expansion. That case is completely different from the Twin Falls situation, where EPA is claiming the authority to completely depart from the TMDL allocations and fashion entirely new, much more stringent limits for the same treatment plant that received the original TMDL-based limits.

Beyond being illegal, EPA's action would also be extremely counterproductive as a policy matter, because it would do serious damage to the TMDL program itself. States and stakeholders invest substantial time and effort in studying waterbodies and then developing and implementing TMDLs to restore those waterbodies. All of those parties understand, and rely on, the fact that the allocations arrived at in the TMDL process will form the basis for binding, enforceable permit limits for point sources. Yet here, EPA is claiming the authority to blithely disregard the allocations in a TMDL – without ever taking action to withdraw its approval of that TMDL - and then develop new permit limits itself, imposing those new requirements directly on just one of the many sources in the watershed. If that is the way that EPA is going to run the permits program going forward, why would any parties participate in a TMDL process? It would be clear from the outset that the TMDL process is irrelevant, since EPA could disregard its results at any time – even right after issuing its approval of the TMDL. If EPA truly wants the TMDL program to continue, and to encourage stakeholders to participate in that process, then it needs to honor the results of that process – particularly when it has approved the TMDL itself.

For all of the reasons laid out above, EPA needs to move away from its current direction as to the Twin Falls permit. Instead of imposing new, drastically lower phosphorus limits in the City's permit, EPA should focus its attention on working with Idaho DEQ and the Watershed Advisory Group to consider the Agency's concerns as to the TMDL and to make any necessary revisions to that TMDL – and to the loading allocations that are contained there. Once that process is complete, it would be appropriate to reissue permits for the City and other sources in the Middle Snake watershed, incorporating any revisions in allocations that result from reevaluation (and, if necessary, revision) of the TMDL. That is the appropriate process to follow under the Clean Water Act, and the City would plan to be an active and positive participant in that process going forward.

Sincerely,

Shawn Barigar
Mayor
City of Twin Falls

cc: James Neill
Legislative Assistant to Congressman Simpson
James.Neill@mail.house.gov

Travis Rothweiler
City Manager
City of Twin Falls

CITY OF Ammon
2135 South Ammon Road, Ammon, Idaho 83406
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May 9, 2017

Senator Mike Crapo
239 Dirksen Senate Office Building
Washington, D.C. 20510

Senator James E. Risch
483 Russell Senate Office Building
Washington, D.C. 20510

Congressman Mike Simpson
2084 Rayburn House Office Building
Washington, D.C. 20515

Dear Idaho Senators and Congressman,

I am writing on behalf of the Eastern Idaho Regional Waste Water Authority (EIRWWA), which operates the Oxbow Wastewater Treatment Plant located in Shelley, Idaho. There are four members of EIRWWA, namely, the City of Ammon, the City of Shelley, Bonneville County, and Bingham County. I serve on the board of EIRWWA associated with my role as a member of the Ammon City Council.

The purpose of this letter is to request that EIRWWA receive your assistance in working with the regional office of the Environmental Protection Agency (EPA), located in Seattle, Washington.

By way of quick background, EIRWWA obtained its discharge permit effective June 1, 2014. In that permit, EPA gave EIRWWA a phosphorus compliance schedule for cessation of discharge or partial cessation of discharge. The compliance schedule required certain actions to be taken according to a very strict timeline.

It is also important for you to understand that EIRWWA is a regional authority and not a taxing district, and therefore has no ability to obtain additional financing or incur debt to fulfill the requirements set by the EPA. Accordingly, EIRWWA is also considering a plan to become a sewer district, but the timeline and requirements for doing that are also very time consuming and will require much effort.

In 2015, EIRWWA came to the realization that it needed more time from EPA to satisfy its phosphorus requirements, given that it also needed to move toward a district. Representatives of EIRWWA contacted the EPA representative, John Drabek, on several occasions between May 1, 2015 and April 4, 2017, but the EPA has not been quick to respond or provide EIRWWA with any guidance. Mr. Drabek did call the EIRWWA engineer once in April of 2016 and said that he would speak with others in his agency about what they could do, but EIRWWA never heard anything back. In short, dealing with the EPA has been extremely difficult. A copy of the written correspondence to the EPA is enclosed with this letter, for your reference.

As a result, we felt that our only option was to request assistance from our elected representatives. We are asking for your assistance in helping us communicate with and come to some resolution with the EPA concerning this issue. As you are aware, sewer and septic systems are of critical importance to Idaho towns and cities. It is imperative that we are able to communicate effectively with the EPA to be able to serve those citizens we represent.

I am copying your regional office managers on this letter, as I spoke with them over the past two weeks and they requested that I write you this letter directly.

As this matter is of urgent importance, we ask for your quick assistance. Please contact me anytime at 208-520-9856, or at scoletti@cityofammon.us.

Very Truly Yours,

Sean J. Coletti

Cc: Kathryn Hitch, Amy Taylor, Ethan Huffman

Enclosures

Ecolabels

In the 2017 Consolidated Omnibus Appropriations Bill, we asked for the agency to provide a report on the Ecolabel program within 60 days of enactment, asking that as you develop the guidelines and evaluate ecolabels for federal purchasing in building construction that the process be fair, transparent, and consistent with other product requirements.

I'm most interested in the part of the process that looks at labels associated with forest management. I want to ensure that our federal government's procurement system includes recognition of forest products from the millions of acres of responsibly managed forests across the US. Unfortunately, as I understand it, the former administration's EPA issued 2015 procurement recommendations that excludes forest products from 83 million acres of private and state forestlands, as well as several hundred million acres of other private and public forestlands including the entire National Forest System, from participation in federal procurement efforts by discriminating against two recognized and credible forest certification standards - the Sustainable Forestry Initiative (SFI) and the American Tree Farm System (ATFS). And all this, despite the fact, that the only statutory authority any agency has is USDA, through its Bio-preferred Program authorized by Congress, which sets mandatory purchasing requirements for federal agencies and puts all certification programs on a level playing field. In December 2016, EPA said this recommendation was "under review". I remain concerned about further actions that EPA will take on its program.

Simpson Q3: Can you provide us with a status update on the report called for in the Consolidated Omnibus Bill?

Answer: The agency has been working to meet this new requirement. The report is currently in draft and undergoing EPA management review. Interagency review is required before the report is finalized.

Simpson Q4: What steps can you take to ensure your agency's efforts on the Ecolabel program avoids creating conflicting federal procurement policies and doesn't exclude US grown and manufactured forest products?

Answer: Based on stakeholder concerns and interagency discussions, EPA recommendation for the lumber/wood product category was removed in December 2016 and put on hold.

Questions from Mr. Stewart:

Serious Non-attainment Areas

Recently, much of Northern Utah was classified as a serious non-attainment area. As you know, once a region is designated as serious non-attainment it's almost impossible to shed that designation – even if air quality improves to meet minimum federal standards.

Stewart Q1: Under your leadership, will EPA demonstrate to the states how they can exit non-attainment and serious non-attainment?

Answer: This Administration is prioritizing attainment of air quality standards. EPA has established guidelines for attainment demonstrations for areas that can attain by the statutory attainment date, and "impracticability" demonstrations for areas that cannot practicably attain by the statutory attainment date.

Questions from Mr. Amodei:

State Obligation

Amodei Q1: If the cuts to state grant funding contained in EPA's FY18 budget proposal are adopted, does EPA also intend to proportionally adjust the required obligations on states to implement federal environmental programs?

Answer: It is essential for EPA to work cooperatively with state and tribal governments to provide the environmental protection our laws demand and the American people deserve. The environmental needs of communities differ widely, and EPA looks to provide flexibility to address these important priorities. EPA is working to engage in meaningful discussion about how shared environmental goals can best be achieved.

Amodei Q2: If not, what is EPA's proposed solution for addressing this policy and funding the discrepancy? Does EPA expect state and local governments to make-up for the shortfall?

Answer: EPA will work with states and tribes to target resources to core statutory work and provide flexibility to address particular environmental priorities and concerns.

Comprehensive Environmental Response, Compensation and Liability Act

Nevada is the U.S. leader in responsibly regulating mining activities that adequately protect the environment while supporting a thriving mining industry. This successful framework creates tangible opportunities for EPA to demonstrate a commitment to cooperative federalism. A key near-term opportunity under this model is EPA's proposed regulations under CERCLA to ensure financial responsibility for operating hard rock mines. Nevada has outpaced EPA in this area through the Nevada Division Environmental Protection comprehensive mining financial assurance program.

Amodei Q3: How does EPA plan to recognize and ensure the continued success of Nevada's pre-existing state-based program?

Answer: EPA proposed CERCLA section 108(b) financial responsibility requirements for hardrock mining facilities that were designed to complement, not duplicate or disrupt, existing state and federal closure and reclamation programs. The proposed rule accounted for risk-reducing regulatory requirements of those programs in determining the financial responsibility amount for a facility.

EPA also solicited comment on whether the rule should allow a program deferral approach, which would provide for adjustments in situations where the state or other program meets the requirements for deferral of section 108(b) requirements. The comment period for the proposed rule closed July 11, 2017. EPA will consider comments received on the proposal as it develops the final action. EPA has appreciated the opportunities over the course of the development of the rulemaking to engage with Nevada and other states and learn about their programs.

Waters of the United States

Because states are primary implementers of federal rules, state input into rulemaking early in the process, well before a rule is formally proposed, is critical to an effective and efficient regulatory program. EPA's review of the Water of the United States rule is key example.

Amodei Q4: Does EPA plan to include state environmental agencies as co-regulators in the development of a new WOTUS definition to ensure effective implementation if a final rule is pursued?

Answer: On April 19, 2017, EPA initiated a formal process known as Federalism consultation, which requires agencies to conduct preproposal discussions with elected state and local officials and their associations where a rule may have implications for the distribution of power and responsibilities among federal, state, and local governments. EPA and the Army Corps of Engineers recently completed the formal Federalism consultation process with states and local governments and consultation with tribes, to inform potential approaches to the rulemaking to revise the definition of "Waters of the United States." EPA also sent letters to every governor requesting their views and comments on the best way to define the waters of the U.S. The agencies are carefully reviewing the responses from the governors and other state comments as we begin developing the proposal. The Agency also will continue to engage with state co-regulators. The written comment period for the consultation period has closed and the agencies will consider all comments received under this processes as the new WOTUS definition is being developed. In addition, on June 27th, EPA sent to the Federal Register for publication, a proposed regulation to rescind the Clean Water Rule and re-codify the regulatory text that existed prior to 2015 defining "waters of the United States" or WOTUS. The rule's publication in the Federal Register will initiate a 30 day public comment period by which environmental agencies - and all interested stakeholders - can submit comments to EPA.

Renewable Fuel Standards

Regarding renewable fuel standards, there was a petition filed with the EPA to move the point of obligation for blending renewable fuel from refineries and importers to the marketers who operate the pumps. I've been informed from several marketers in my state, most of which are family-owned businesses, that this would severely impact their operations and cause significant job loss. I've also heard this effort is being led by one major refinery in particular.

Amodei Q5: Can you tell me how EPA views this petition now that the comment period has closed, and if changing the obligated parties from big refiners to the mom-and-pop marketers is something EPA is considering?

Answer: EPA is still evaluating comments submitted during the comment period, and is considering next steps.

Amodei Q6: Under the same policy – RFS point of obligation – does EPA make a distinction between obligated parties and position holders?

Answer: Several commenters suggested that EPA should place the point of obligation on "position holders." The current RFS obligated parties are refiners and importers of gasoline and diesel fuel. While some position holders currently are obligated parties because they also meet the definition of refiner or importer, EPA is not currently obligating position holders who are not refiners or importers.

I have seen estimates that there are currently 200 obligated parties under the RFS. Now, merchant refiners have suggested that we should expect about 1000 obligated parties were the point of obligation to be moved. Obviously, Nevada has terminal operators that could certainly become obligated parties. Some of those terminal operators also have multiple other "position holders" that would also become obligated parties under such a change. In my example, as far as EPA is concerned from a compliance standpoint: (1) unobligated terminal would become (4) new obligated parties because of the three "position holders" that use the terminal. If you multiply this across the country, instead of 1,000 points of obligation as merchant refiners contend, you could actually have 4,000 or more.

Amodei Q7: Given the President's budget proposal, can EPA effectively and economically manage a program that could potentially become more complicated by a factor of x 10?

Answer: EPA is evaluating the number and nature of potential obligated parties and will consider this factor in its decision making process.

Renewable Fuel Standard (RFS) Blend Wall

There is scientific evidence showing ethanol blends above 10 percent can harm vehicles and is incompatible with the existing retail gasoline infrastructure.

Amodei Q8: What is EPA doing to ensure that the annual RFS-mandated volumes protect the current U.S. vehicle fleet and existing retail infrastructure?

Protection of vehicles and retail infrastructure are separate issues from the RFS-mandated volumes. There are existing mechanisms already in place through Clean Air Act for EPA to ensure that fuels introduced into commerce do not cause or contribute to failures of vehicle emission control systems or excess emissions that would lead to air quality and public health problems. Renewable fuels introduced into commerce in response to the RFS or otherwise, must comply with these requirements. In addition, EPA continually participates with industry in various forums, such as American Society for Testing and Materials (ASTM), which ensures that fuels introduced into commerce are fit for purpose.

Fuel compatibility issues are a concern for owners and operators of retail gas stations and other underground storage tanks storing fuel. Industry has reported instances of corrosion and other damage to underground storage tank (UST) systems (i.e. retail infrastructure - tanks, piping, gaskets, seals etc.). At present, EPA is working collaboratively with interest groups in the

biofuel, petroleum, equipment, servicing, and retail sectors to understand the causes and solutions to these challenges. Some examples of EPA's work in the area are: updating protocols to ensure leak detection equipment functions properly in current and emerging fuel blends and studying the corrosion in underground tanks storing diesel fuel.

ENERGY STAR Program

The FY18 President's Budget proposes eliminating the ENERGY STAR program from the EPA's budget and states these types of programs can be administered by the private sector. Privatizing the program would increase the cost and scope of the program and reduce its credibility to the public. For example, multiple organizations could manage the brand for differing products and have differing objectives. These private organizations also would not be cost conscious because there would be no competition. They could force manufacturers to pay high fees and require burdensome and expensive testing. For home appliances, ENERGY STAR is effectively mandatory in the marketplace. Instead of privatizing the program, we should reform it, right size it and make it more efficient. The first way you can do this is to move home appliances, which are regulated by DOE for the minimum energy standards, back to DOE for the ENERGY STAR program. DOE has historically managed most of the ENERGY STAR program for home appliances because this agency has the expertise and knowledge of the products. However, in 2009, the ENERGY STAR program for home appliances were transferred from DOE to EPA to be managed, while DOE continued to manage the test procedures.

Amodei Q9: Will you work with the committee on this matter and commit to moving the entire ENERGY STAR program home appliances to DOE immediately?

Answer: EPA will continue to find ways to partner with stakeholders in the private sector to innovate, improve our environment, and strengthen our economy.

Refrigerator Refrigerant Charge Size

On December 20, 2011, EPA's Significant New Alternatives Policy (SNAP) program allowed the use of Isobutane in household refrigerators. The final rule included a use condition that limits the refrigerant charge to 57 grams or less for each sealed refrigeration system (i.e., compressor, condenser, evaporator, and refrigerant piping). The charge size is the amount of refrigerant that is allowed in each sealed refrigerant system within a refrigerator. The SNAP rule based the charge size amount on the Underwriters Laboratories safety standard for household refrigeration end-use, which limited the quantity of the refrigerant (i.e., "charge size") in a refrigerator or freezer to 57 grams. In EPA's final rule, the agency stated that they do not have sufficient information to support a charge size limit different from one based on UL 250, such as the 150-gram limit in IEC 60335–2–24. The final rule stated EPA understands that the limit in UL 250 may change in the future. If that occurs, and if the appropriate safety testing data is submitted to EPA supporting safe use of a larger charge, EPA stated it would consider modifying the use conditions.

Based on testing and lengthy analysis, on April 28, 2017, the maximum charge size allowance in the UL standard was changed and increased from 57 grams to 150 grams. During the approval process of this update, the Consumer Product Safety Commission (CPSC) staff stated that they do not oppose the proposal to increase the maximum flammable refrigerant charge size in household refrigerators to 150 grams from 57 grams. They stated that standards in Latin America, Europe, and other countries allow household refrigerators to use up to 150 grams of flammable refrigerant.

It is my understanding that EPA has sent the rule to OMB to update the SNAP use condition to increase the allowable charge size to match the most recent safety standard, which is 150 grams. I am appreciative of your quick action on this important matter; however, we need to make sure it gets out of OMB quickly. I wanted to be sure that you were aware of the importance of this matter to expedite this technical change. Appliance manufacturers need certainty in this area to start planning and designing their products to meet EPA required date of 2021 when HFCs are banned for use in refrigerators.

Amodei Q10: Can you please continue to make sure this is a high priority action for OMB to complete?

Answer: EPA is aware of the importance of this action for appliance manufacturers and their need for certainty as they plan and design products.

Questions from Mr. Jenkins:

National Ambient Air Quality Standards

Recently, EPA announced it would be extending the timeline for the 2015 ozone standards. In making that decision, EPA cited several issues in need of further review.

Thank you for this action and your consideration of these issues.

All counties in West Virginia now meet the 2015 standards, and we are proud of that progress. Despite this fact, potential EPA actions threaten affordable, reliable energy in West Virginia.

It is my understanding that the decision does not change several other implementation steps and actions that states must still undertake.

Petitions from other states would require West Virginia electricity generators to address nonattainment areas in those states or join the Ozone Transport Commission, despite the fact EPA does not require those areas to address their contributions first.

States like West Virginia, while meeting the standard, would still submit a state plan to address its "Good Neighbor" obligations by October 2018.

Jenkins Q1: What actions will EPA be taking to address state concerns regarding these interstate modeling results?

Answer: EPA is currently reviewing implementation options to address state concerns with the 2015 Ozone NAAQS to allow EPA to evaluate a host of complex issues regarding the 2015 ozone NAAQS and its implementation, such as understanding the role of background ozone levels and appropriately accounting for international transport; developing additional flexibilities for states to comply with the ozone NAAQS; considering completely all designation recommendations provided by state governors, including full consideration of exceptional events impacting designations; and providing new agency officials time to complete their review of the 2015 ozone standards.

Jenkins Q2: Do you agree that States, through the State Implementation Plan process, should be able to address interstate pollution?

Answer: Clean Air Act Section 110(a)(2)(D)(i)(I) requires each state, in its State Implementation Plan, to prohibit emissions that will significantly contribute to nonattainment of a NAAQS, or interfere with maintenance of a NAAQS, in a downwind state. EPA, working with states, has decades of success under the Clean Air Act in achieving NO_X emission reductions through implementation of programs like the NO_X Budget Trading Program and the Clean Air Interstate Rule and Cross-State Air Pollution Rule (CSAPR). Since 1997, power plants affected by these programs, along with other regional and state NO_x emission control programs, have cut ozone season NO_X emissions by over 75 percent, a reduction of almost 2 million tons. During the

time period of 2000 to 2015, average ozone concentrations across the U.S. have fallen by approximately 17 percent.

Jenkins Q3: How much of that funding is to assist counties with achieving 2015 standards?

Answer: The budget requests $100.4 million across EPA's headquarters and 10 regional offices to provide federal support for all activities that support integrated state and local air quality management across the U.S. Achieving clean air is a state-federal partnership that benefits from local, state, regional and national efforts. EPA will provide direct technical assistance to states and local air agencies for developing State Implementation Plans (SIPs) that meet applicable Clean Air Act (CAA) requirements and NAAQS. The specific NAAQS addressed in SIPs varies by locality and states.

Jenkins Q4: How much is being proposed to assist with State Implementation Plans and other administrative efforts?

Answer: The budget requests $100.4 million across EPA's headquarters and 10 regional offices to provide federal support for all activities that support integrated state and local air quality management across the U.S. Achieving clean air is a state-federal partnership that benefits from local, state, regional and national efforts. EPA will provide direct technical assistance to states and local air agencies for developing SIPs that meet applicable CAA requirements and NAAQS.

Questions from Ms. McCollum:

Implementation of FY 2017 Enacted Budget

It has come to the Committees attention that EPA notified unions representing Agency employees that EPA is halting funding for fitness subsidies during FY 2017.

The FY 2017 budget request did not propose such a reduction. Rather, the FY 2018 budget proposes to cut "support for employee wellness and worklife initiatives, such as federal cost sharing for fitness centers, health wellness and CPR/AED training services and libraries."

It is wholly inappropriate for EPA to execute new FY 2018 budget proposals before Congress has had the opportunity to act on them.

Congress provided funding for these programs in the FY 2017 enacted bill. Bill language states that rescissions to the Science and Technology and Environmental Programs and Management account were to be applied to program project areas to, "to reflect changes to funding projections due to routine attrition during fiscal year 2017." Therefore, it was not the intent of Congress to terminate funding for employee wellness and worklife initiatives.

McCollum Q1: The Reprogramming Guidelines for programs and activities funded in our bill specify that agencies should notify Congress of any significant departure from what has been described in the agency's budget justification. The FY 2017 enacted anticipated fitness subsidies would be provided as part of the employees' wellness package. If your intent is to do otherwise, why wasn't Congress notified?

Answer: This action was not reprogramming. The agency will be phasing out the fitness subsidy in FY 2017. Timing also is dependent upon when obligated resources are spent and contracts are closed out. The agency does not provide a subsidy at every location, and those facilities with equipment on-site will continue to maintain equipment for employee use as part of the wellness program maintained through membership fees from EPA employees. EPA continues to maintain other parts of the wellness program, such as "Walk to Wellness," Health Fair, Employee Assistance Program among other activities.

McCollum Q2: The leading causes of death and disability in the United States are not only preventable but also responsive to workplace interventions. Worksite health and wellness programs help employees move toward an optimal state of wellness, and the U.S. Office of Personnel Management, in accordance with the authorization under 5 U.S.C. 7901, encourages agencies to develop and sustain programs that address the current and future needs of their employees to produce the healthiest possible workforce. What is the justification for eliminating the funding for fitness subsidies halfway through the fiscal year?

Answer: The agency does not provide a subsidy at every location, and those facilities with equipment on-site will continue to maintain equipment for employee use as part of the wellness program. EPA continues to maintain other parts of the wellness program, such as "Walk to Wellness," Health Fair, Employee Assistance Program among other activities.

McCollum Q3: How does halting the funding for fitness subsidies impact the collective bargaining agreement reached with unions representing EPA employees? What response have you received from the unions from your notification?

Answer: The agency has provided the union notification in accordance with our Collective Bargaining Agreements and will continue to follow those requirements throughout the process.

McCollum Q4: How will EPA spend the funds that would have otherwise been used for fitness subsidies?

Answer: The amounts involved for fitness subsidies are well below the reprogramming limits. Costs for facilities, including rent, utilities, maintenance and repairs, continue to climb, along with direct employee costs such as salaries, while the agency's appropriations have been flat or declining for a number of years.

McCollum Q5: What other reductions proposed in the FY 2018 budget request is EPA implementing in FY 2017?

Answer: EPA continues to evaluate its expenditures, and will obligate its resources in accordance with the appropriations bill for FY 2017.

Administrator Pruitt's Undisclosed Email Accounts

When I referred to a recently discovered official email address – esp@oag.ok.gov – that Administrator Pruitt used while Attorney General of Oklahoma but did not disclose despite repeated requests during his confirmation process, he volunteered this explanation "If I may, both in my oral testimony, as well as there's a letter actually that I submitted to the EPW Committee in May that recognized multiple state email accounts… so we've informed Committee, that was consistent with my oral testimony."

McCollum Q6: Please provide the relevant excerpt(s) from Administrator Pruitt's oral testimony and the letter he referenced. Additionally, please provide the relevant questions for the record and his responses.

Answer: Administrator Pruitt's oral testimony is available at https://www.epw.senate.gov/public/_cache/files/1291a5e0-b3aa-403d-8ce3-64cb2ef86851/spw-011817.pdf (page 242). Also attached is the May 5, 2017 letter to Senate Environment and Public Works Chairman John Barrasso and Ranking Member Tom Carper.

McCollum Q7: Administrator Pruitt committed to provide our committee with the email addresses and information about other forms of electronic communication that he is using as EPA Administrator. Please provide those details.

Answer: The agency maintains a primary email account to contact the Administrator,

pruitt.scott@epa.gov. EPA staff has also established secondary accounts in the agency's Outlook email system that are used for calendaring, scheduling, and internal communications.

Congressional Inquiries

McCollum Q8: What is the policy at the Department with regard to responses to congressional inquiries?

Answer: EPA's policy is to respond to all congressional inquiries as appropriate, in the timeliest manner possible.

McCollum Q9: More specifically, is there a policy or guidance that would prohibit or delay responses to Ranking Members of Congressional Committees or Subcommittees of jurisdiction?

Answer: EPA's policy is to respond to all congressional inquiries as appropriate, in the timeliest manner possible.

McCollum Q10: Is there a policy or guidance that would prohibit or delay responses to Democratic Members of Congress?

Answer: EPA's policy is to respond to all congressional inquiries as appropriate, in the timeliest manner possible.

McCollum Q11: If such policies or guidance are in place to prohibit or delay responses to Ranking Members or all Democratic Members, was such developed in consultation with the White House or the Office of Management and Budget?

Answer: EPA's policy is to respond to all congressional inquiries as appropriate, in the timeliest manner possible.

Overview

The FY 2018 Budget request for the Environmental Protection Agency is $5.66 billion, a reduction of $2.4 billion or 30% below the FY 2017 enacted level as well as reduction of one quarter of the staff. These cuts address almost every program for clean air and water and threaten the health of children and the elderly.

McCollum Q12: Administrator Pruitt has stated he wants EPA to go back to the basics of protecting our air, water, and land, but the budget makes major cuts in air, water, waste, chemical safety, pesticides, enforcement, and research, not to mention the reductions you propose in categorical grants to states. How can a budget like this not jeopardize the health and well-being of Americans as well as all who inhabit the Earth?

Answer: The Agency's positive environmental agenda builds on cooperative federalism between the federal government and implementing partners, better engagement with communities through

technical assistance, and optimization of the regulatory and permit process. This agenda is designed to strengthen EPA's ability to faithfully execute and administer environmental laws, as outlined in the statutes, in order to protect human health and the environment for all Americans.

McCollum Q13: Can Administrator Pruitt assure the Committee that he does not want to see this Nation's environmental progress rolled back?

Answer: The Administrator supports a healthy environment, with clean air, water and land for all Americans. EPA maintains a vital role in environmental protection, but must do so within the bounds of its legal authority.

McCollum Q14: What analysis did EPA do to determine the impact of the proposed reductions on health and environmental protection?

Answer: EPA's resources support our core mission of protecting human health and the environment, and not on activities beyond the scope of EPAs regulatory authority or those that can be led by state and local partners.

McCollum Q15: How many more deaths, heart attacks, hospitalizations and lost work days Americans will suffer as a result of these reductions?

Answer: The FY 2018 President's budget request focuses resources on improving America's air quality, restoring states' roles in the regulation of water, cleaning up contaminated land, ensuring the safety of chemicals in commerce, and enforcing environmental regulation to improve the environment and protect human health. This renewed focus returns EPA to its core mission of protecting human health and the environment pursuant to the laws dictated by Congress.

McCollum Q16: If no specific analysis was done on these metrics of these reductions, what basis does the Agency have for saying EPA and states can adequately protect public health and the environment?

Answer: Protecting public health and the environment is a shared responsibility, and EPA will uphold this mission in accordance with all applicable legal authority. To that point, states have unique environmental needs and EPA will continue to engage in meaningful discussion about how shared environmental goals related to the regions can best be achieved.

The budget also proposes to cut categorical grants to states by either 30% or zero them out completely, and eliminate 46 programs. EPA and the states together have made major progress in improving public health and environmental quality over the years.

McCollum Q17: On what basis did EPA decide what is and is not a core statutory responsibility, and how does the Agency reconcile such drastic cuts in core programs with Administrator Pruitt's previous statements about the mission of EPA?

Answer: Core statutory obligations are established through laws passed by Congress and signed by the President, not unilaterally by EPA. Any action by EPA that exceeds the authority granted

to it by Congress, by definition, cannot be consistent with the agency's mission. The FY 2018 budget identifies and eliminates programs, as outlined in responses below, so that EPA can focus on its statutory mission, achieving greater value and greater results.

McCollum Q18: What type of analysis did EPA conduct on the 46 programs it proposes to eliminate?

Answer: The FY 2018 President's budget eliminates programs that are mature, duplicative, or can be absorbed into other programs, are equally conducted or eligible under other programs, or are or could be state and local responsibilities.

McCollum Q19: Please provide that analysis to the Committee, specifically the data on the impact to the health of families and communities across this country that will result from these eliminations.

Answer: The FY 2018 President's budget justification provided to the Subcommittee describes the basis for eliminating programs that are mature, duplicative or those that can be absorbed into other programs or are or could be state and local responsibilities, so that resources are available to support the core mission of the agency.

McCollum Q20: Please include information on the other agencies or programs will do this work in the absence of federal funding.

Answer: The agency will work to partner with EPA counterparts in state, local and tribal governments, as well as non-governmental groups, to further environmental goals. Additionally, EPA is committed to partnering with other federal agencies to collectively achieve goals surrounding clean air, clean water, clean land, ensuring chemical safety, and enforcement and compliance assurance programs.

McCollum Q21: If the Agency has not done any detailed analysis, on what basis does EPA justify its decision to eliminate these programs?

Answer: The FY 2018 President's budget justification provided to the Subcommittee describes the basis for eliminating programs that are mature, duplicative or those that can be absorbed into other programs or are state and local responsibilities, so that resources are available to support the core mission of the agency.

McCollum Q22: What is Administrator Pruitt's view about how science should inform policy?

Answer: Administrator Pruitt believes that sound science is the backbone of EPA's rule-making process. The agency's ability to pursue its mission to protect human health and the environment depends upon the integrity of the science on which it relies.

McCollum Q23: Does Administrator Pruitt see himself as the arbiter of what science is acceptable and if so, on what basis and with what training?

Answer: Science provides the foundation for EPA's policies, actions, and decisions made on behalf of the American people. EPA research incorporates science and engineering that meets the highest standards for integrity, peer review, transparency, and ethics. The process of incorporating high-quality science into Agency decision-making is coordinated by science organizations within the Agency. In addition, the Agency's stringent scientific peer review processes are designed to ensure that all EPA decisions are founded on credible science and data.

McCollum Q24: If not, why is the Administrator choosing to dismiss the science of his own agency in regards to climate change?

Answer: Administrator Pruitt believes that sound science is the backbone of EPA's rule-making process.

McCollum Q25: Can Administrator Pruitt assure the Committee that he will uphold scientific integrity policies at EPA, allow EPA scientists to do their work unimpeded and guarantee that Americans will have access to the research and information they have paid for?

Answer: Sound science is the backbone of EPA's rule-making process. The agency's ability to pursue its mission to protect human health and the environment depends upon the integrity of the science on which it relies.

McCollum Q26: What assurance can EPA give the Committee that EPA Office of Research and Development and EPA's science labs will be fully supported to conduct critical independent science that is the basis for protecting the public?

Answer: EPA laboratories will have the necessary human and technological resources to carry out the lab mission. EPA will carefully review its laboratory space footprint and continue efforts to reconfigure EPA's workspaces in order to release square footage and reduce long-term rent.

McCollum Q27: With EPA's current hiring freeze are key technical positions at the agency currently filled with qualified scientists free from conflict of interest?

Answer: Every EPA employee is bound by the Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R. Part 2635, and the federal conflicts of interest statutes codified in Title 18 of the United States Code.

McCollum Q28: Since 1970, EPA and states, working in partnership, have achieved major improvements in human health and environmental protection, but threats such as contaminated runoff that pollutes our waters, endocrine disruptors, and new emerging threats need to be addressed. How can EPA possibly have the necessary resources and staff to protect human health, the environment, and our economy?

Answer: EPA's Back-to-Basics agenda aims to refocus the agency on its core mission of protecting the environment through sensible regulations developed in cooperation with state, local, and Tribal partners.

McCollum Q29: EPA is obligated to uphold specific statutory responsibilities to protect human health and the environment, how can EPA assure this Committee that with the draconian cuts proposed in this budget that it can meet those mandates, especially with more than a third fewer scientists and a 30% reduction in funding?

Answer: EPA's Back-to-Basics agenda aims to refocus the agency on its core mission of protecting the environment through sensible regulations developed in cooperation with state, local, and Tribal partners.

In FY 2018, EPA will prioritize science and research activities directly tied to statutory requirements and inquiries into environmental and human health sciences. Science and research will be streamlined to support the agency's program and will prioritize the most important work to protect human health and the environment.

McCollum Q30: In 2007 the Supreme Court ruled in Massachusetts v. Environmental Protection Agency that harms associated with climate change are serious and well recognized. How does the Agency interpret this ruling and EPA's role in regulating greenhouse gases that drive global warming, including carbon dioxide and methane?

Answer: The Supreme Court ruled in Massachusetts v. EPA that EPA has the authority to regulate carbon dioxide as an air pollutant under the Clean Air Act.

McCollum Q31: How does the budget reflect EPA's obligation as outlined by the court?

Answer: The budget provides resources to continue to implement the Greenhouse Gas Reporting Program. The budget also provides resources to support regulatory action consistent with the Presidential Executive Order on Promoting Energy Independence and Economic Growth dated March 28, 2017, including review of the Clean Power Plan. In addition, the request supports the agency's implementation of integrated criteria pollutant and greenhouse gas (GHG) mobile source programs.

McCollum Q32: Does the Agency recognize that EPA is legally required to regulate emissions of CO2 based on this ruling? If so, what is its plan to do so expeditiously, especially in light of stopping the implementation of the Clean Power Plan and methane regulations?

Answer: The Supreme Court ruled in Massachusetts v. EPA that EPA has the authority to regulate carbon dioxide as an air pollutant under the Clean Air Act. Since 2009, EPA and the National Highway Traffic Safety Administration (NHTSA) have taken coordinated steps to enable the production of a new generation of clean vehicles through reduced GHG emissions and improved fuel use from on-road vehicles and engines from the smallest cars to the largest trucks. We are currently reviewing a number of regulations in this area, in accordance with the President's Executive Order.

McCollum Q33: Looking at the landscape of reductions this budget proposes why shouldn't one conclude this budget is an attempt to cut industry compliance costs by crippling the ability of EPA and states to develop scientific information and issue and enforce regulations regardless of the likely damage to public health and environmental protection?

Answer: Sound science is the backbone of EPA's rule-making process. The agency's ability to pursue its mission to protect human health and the environment depends upon the integrity of the science on which it relies. EPA's Back-to-Basics agenda aims to refocus the agency on its core mission of protecting the environment through sensible regulations developed in cooperation with state, local, and Tribal partners. In FY 2018, EPA will rely on, to a greater extent, its state partners to achieve compliance and enforcement goals. The agency will focus resources on its direct implementation responsibilities, emphasizing violations with public health and environmental impacts.

Administrator's Schedule and Travel Budget

McCollum Q34: Does EPA plan to regularly release the Administrator's schedule to the public?

Answer: The Office of Public Affairs (OPA) has been directed to examine methods on how best to post the Administrator's schedule to the public. EPA has already responded to FOIA requests making the Administrator's calendar available.

McCollum Q35: To date, what are the total travel costs incurred by the Administrator including all support staff? What was the total travel costs per year for the Administrator for the last four years?

Answer: As of June 30, 2017 the total travel cost incurred by the Administrator and support staff as reported in EPA's travel system, was $144,130.98. EPA was unable to provide costs for the previous Administrator and support staff for the past 5 years by the deadline requested.

McCollum Q36: How many times has Administrator Pruitt traveled to Oklahoma since becoming Administrator? For each trip made to Oklahoma using federal funds, provide the purpose of the trip and the purpose for any meetings the Administrator attended.

Answer: Administrator Pruitt has traveled to Oklahoma multiple times since becoming Administrator. In all trips using federal funds, the Administrator is responding to official invitations or carrying out official duties in Oklahoma or elsewhere.

McCollum Q37: From what program projects is protection of the Administrator funded and what are the FY 2017 and FY 2018 requested levels? Provide the costs of the security detail provided to Administrator Pruitt and provide the last four years of security costs for Administrator protection.

Answer: The Office of Enforcement and Compliance Assurance (OECA) receives funding for the Administrator's Protection Services Detail (PSD) in the Facilities Infrastructure and

Operations program project. The Agency previously received Freedom of Information Act (FOIA) inquiries EPA-HQ-2017-008695 and EPA-HQ-2017-008713, dated July 10, 2017, for information similar to the additional information requested here. As EPA explained in its response to those requests, the public release of such law enforcement information "would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, "or "could reasonably be expected to endanger the life or physical safety of any individual".

McCollum Q38: Does Administrator Pruitt fly first class at the federal tax payers' expense? If so, what is the justification for the upgraded travel? Did prior Administrators use this justification and, if so, which ones?

Answer: The Administrator's travel arrangements are made consistent with federal travel regulations and EPA policy based on input from senior officials, including career security and ethics officials.

Voluntary Programs

McCollum Q39: The budget calls for eliminating all of the voluntary partnership programs for reducing greenhouse gases and other air pollution. These programs, which have bi-partisan and industry support, are proven to lower emissions. How will you make up for the emission benefits that are lost?

Answer: EPA is working to focus its budget on core priorities addressing environmental benefits in air, land, and water. Some of the most meaningful reductions in greenhouse gases are due to private sector programs and that will continue to be true.

Hydrofluorocarbons

McCollum Q40: The budget states that the EPM account for the GHG Reporting Program is being cut to "streamline", among other things, the use and emissions of the greenhouse gases, hydrofluorocarbons, under the Clean Air Act SNAP program. What does EPA mean by "streamlining" the program? What would change about the very important work this program does?

Answer: Through streamlining of various programs in that account, the agency will be able to focus on core work areas. EPA's Back-to-Basics agenda aims to refocus the agency on its core mission of protecting the environment through sensible regulations developed in cooperation with state, local, and Tribal partners.

U.S. Global Change Research Program

McCollum Q41: Also being "streamlined" as part of the budget cuts to the GHG Reporting Program is the technical support EPA provides to the U.S. Global Change Research Program. What is meant by "streamlining" that support? Describe what support EPA has provided to date and how will that support change.

Answer: EPA has historically played a leading role in conducting scientific assessments of the effects of global climate change in the United States, as required by Section 106 of the Global Change Research Act of 1990. The Office of Research and Development's (ORD) core science efforts, as it relates to this program, will be streamlined to focus on statutory obligations surrounding these activities.

Water pollution

McCollum Q42: The budget proposes to eliminate state grants for non-point source pollution programs, when contaminated runoff and other non-point pollution is a principle cause of water quality problems. It also proposes to cut other state water grants, surface water and marine protection funding for EPA, and eliminate the national estuaries program. How is cutting EPA and state capacity consistent with improving the quality of our nation's waters?

Answer: The FY 2018 President's Budget request reflects EPA's role in a model of cooperative federalism that emphasizes strong cooperative state and tribal partnerships and is guided by Congressional direction in core environmental statutes. This Administration recognizes that states and tribes understand their water quality problems the best and can lead efforts to develop solutions to protect America's waters. EPA will encourage states to continue work in restoring our estuaries and protecting aquatic and marine resources throughout the country, and will work with our partners to provide flexibility to address local priorities.

McCollum Q43: In April, Administrator Pruitt paused clean water protections against coal plants dumping toxic metals such as arsenic and mercury from power plants into public waterways that can infiltrate community drinking water intakes. How much of this coal ash sludge is safe in the drinking water supply?

Answer: EPA regulates drinking water and has established drinking water standards in accordance with the Safe Drinking Water Act for over 90 contaminants including arsenic and mercury. These standards do not apply to untreated source water. EPA is not pausing protecting water quality and takes its responsibility seriously. Public Water Systems must perform monitoring and treatment, as necessary, to assure the water they supply to their customers is in compliance.

McCollum Q44: EPA's postponement is being challenged in a federal court and Administrator Pruitt has been criticized for only focusing on the potential costs of the rule while ignoring its benefits and endangering wildlife and exposing families that live near coal plants to heavy metals that can cause problems with cognitive development in children. Why did EPA disregard years

of peer-reviewed studies, input from health experts and public comments supporting these protections?

Answer: EPA is currently reviewing the rule and has not made a final determination. The agency decided to reconsider the rule in response to two administrative petitions, one from the Utility Water Act Group and one from the Small Business Administration Office of Advocacy.

McCollum Q45: How is the Agency reconciling the difference in the impacts on jobs associated with compliance as estimated by EPA with the impact purported by the industry's analysis?

Answer: The Agency is in the process of reconsidering elements of the Effluent Limitation Guidelines and Standards for the Steam Electric Power Generating Point Source Category. To the extent that EPA reconsiders the underlying technology basis for any of the 2015 rule requirements, the EPA will take economic analyses—including employment impacts—into consideration.

Office of Water

McCollum Q46: The FY 2018 budget cuts clean drinking water programs by 18% for Human Health and 16% for Water Quality. Why should American's be subjected to decreases in Water Quality due to lack of investment?

Answer: EPA will continue work with states to develop the Next Generation Management and Reporting tool that will be used by the majority of state drinking water programs. The new Safe Drinking Water Information System tool will provide the following benefits: improvements in program efficiency and data quality, greater public access to drinking water data, facilitation of electronic reporting, reductions in reporting burdens on laboratories and water utilities, reductions in data management burden for states, and ultimately reduction in public health risk.

Air Pollution

The Administration budget calls for steep cuts in two accounts that fund activities at the heart of Clean Air Act implementation. One account funds EPA's work to review and update national air quality standards and national emissions standards. The second account funds a multitude of EPA activities to support state and tribal air programs for meeting national air quality standards, reducing toxic air pollution, assuring that new sources have state-of-the-art controls, and protecting visibility.

McCollum Q47: How can the huge cuts in these two key air program accounts be achieved while meeting EPA's responsibilities under the Clean Air Act?

Answer: EPA will continue to meet its responsibilities, under the Clean Air Act, by working to develop a more efficient approach to meeting its statutorily-required National Ambient Air Quality Standards (NAAQS) reviews. EPA also will continue its Clean Air Act mandated

responsibilities to administer the NAAQS by reviewing state plans and decisions consistent with statutory obligations, taking federal oversight actions on State Implementation Plan (SIP) submittals, and by developing regulations and policies to ensure continued health and welfare protection during the transitions between existing, new and/or revised standards. EPA will continue to look for ways to improve the efficiency and effectiveness of the SIP process, including its own review process, in partnership with state and local air agencies.

McCollum Q48: Has EPA identified what specific activities would be eliminated or reduced by the proposed reductions? If so, please provide an accounting that explains for each of these budget categories (federal stationary source regulations, federal support for air quality management) the activities that will be cut back, and the savings in dollars and personnel from each one.

Answer: EPA will work to develop a more efficient approach to meeting its statutorily-required National Ambient Air Quality Standards (NAAQS) reviews. In FY 2018, EPA also will continue its Clean Air Act mandated responsibilities to administer the NAAQS by reviewing state plans and decisions consistent with statutory obligations, taking federal oversight actions on State Implementation Plan (SIP) submittals.

McCollum Q49: How will the proposed budget reductions impact EPA's ability to meet its existing obligations under the Clean Air Act and take on the new work required to carry out the January 24 Presidential Memorandum, "Streamlining Permitting and Reducing Regulatory Burdens for Domestic Manufacturing," Executive Order 13777, "Enforcing the Regulatory Reform Agenda," and Executive Order 13771, "Reducing Regulation and Controlling Regulatory Costs."?

Answer: EPA will need to pursue opportunities to meet multiple Clean Air Act requirements for stationary sources in more integrated ways in FY 2018 in order to fulfill its statutory and court-ordered obligations more efficiently. In aligning this effort with Executive Orders 13777 and 13771, EPA will look for ways, as appropriate, to repeal, replace, or modify existing regulations to reduce burden while meeting statutory obligations.

Accessibility to Data and Data Acquisition

McCollum Q50: Is all the scientific data associated with climate change that was available under the Obama Administration on EPA website still accessible today?

Answer: The climate change web content from the previous administration is still publicly accessible in EPA's web archive

McCollum Q51: Since taking office, what guidelines has Administrator Pruitt issued for determining what information will be available?

Answer: EPA is evaluating content on its website to ensure accuracy, consistency, and reliability.

McCollum Q52: Will there be any data loss as a result of the budget's proposed program eliminations in FY 2018? If so, what data and how will this impact EPA's ability to have the continuity of data necessary to make projections into the future with a high degree of confidence?

Answer: Data will not be lost. Any data that may be removed for reasons such as program elimination will be archived and available to the public.

Science Advisory Board

Outside scientific advisory boards provide feedback and evaluation of the science used by EPA to develop guidance, regulations, and make important management decisions.

McCollum Q53: What timeframe has Administrator Pruitt set to make his determination about the appropriateness of these boards and committees and their membership?

Answer: A Federal Register Notice (FRN) was published on June 27, 2017 requesting nominations of qualified candidates to serve on the Clean Air Scientific Advisory Committee (CASAC), SAB and six SAB standing Committees. The FRN requests nominations by July 27, 2017. The names and biographies of qualified nominees identified by respondents to the FRN, and additional experts identified by the SAB Staff Office, will be posted in a List of Candidates on the SAB website. Public comments on each List of Candidates will be accepted for 21 days from the date the list is posted. The public will be requested to provide relevant information or other documentation on nominees that the SAB Staff Office should consider in evaluating candidates. The Administrator will select members after nominations have been evaluated.

On May 25, 2017, EPA published an FRN requesting nominations of qualified candidates to serve on the Board of Scientific Counselors (BOSC) Executive Committee and five subcommittees on May 25, 2017. The nomination period closed on June 30, 2017. As noted in the FRN, nominations will be evaluated on the basis of several criteria, including (a) scientific and/or technical expertise, knowledge, and experience; (b) availability to serve and willingness to commit time to the committee; (c) absence of financial conflicts of interest; (d) absence of an appearance of a lack of impartiality; (e) skills working on committees and advisory panels; and (f) background and experience that would contribute to the diversity of viewpoints. research institutes or organizations, academia, governmental and non-governmental organizations, and other relevant areas. Final selections by the Administrator are expected to be made in the Fall of 2017.

McCollum Q54: While every administration reviews the composition of these advisory bodies, what percentage of current members has Administrator Pruitt decided to terminate?

Answer: The Administrator will review the composition of the advisory bodies after the review of all qualified nominees has been completed.

McCollum Q55: What is the basis for Administrator Pruitt's decision to not renew the appointments of nine Board of Scientific Counselors (BOSC)?

Answer: Administrator Pruitt has not decided whether to renew the appointments of any member of the BOSC. EPA is taking an inclusive approach to filling future BOSC appointments and welcomes all applicants from all relevant scientific and technical fields. On May 25, 2017, EPA published a Federal Register Notice (FRN) requesting nominations of qualified candidates to serve on the BOSC Executive Committee and five subcommittees. The nomination period closed on June 30, 2017. As noted in the FRN, nominations will be evaluated on the basis of several criteria, including (a) scientific and/or technical expertise, knowledge, and experience; (b) availability to serve and willingness to commit time to the committee; (c) absence of financial conflicts of interest; (d) absence of an appearance of a lack of impartiality; (e) skills working on committees and advisory panels; and (f) background and experience that would contribute to the diversity of viewpoints.

McCollum Q56: It has come to the Committee's attention that you are asking all members of the BOSC to reapply for their positions as their first terms expire. Has the Agency changed the long standing practice of renewing BOSC members for a second term if they are willing to serve? If so, is the Agency concerned about the loss of institutional knowledge and decreased familiarity with the structure and operation of the boards that would come if all members serve only one term? What criteria does the Agency intend to use to evaluate the members' application to serve an additional term if they do reapply?

Answer: EPA is taking an inclusive approach to filling future BOSC appointments and welcomes all applicants from all relevant scientific and technical fields. EPA will use the same criteria to evaluate the members who are reapplying to serve an additional term as all other applicants. BOSC members are identified through an outreach plan that includes an open solicitation of potential candidates. Members are selected based on their: 1) scientific and/or technical expertise, knowledge, and experience; 2) diversity including work sector, geographical location, gender, ethnicity, and viewpoints; 3) availability to serve and willingness to commit time to the committee; 4) absence of financial conflict of interest; 5) absence of an appearance of a lack of impartiality; and 6) skills working on committees and advisory panels. Each member serves a 3-year term.

McCollum Q57: On May 8, 2017, Administrator Pruitt's spokesman said "EPA received hundreds of nominations to serve on the board and we want to ensure fair consideration of all the nominees." His office also stated ""EPA received hundreds of nominations to serve on the board, and instead of reappointing nine people who have already served their three-year term, we want to ensure fair consideration of the other nominees and a carry-out a competitive nomination process," This was misleading, as it sounds as if hundreds of people are lined up, hoping to get on this board. In fact, nominations are only received when there is a call for nominations made in the Federal Register, and the "hundreds of nominations" referred to by Administrator Pruitt's office in these two statements in fact were from an FRN notice in 2013 (so nominations on this

list are more than 4 years old). Is Administrator Pruitt planning to select from this old list? Is he going to add the "old list" to the list of nominations he receives from his recent FRN call-for-nominations (FRN 5/25/17)? Or just select from his new list?

Answer: BOSC members will be selected from the pool of those who applied to the call-for-nominations in the FRN published on May 25, 2017. EPA has received 470 applications as of July 19, 2017. B OSC members are identified through an outreach plan that includes an open solicitation of potential candidates. Members are selected based on their: 1) scientific and/or technical expertise, knowledge, and experience; 2) diversity including work sector, geographical location, gender, ethnicity, and viewpoints; 3) availability to serve and willingness to commit time to the committee; 4) absence of financial conflict of interest; 5) absence of an appearance of a lack of impartiality; and 6) skills working on committees and advisory panels.

Each member serves a 3-year term. As opposed to the previous Administration, where BOSC did not meet between 2013 and 2014, Administrator Pruitt is interested in a robust selection process to meet the BOSC's regularly expected meeting times this Fall and an Executive Committee meeting in January 2018.

McCollum Q58: The BOSC does not review or advise or comment on regulations, and only advises on the basic science conducted within the Office of Research and Development yet Administrator Pruitt has stated he believes people on this board should understand the impact of regulations on the regulated community. What kind of expertise is Administrator Pruitt looking for that does not reside with the current membership?

Answer: Members of the BOSC are recognized experts in various scientific, engineering, and social science fields. EPA will consider nominees from industry, business, public and private research institutes or organizations, academia, government (federal, state, local, and Tribal) and non-government organizations, and other relevant interest areas. Members are appointed by EPA Administrator for a period of three years and serve as special government employees. EPA values and welcomes diversity. In an effort to obtain nominations of diverse candidates, EPA encourages nominations of women and men of all racial and ethnic groups.

For more detail on the experience and expertise EPA is looking for, please see the FRN at https://www.federalregister.gov/documents/2017/05/25/2017-10672/request-for-nominations-of-experts-to-the-epa-office-of-research-and-developments-board-of

McCollum Q59: Does Administrator Pruitt want to replace these scientists with more members from regulated industry and would these people be active researchers or managers with a science degree?

Answer: The agency will continue to appoint BOSC members who are recognized experts in their respective fields. They come from academia, industry/business, federal, state, and local governments, non-governmental and environmental organizations, research laboratories, and other relevant entities. All BOSC members must comply with annual ethics reporting and

training requirements; and must not possess conflicts of interest or an appearance of being unable to provide impartial advice.

BOSC members are identified through an outreach plan that includes an open solicitation of potential candidates. Members are selected based on their: 1) scientific and/or technical expertise, knowledge, and experience; 2) diversity including work sector, geographical location, gender, ethnicity, and viewpoints; 3) availability to serve and willingness to commit time to the committee; 4) absence of financial conflicts of interest; 5) absence of an appearance of a lack of impartiality; and 6) skills working on committees and advisory panels.

McCollum Q60: Why isn't Administrator Pruitt concerned this will marginalize the future role for objective, knowledgeable science advisors that aren't influenced by politics?

Answer: BOSC members are recognized experts in their respective fields. They come from academia, industry/business, federal, state and local governments, non-governmental and environmental organizations, research laboratories, and other relevant entities. All BOSC members must comply with annual ethics reporting and training requirements and must not possess conflicts of interest or an appearance of being unable to provide impartial advice.

BOSC members are identified through an outreach plan that includes an open solicitation of potential candidates. Members are selected based on their: 1) scientific and/or technical expertise, knowledge, and experience; 2) diversity including work sector, geographical location, gender, ethnicity and viewpoints; 3) availability to serve and willingness to commit time to the committee; 4) absence of financial conflict of interest; 5) absence of an appearance of a lack of impartiality; and 6) skills working on committees and advisory panels.

McCollum Q61: The BOSC is an 18-member advisory committee. What is the current membership?

Answer: The BOSC is comprised of an Executive Committee, which may be as large as 20 members, and is supported by subcommittees and workgroups for any purpose consistent with the BOSC's charter. Approximately 10-15 individuals serve on each of five subcommittees. Executive Committee members are typically chairs of the subcommittees, and in some instances, members may serve on more than one subcommittee. There are currently 47 individual members of the BOSC.

McCollum Q62: BOSC was initially designed, and has been administered, as an advisory committee that reports to the Assistant Administrator of ORD, not to the Administrator. Why did Administrator Pruitt's office get involved in the membership process of BOSC? Is he planning on having the Administrator's Office take a direct, hands-on approach to selecting the new members of BOSC?

Answer: It is a longstanding agency policy that the EPA Administrator and/or the Deputy Administrator is responsible for making final selection decisions for membership on all of the Agency's Federal Advisory Committees. This includes membership on the BOSC. (see http://intranet.epa.gov/isphowil/faca/guidance/2012_03_epa_faca_handbook.pdf).

McCollum Q63: Why has Administrator Pruitt not named an Assistant Administrator for ORD (or most of the other Program Offices)? Does he plan to name a qualified scientist, as has been the case throughout EPA history? Why has Administrator Pruitt not named a Science Advisor? Does he plan, as previous administrators have done (both democratic and republican), to have the AA for ORD also serve as Science Advisor to the Administrator?

Answer: The Administrator looks forward to having all open positions at EPA filled with qualified individuals very soon.

McCollum Q64: The budget proposes to cut the ORD scientific staff by 42%. Who will replace this void in generating science information for the Agency, given that ORD is doing the research that it does because no one else is doing it? Is EPA indicating that science evidence is not important, not needed for the Agency to meet its mission? How will EPA meet state needs, given that much of ORD's research is requested by the Regional Offices to help states? Does EPA intend to not assist the states with scientific information in the future?

Answer: Sound science is the backbone of EPA's rule-making process. The agency's ability to pursue its mission to protect human health and the environment depends upon the integrity of the science on which it relies. We will support the needs of the states, consistent with the level of appropriated funding.

In FY 2018, EPA will prioritize science and research activities directly tied to statutory requirements and inquiries into environmental and human health sciences. Science and research will be streamlined to support the agency's program and regional offices will prioritize the most important work to protect human health and the environment.

McCollum Q65: Congress established the Science Advisory Board (SAB) and the Clean Air Scientific Advisory Committee (CASAC) to provide independent scientific and technical advice to the Administrator. They provide this important advice on a very modest budget ($646,000). By law, both of these independent advisory groups hold public meetings to deliberate and take public comments. The FY 2018 budget proposes to cut these two critical groups by about 20% and severely limit both the SAB and CASAC in their meetings, despite all the many complex scientific issues they must advise you on. How does EPA reconcile this cut with the CASAC's legal responsibility under the Clean Air Act to review the science EPA uses to reassess National Ambient Air Quality Standards every 5 years?

Answer: Sound science is the backbone of EPA's rule-making process. The SAB Staff Office will continue to prioritize CASAC and SAB activities to meet statutory requirements and agency priorities.

McCollum Q66: The SAB and CASAC are Federal Advisory Committee Act (FACA) EPA advisory boards. Will it be Administrator Pruitt's policy to not renew members of science boards such as this for a second term? In other words, will your policy be for all appointees to only serve one term? Will this apply to the new members you appoint?

Answer: All nominees will be evaluated including those eligible for a second term. Appointments will be made after the evaluations have been completed.

McCollum Q67: Without this science review, how will EPA ensure it is keeping air standards current and up to date?

Answer: Sound science is the backbone of EPA's rule-making process. Scientific review will continue. The SAB Staff Office will continue to prioritize CASAC and SAB activities to meet statutory requirements and agency priorities.

McCollum Q68: Specifically, how will EPA see that it completes a major scientific review for particulate matter that was scheduled for 2017, and other criteria pollutants that are overdue for their review?

Answer: The SAB Staff Office will continue to prioritize CASAC and SAB activities to meet statutory requirements and agency priorities.

McCollum Q69: How does EPA propose the SAB provide scientifically sound advice and peer review on health assessments for high-priority chemicals, that state environmental programs, not just EPA, rely on to inform clean-up decisions, permits, and regulatory actions? How will the SAB meet its legal responsibility under the Environmental Research and Development Demonstration Authorization Act to advise EPA on its plans for research and development (R&D)?

Answer: The SAB will continue to meet its legal responsibility under the Environmental Research and Development Demonstration Authorization Act to advise EPA on its plans for research and development. The SAB will continue to provide independent scientifically sound advice and peer review to the Administrator on a range of scientific and technical matters underlying key environmental policies and risk management decisions.

McCollum Q70: The SAB and BOSC have different purposes. Will Administrator Pruitt be using different criteria for appointing members to the BOSC than to the SAB, and how will those criteria differ?

Answer: The Federal Register Notice published on June 27, 2017 requesting nominations for members of the CASAC, SAB and six standing committees outlines the existing criteria for selecting committee members.

McCollum Q71: How will EPA ensure key technical positions at the agency are filled with qualified scientists free from conflict of interest?

Answer: Sound science is the backbone of EPA's rule-making process. The agency's ability to pursue its mission to protect human health and the environment depends upon the integrity of the science on which it relies.

McCollum Q72: How can EPA maximize and effectively target its limited research dollars, if these groups of outside scientists cannot meet to advise EPA, share research results, and identify strategies to reduce redundancy and costs?

Answer: EPA will continue to look for ways to effectively use and maximize its research budget, including strategies to reduce redundancy and costs. EPA's research activities continue to go on, in support of the Administrator's priorities.

McCollum Q73: About one third of the terms of SAB and CASAC members, experts in their respective technical fields, will expire this fall. Each April for the past nine years, the SAB Staff Office has published a Federal Register notice seeking nominations for new scientists, economists and other technical experts to join the SAB and CASAC. This begins a multi-month process, resulting in recommendations for qualified nominees to submit to EPA Administrator. Why has no Federal Register notice yet been published this year seeking nominations for the SAB and CASAC?

Answer: The Federal Register Notice soliciting nominations for members of the CASAC, SAB and six standing committees was published on June 27, 2017.

McCollum Q74: How will EPA ensure that there will continue to be the necessary quorum of members with the appropriate qualifications to serve on the committees? Will EPA commit to continued public involvement in the membership process?

Answer: EPA is seeking nominations of qualified experts in response to the FRN published on June 27, 2017. As indicated in the FRN published on June 27, 2017, the public has opportunities to nominate candidates as well as to provide comments on the List of Candidates.

Categorical Grants for States and Tribes

The budget proposes to cut the categorical grants to states and tribes by 44 percent. States rely heavily on these grants. According to a report from the Environmental Council of the States, federal funds account for, on average, 27 percent of state environmental budgets. Congress designed Federal environmental programs so that they would be administered at the states and local levels where possible. But EPA has a responsibility to provide national environmental leadership by establishing minimum national pollution standards and providing technical support to states.

McCollum Q75: How will these proposed cuts affect the states' abilities to implement environmental programs? Will it have consequences for their staffing levels?

Answer: EPA is committed to a more effective cooperative federalism approach to environmental protection. The FY 2018 President's budget does not mandate any State-level environmental staffing changes.

McCollum Q76: How will this affect EPA's ability to conduct appropriate oversight and provide technical assistance to ensure that states have good environmental management practices?

Answer: The budget provides over 5,400 FTE in the regions to continue to provide leadership and technical expertise to the regulated community, and to partner effectively with states and tribes.

McCollum Q77: How is this consistent with improving the quality of our nation's waters or protecting the air we breathe?

Answer: By prioritizing resources to support the agency's mission, the budget supports a renewed focus on achieving its statutory responsibilities to protect the nation's air and water quality.

McCollum Q78: How does EPA recommend that states make up for this funding shortfall?

Answer: The agency will work with its state and local partners to identify shared priorities and make progress in achieving them.

Staffing and Employee Morale

The March 2017 Executive Order directs the reorganization of the Executive Branch.

McCollum Q79: In light of the 30% reduction in EPA's FY 2018 Budget request and the proposal to reduce approximately 3,800 FTEs from the FY 2017 enacted level, how is EPA approaching developing such a plan and how will the Agency be transparent and keep employees informed?

Answer: EPA submitted Near Term Workforce Actions in compliance with OMB Memo 17-22 "Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce." In the near term, EPA is relying on VERA/VSIP to begin staff's voluntary workforce restructuring. For longer term implementation, EPA's plan will be part of a larger comprehensive Government-wide Reform Plan for publication in the President's FY 2019 Budget.

McCollum Q80: EPA's proposed workforce, the smallest since 1984, is still task with administering 7 major congressionally mandated programs including new workload such as the Toxic Substances Control Act. How will a reduction of this many staff not affect productivity?

Answer: EPA will be examining our programs and processes to create efficiencies and streamline our processes. Primary criteria will include effectiveness and accountability. EPA is focused on greater value and real results.

McCollum Q81: In FY 2017, Congress provided funding to maintain staff capacity to conduct work necessary to meet EPA's mandated responsibilities. The FY 2018 budget reduces funding for those very programs. Can EPA assure Congress that none of the actions it is taking in FY 2017 violate the Impoundment Act?

Answer: In FY 2017, the agency continues to maintain staffing capacity and work responsibilities consistent with the agency's FY 2017 appropriation. No funding will be impounded.

McCollum Q82: The budget proposes to cut support for employee wellness and worklife initiatives, such as federal cost share for fitness centers, health wellness, and CPR/ AED training services and libraries.

Answer: The agency's FY 2018 budget request lays out a comprehensive back-to-basics and foundational strategy to maintain core environmental protection obligations and to focus more closely on our statutory obligations.

Staff Reductions

EPA has carved out $12 million in staff buyouts for the current fiscal year.

McCollum Q83: Will a Reduction in Force be necessary to reach EPA's proposed staffing level? If so, for how many positions and will EPA apply the Reduction in Force equally across both headquarters and regional offices? If not, what formula will the Agency use to do this?

Answer: The agency plans to rely on a hiring freeze, attrition and VERA/ VSIP authority as primary tools for workforce reshaping.

McCollum Q84: When a person loses their job thru a RIF they are entitled to severance pay, which can, depending on age and service time, easily be a full year's salary. How has the Agency calculated that cost?

Answer: The agency plans to rely on a hiring freeze, attrition and VERA/ VSIP authority as primary tools for workforce reshaping.

McCollum Q85: The FY 2018 budget proposes a new program project titled Workforce Reshaping which includes $11 million in Science and Technology and $47 million in Environmental Program and Management to support organization restructuring.

Answer: The agency anticipates the need to offer VERA/VSIP as part of the workforce reshaping effort. Funding will be used to support VERA/VSIP costs.

McCollum Q86: How does EPA propose to spend this money?

Answer: The agency anticipates the need to offer VERA/VSIP as part of the workforce reshaping effort. Funding will be used to support VERA/VSIP costs, which include an incentive payment to participating employees of up to $25,000.

McCollum Q87: What programs did you cut in FY 2018 budget to find the resources for this new program project?

Answer: The FY 2018 budget details the funding decisions made by the Agency.

McCollum Q88: If Congress agrees with the Administration's proposal for these significant staff reductions, how will EPA prioritize cuts in personnel so that the Agency can still fulfill its important charge to safeguard human health?

Answer: EPA will streamline existing business processes and eliminate unnecessary redundancies to utilize staff in line with the FY 2018 budget and with the agency's top human health priorities.

McCollum Q89: Will EPA consider the risks to human health and the environment from staff reductions in particular program areas?

Answer: The agency will prioritize staff and resources in line with the FY 2018 budget and with the agency's top human health and environmental priorities.

McCollum Q90: How will EPA maintain the scientific and technical expertise needed to do this essential human health work when so many seasoned professionals opt to retire early?

Answer: Over the past several years, EPA has focused on succession planning and a future workforce. EPA will streamline existing business processes and eliminate unnecessary redundancies to prioritize retaining critical scientific and technical expertise.

McCollum Q91: How will EPA enforce our environmental laws if EPA regional offices, who have primary responsibility for enforcement, are closed?

Answer: The FY 2018 budget does not propose closing any regional offices.

Regulation Review

Executive Order 13783 on Promoting Energy Independence and Economic Growth requires a review of all regulations.

McCollum Q92: How is EPA going about conducting this review and what scientific evidence and economic assumptions or models is the Agency relying on for the basis of its decisions?

Answer: EPA is currently reviewing several regulations that are specifically identified in EO 13783. EO 13783 also directed EPA to review regulations that may potentially burden the production or use of domestic energy resources. To identify such regulations, EPA is using the public comments received through the Agency's Regulatory Reform Docket. Pursuant to EO 13777, EPA held multiple public meetings and opened a Regulatory Reform docket for public comments about regulations that may be appropriate for repeal, replacement, or modification. EPA continues to evaluate these comments. Any regulations identified for possible repeal, replacement, or modification would be subject to standard rulemaking procedures, consistent with our legal authorities and information quality guidelines.

McCollum Q93: Environmental regulations already undergo a rigorous analysis of costs and benefits as they move through the regulatory process. In its annual accounting to Congress last year, OMB found that benefits of major rules EPA officially adopted from 2005-2015 exceed their costs by up to 13 times (OMB 2016). A 2011 peer-reviewed EPA assessment of the long term benefits and costs of the Clean Air Act and its implementing regulations found that its middle estimate of annual benefits exceeds costs by 30 to one--that's $2 trillion in net benefits vs. $65 billion in costs. Which specific EPA regulations does EPA believe are overly stringent and in need of scaling back?

Answer: EPA has begun to take action on some regulations, such as those identified in Executive Orders 13783 and 13778. EPA is reviewing additional regulations, orders, guidance documents, policies, and any other similar agency actions that may potentially burden the development or use of domestically produced energy resources. Any regulations identified for possible repeal, replacement, or modification would be subject to standard rulemaking procedures, consistent with our legal authorities and information quality guidelines.

McCollum Q94: Administrator Pruitt has expressed concern about the compliance costs of particular industries, please provide an estimate of the change in net benefits to the American public from rolling any regulations back.

Answer: Such estimates will be part of the rulemaking record for individual rules that are revised or rescinded, as appropriate.

McCollum Q95: Has the Agency considered the additional cost to industry of facing a patchwork quilt of different state requirements instead of one federal standard?

Answer: Within the statutory boundaries, there are a number of factors to consider when revising federal rules, which can include: costs, implementation issues, and the appropriate balance between state and federal authority. EPA will consider each of those factors, and others, as appropriate, when revising rules.

McCollum Q96: What steps has EPA taken to implement President Trump's Executive Order on Reducing Regulation and Controlling Regulatory Costs?

Answer: With certain exceptions and limitations, EO 13771 directs all agencies to identify for elimination two existing regulations for each new regulation issued in FY 2017 and thereafter,

and also directs agencies that the total incremental costs of all regulations should be no greater than zero in FY 2017. Executive Order 13777 on Enforcing the Regulatory Reform Agenda further directs federal agencies to establish a Regulatory Reform Task Force and to evaluate existing regulations and make recommendations regarding their repeal, replacement, or modification. Consistent with these Executive Orders, EPA established a Task Force and has been taking a careful look at existing EPA regulations to help identify regulations that may be appropriate for repeal per EO 13771, in order to develop recommendations for the Administrator. EPA also has initiated the delay or reconsideration of multiple regulations finalized by the previous administration that have led to cost savings that may further EO 13771 implementation.

McCollum Q97: How is EPA choosing which two regulations to repeal for every new regulation promulgated?

Answer: In April, OMB released guidance clarifying implementation of EO 13771.

McCollum Q98: In EPA's regulation review has the Agency consistently adhered to the requirements of the Administrative Procedures Act, specifically the notice-and-comment period that gives the public time to respond to any proposed changes by the government?

Answer: EPA is in the process of conducting its E.O. 13783 review and, to the extent that the Administrative Procedures Act requires EPA to engage in notice and comment rulemaking in order to revise or rescind any of the regulations identified during this process, EPA intends to do so.

McCollum Q99: How does EPA justify delaying the effective date for the companion rule for Pesticide Applicator Protection for an additional year to May 22, 2018?

Answer: The effective date of the Certified Pesticide Applicator (CPA) rule is being extended to May 22, 2018, to give recently arrived agency officials the opportunity to conduct a substantive review of the rule consistent with the principles as expressed in the memorandum of January 20, 2017, from the Assistant to the President and Chief of Staff, entitled "Regulatory Freeze Pending Review," and the principles expressed in the April 25, 2017, Executive Order "Promoting Agriculture and Rural Prosperity in America." The effective date extension seeks to prevent the confusion and disruption among the regulated community and stakeholders that would occur if the CPA rule became effective, displacing the existing regulation, and then was substantially revised or repealed as a result of administrative review. The 12-month extension also provides time for EPA to consider revisions to the certification rule based on input received through the Regulatory Reform Agenda effort.

McCollum Q100: Is EPA proposing any changes to its plans for assessing the risk of pesticides for endangered species?

Answer: EPA, National Marine Fisheries Service (NMFS), and Fish and Wildlife Service (FWS) (the Services) are currently involved in discussions exploring possible options for streamlining the interim methods and process we have been following based on the recommendations of the

National Academy of Sciences (NAS) in its April 2013 report1. The NAS recommendations for assessing risk from pesticide exposure to threatened and endangered species involves a 3-step process that integrates ecological risk assessment methods with Endangered Species Act (ESA) consultations. EPA, NMFS, FWS, and USDA held several workshops to develop those interim methods, which were intended to be part of an iterative process that continues to evolve as EPA and the Services gain experience with the process. We used those interim methods in the biological evaluations for chlorpyrifos, diazinon, and malathion, which were released in January 2017.

The current schedule for completing the initial set of biological evaluations has not changed. EPA released the biological evaluations for chlorpyrifos, diazinon, and malathion in January 2017 and their biological opinions are scheduled to be completed at the end of 2017. Biological opinions for methomyl and carbaryl are scheduled for December 2018. Effects determinations and initiation of consultation for atrazine, simazine, propazine, and glyphosate are scheduled for 2020.

McCollum Q101: Does the FY 2018 budget provide the staff and resources needed to adequately assess the risk of pesticides for these species?

Answer: Yes, the FY 2018 President's Budget provides the staff and resources needed to adequately assess the risk of pesticides to endangered species. Currently, the registration user fees can cover a portion of the costs associated with the assessment of risks to endangered species. If PRIA 4 passes, it also will have language that will explicitly cover allowing the use of maintenance fees funding to cover the costs of endangered species activities; although currently, under FIFRA, nothing prevents EPA from using maintenance fees for endangered species activities.

McCollum Q102: EPA extended the effective date for emissions standards, record keeping, and labeling provisions for formaldehyde emissions until March 22, 2018. How is this not creating an unfair advantage for foreign imports over North American manufacturing of composite wood products?

Answer: EPA received requests from the composite wood industry and support from other stakeholders requesting the extension of the compliance dates. EPA has not yet extended the compliance dates. EPA published a Direct Final Rule (DFR) on May 24, 2017, to extend the compliance dates. Because EPA received relevant, adverse comment on the DFR, EPA is in the process of withdrawing this action. To save time in the event of such adverse comment, EPA also published a companion Notice of Proposed Rulemaking (82 FR 23769). EPA will proceed with this proposed rule through the normal rulemaking process and will consider all comments received prior to finalizing this action. EPA does not believe the extension of the compliance dates provides any meaningful advantage for imported products over domestically produced products. The agency's proposed extension of the compliance date for the formaldehyde

[1] For more information about implementing recommendations found in the NAS report: https://www.epa.gov/endangered-species/implementing-nas-report-recommendations-ecological-risk-assessment-endangered-and

emissions standards, recordkeeping, and labeling provisions, and any benefits that extension may provide are equally applicable to all regulated entities under the rule. After that compliance date, like North American-manufactured composite wood products, imported composite wood products and imported finished goods and component parts made of composite wood products will have to comply with the formaldehyde emission standards and other provisions in the final rule.

In the economic analysis supporting the final rule, EPA estimated that the majority of composite wood products, both domestic and imported, are already meeting the TSCA Title VI emissions standards because they currently comply with the California Air Resources Board (CARB) formaldehyde emission standards, which are identical to the TSCA Title VI emission standards. While some panel producers do not sell composite wood panels in California, many intermediary entities (*e.g.*, fabricators of finished goods, distributors, importers, retailers, etc.), choose to purchase only CARB-compliant products so that they do not need two supply streams, or one for products that may be sold or supplied in California and one for products that are not.

McCollum Q103: How does EPA plan to defend the many inevitable lawsuits it will face from rolling back environmental regulations? Is this really the most effective way for EPA to fulfill its mission?

Answer: EPA is effectively fulfilling its mission by ensuring the agency issues sensible regulations that protect the environment based on our statutory authority and allow for economic growth. We often face litigation in response to regulatory decisions, given the broad range of stakeholders we serve, who care deeply about the work we do. EPA will continue, as we always have, to work with the Department of Justice to vigorously defend against lawsuits brought against the agency.

McCollum Q104: Executive Order 13777 required the head of each agency to designate a Regulatory Reform Officer to oversee the implementation of regulatory reform initiatives and policies to ensure agencies effectively carry out regulatory reforms, consistent with applicable law.

Answer: EPA is aware of the requirements of Executive Order 13777.

McCollum Q105: Who have you appointed as the Regulatory Reform Officer for EPA and what are their credentials?

Answer: Administrator Pruitt designated Samantha K. Dravis, Senior Counsel and Associate Administrator for the Office of Policy to serve as EPA's Regulatory Reform Officer. Ryan Jackson, EPA Chief of Staff serves as Chairman. Regulatory Reform Task Force members include Byron Brown, EPA Deputy Chief of Staff for Policy; and Brittany Bolen, EPA Office of Policy Deputy Associate Administrator.

Chesapeake Bay

Chesapeake Bay is the nation's largest estuary in which 18 million people live and work; there are 3,600 types of fish, wildlife and plant life that underpin the economic value of the ecosystem; and where in a voluntary partnership with other federal, State, and local governments, and NGOs, academic institutions, private businesses and individual citizens, 10 Goals for restoring the ecosystem have been set to be met by 2025.

McCollum Q106: Just when the Chesapeake Bay is beginning to show improvement the FY 2018 budget cuts the funding for all Geographic Programs, including the $73 million for the Chesapeake Bay. Who will step into the role EPA has played of coordinating all the partners in this exemplary effort?

Answer: The TMDL agreed upon between the six states and District of Columbia in the Chesapeake Bay watershed is a true model of "cooperative federalism" and the type of state and local collaboration that is essential to transboundary environmental restoration. EPA encourages states to continue to use collaboration, coordination, and consensus to make multi-jurisdictional decisions. We look forward to continuing to work with the committee and relevant stakeholders to achieve the shared environmental goals of the Chesapeake Bay TMDL.

McCollum Q107: Efforts to restore the Chesapeake Bay are seen as a national and international model for sustainable use of coastal regions. What message are we sending about our leadership and commitment when we reduce funding to such an exemplary project from which recovery lessons can be duplicated in coastal regions worldwide?

Answer: The restoration of the Chesapeake Bay would not be possible without state and local collaboration. The message this administration is sending is the centrality of state and local collaboration for local environmental work. The Chesapeake Bay TMDL is the model of cooperative federalism that EPA would like to promote for multi-jurisdictional environmental restoration, which is why EPA encourages states and local entities to continue to use collaboration, coordination, and consensus to restore the Bay. EPA will continue to engage in meaningful discussions about how to continue state-led restoration work in the Chesapeake Bay through its role in representing the Federal government on the Chesapeake Executive Council.

Environmental Justice

The budget eliminates all resources for the Environmental Justice program. The budget claims that EPA will incorporate EJ work within the Integrated Environmental Strategy program within the Office of the Administrator; however, there is no associated funding requested.
The budget also eliminates the lead program, which works to reduce disparities in blood lead levels between low income children and non-low income children.

McCollum Q108: What Environmental Justice work will be discontinued as a result of the elimination?

Answer: The agency remains committed to working with communities to develop solutions to the environmental and public health challenges they face. Environmental Justice will continue to be considered within the work done at EPA and also will be specifically incorporated into future policy work within the agency's Integrated Environmental Strategies program in the Office of the Administrator.

McCollum Q109: How much funding in the FY 2018 budget is dedicated for Environmental Justice work in the Integrated Environmental Strategy program?

Answer: Although EPA is not requesting funds for the Environmental Justice program, the agency remains committed to working with communities to develop solutions to the environmental and public health challenges they face.

McCollum Q110: How many staff will be reassigned or terminated due to the elimination?

Answer: Twenty-four FTE at headquarters and 16 FTE in the regions were associated with the Environmental Justice program project. Staff reassignments will be made as part of our broader workforce reshaping effort.

McCollum Q111: How will EPA identify and track low income and minority communities that are disproportionately burdened by pollution?

Answer: EPA will continue to use EJSCREEN as the primary tool to screen for communities with environmental justice concerns.

McCollum Q112: The recent tragedy in Flint, Michigan, in which low income minority children were poisoned by lead in their drinking water, reminded the country of the danger of lead poisoning. How will EPA ensure that all children are protected, even in states that do not have their own lead program?

Answer: Protecting children from exposure to lead is a top priority for EPA. The agency will continue to coordinate with states, tribes, and territories to enforce not only the Lead and Copper Rule, but all Safe Drinking Water Act national primary drinking water regulations. EPA will continue its work with our co-regulators to ensure that owners/operators of public water systems address noncompliance in a timely manner, prioritizing those systems with the most serious or repeated violations. In particular, EPA will continue to focus on working with states to optimize corrosion control treatment to minimize exposure to lead. EPA will also continue to focus on small systems by strengthening and targeting financial assistance, in coordination with state infrastructure programs, to support rehabilitation of the nation's infrastructure. The agency also will look for ways to promote partnerships among water systems to build capacity and work with states and tribes, as well as with utility associations, third-party technical assistance providers and other federal partners, to promote the sustainability practices that are the foundation for building technical, managerial, and financial capacity.

Enforcement

McCollum Q113: Thanks to the work of this office, settlements were negotiated from EPA actions with Volkswagen AG and BP PLC spill that have resulted in funds going to states and communities. Given the proven success of this office, why does the FY 2018 budget propose to cut Enforcement by 23%?

Answer: EPA reduced resources in areas where states have enforcement authority and significant progress has been made. EPA will focus enforcement (including criminal) and compliance resources on direct implementation responsibilities, the most egregious cases, and in areas that address the most substantial impacts to human health and the environment.

McCollum Q114: The budget justification states that EPA will focus the civil enforcement program's resources on "programs that are not delegable [to states] or where a state has not sought or obtained the authority to implement a particular program." Does this mean that EPA will no longer take any enforcement actions against polluters violating federal environmental rules that a state has authority to enforce? Under EPA's approach, what would happen if a state -- due to lack of resources or political pressure -- fails to enforce a federal environmental rule against a violating polluter?

Answer: We will focus on our direct implementation responsibilities and oversight, emphasizing violations with public health and environmental impacts.

McCollum Q115: What will be the impact of the proposed cuts to enforcement on the number of state and federal facility inspections, the amount of compliance assistance, and the number of enforcement actions that states and EPA have the capacity to pursue?

Answer: EPA works in partnership with state and tribal agencies to assure compliance, protect public health and the environment, and ensure a level playing field for companies that follow the rules. The agency will focus our resources on direct implementation responsibilities and the most significant violations. For FY 2018, the number of federal inspections and evaluations is projected to be 9,500. The agency also is projecting that 1,750 federal civil, judicial, and administrative enforcement cases will be initiated in FY 2018.

Energy Star and Water Sense

Through EPA's Energy Star and Water Sense programs, Consumers can save money by reducing their energy and water use while helping to protect the environment. These programs have motivated private sector investments, and moved the goal post on efficient technologies in the market place.

McCollum Q116: With a history of bipartisan support and immense value-added for businesses and consumers alike, what is EPA's rationale for throwing out 25 years of investment in these programs in the coming fiscal year? Isn't it a good thing when Americans can lower their

energy bills and drinking water costs, reduce pollution, and help implement EPA's statutory mandates for clean air and water, all at the same time?

Answer: The President's FY 2018 budget request for EPA reflects the success of environmental protection efforts, a focus on core legal requirements, and the important role of federal-state partnerships in implementing the nation's environmental laws. The voluntary Energy Star and WaterSense programs are reduced in the President's Budget (WaterSense is proposed for elimination) as part of the overall effort to target and prioritize EPA's core activities.

McCollum Q117: Does Administrator Pruitt believe these programs represent an appropriate role for a federal agency? If not, how does he envision that the private sector will continue to develop product guidelines in partnership with a patchwork of state and local governments and competing businesses?

Answer: EPA will continue to find ways to partner with stakeholders in the private sector to innovate, improve our environment, and strengthen our economy.

McCollum Q118: What private organization might take on the breadth and complexity of these programs, is unbiased, can hire and gear up quickly to set up the networks and infrastructure necessary to manage these programs? If none currently exist, isn't it premature to cut the budget of respected and valued programs with great consumer and environmental results?

Answer: EPA will continue to find ways to partner with stakeholders in the private sector to innovate, improve our environment, and strengthen our economy.

Toxics and peer review

Many state and local governments rely heavily on US EPA's office of research and development's assessments of hazardous chemicals like the Integrated Science Assessments under the Clean Air Act or the IRIS program for toxics to set their clean up levels for hazardous pollutants like known neurotoxins such as lead and carcinogens such as benzene. The current president's budget targets these scientific functions for large cuts.

McCollum Q119: How will EPA increase its support to state and local agencies to perform those scientific assessments on a case-by-case basis?

Answer: Assessment of chemicals, and the authority to manage hazardous chemicals, is a mandated requirement with the June 22, 2016 passage of the Frank R. Lautenberg Chemical Safety for the 21st Century Act, amending the Toxic Substances Control Act (TSCA). On June 22, 2017, EPA announced the finalization of a number of procedural framework rules related to chemical prioritization, risk evaluation, and risk management activities. See: https://www.epa.gov/assessing-and-managing-chemicals-under-tsca/frank-r-lautenberg-chemical-safety-21st-century-act-5. Pursuant to these rules and its new authority under TSCA, EPA expects to engage states and local governments, as well as the general public, on prioritizing chemicals for risk evaluation and conducting risk evaluations in an open, transparent

manner consistent with the best available science. In addition, hazard and exposure data, previously held confidential and not available to states, will now be accessible to these governments.

EPA's Integrated Risk Information System (IRIS) develops assessments. EPA scientists also produce Integrated Science Assessments (ISAs) that evaluate peer-reviewed publications that reflect scientific knowledge. These ISAs provide the foundation for the National Ambient Air Quality Standards (NAAQS). They go through a very rigorous and independent peer-review and a public comment period.

McCollum Q120: How will EPA ensure that adequate health protection that follows the health evidence results for all Americans including vulnerable populations like pregnant women, infants, children, and seniors to protect them from these known and emerging hazards?

Answer: The 2016 amendments to TSCA explicitly require EPA to consider risks to vulnerable populations as part of the process to evaluate chemicals under TSCA. The recently finalized procedural rule on Risk Evaluation reflects this statutory mandate, specifically requiring that EPA "integrate and assess available information on hazards and exposure for…the chemical substance, including information on specific risks of injury to health or the environment and information on potentially exposed or susceptible subpopulations." See preamble, page 6. As defined in TSCA, "potentially-exposed or susceptible subpopulations" means a group of individuals within the general population identified by EPA who, due to either greater susceptibility or greater exposure, may be at greater risk than the general population of adverse health effects from exposure to a chemical substance or mixture, such as infants, children, pregnant women, workers, or the elderly." 15 U.S.C. 2602(12).

Hazardous Substance: Superfund Account

McCollum Q121: The budget eliminates funding for Radiation: Protection and states that EPA will explore alternatives to manage potential radiation risks at Superfund and hazardous waste sites to meet requirements and will explore alternatives to meet its statutory obligation, as mandated by Congress, to implement regulatory oversight responsibilities for Department of Energy activities at the Waste Isolation Pilot Plant facility. Where is this work funded in FY 2018? If there is no funding proposed in the budget, how will EPA meet its regulatory responsibilities?

Answer: The agency will explore alternatives to address continuing obligations.

McCollum Q122: What is the impact of this work not being done in FY 2018? What are the risks to human health if this work is not done?

Answer: The agency will explore alternatives to address continuing obligations. The WIPP program already has protocols in place to protect human health.

McCollum Q123: The budget states that the Superfund: Enforcement program protects communities by ensuring that responsible parties conduct cleanups. What will be the impact of this cut? How many responsible parties and cleanup sites does the Superfund: Enforcement program identify each year?

Answer: The proposed budget reflects the streamlining of the agency's identification of Potentially Responsible Parties (PRPs), settlement negotiations for cleanup and the recovery of costs when the agency has expended funds for cleanups. EPA will focus its enforcement resources on the most egregious cases and on sites that most substantially impact human health and the environment.

McCollum Q124: The budget states that the timeline for modernization of the Superfund Cost Recovery Package Imaging and On-Line System (SCORPIOS) is extended as a result of the budget cut. What is the revised date of completion as a result of the funding cut? How long is the delay? What is the total cost of this project and how much has been funded to date?

Answer: At the funding level requested in FY 2018 President's Budget, SCORPIOS modernization should be completed by Spring 2021, an additional two years from the current anticipated date. The total cost of the project is $4 million of which $760 thousands have been funded for development.

McCollum Q125: The budget eliminates EPA's financial support to the Department of Justice to assist EPA in prosecuting remediation cases. What is the amount of associated funding that will be eliminated? Will DOJ continue this work without EPA's financial support? How many matters related to remediation cases is DOJ involved with on an annual basis. How many cases of this nature is DOJ currently involved in and what will be the impact of the funding elimination on those cases?

Answer: The amount of funding proposed for elimination is $20.145 million. Under the proposal, DOJ support for Superfund Enforcement would come from DOJ's resources. In FY 2016, the DOJ supported 629 enforcement cases. EPA will work with DOJ to prioritize the most egregious cases.

McCollum Q126: The budget states that there are 174 federal facility Superfund sites, which include many of the Nation's largest and most complex cleanup projects, yet this program is eliminated. How will EPA ensure that appropriate oversight is conducted at these sites? Will the funding elimination affect the timeline of the cleanups and, if so, by how long?

Answer: The proposed budget has not eliminated the Superfund Federal Facilities Enforcement or the Superfund Federal Facilities Restoration and Reuse programs. The Federal Facilities Enforcement program's resources would be merged with the Superfund Enforcement account and work would continue under that consolidated program project. The Superfund Federal Facilities Restoration and Reuse program, which oversees and provides technical assistance for the protective and efficient cleanup and reuse of Federal Facility National Priorities List (NPL) sites, will continue to work closely with our federal partners to address sites with the most substantial impacts to human health and the environment.

McCollum Q127: How much funding does the budget cut for support for the headquarters and regional Emergency Operations Centers? What is the specific impact of these cuts? Will the EOCs be staffed by fewer employees? Will the Agency's operational readiness be affected by the resulting impacts to the EOCs and, if so, how?

Answer: Over the last few years, EPA has invested and remains committed to having agency Emergency Operations Centers (EOCs) remain resilient despite variable budgets. Headquarters and Regional EOCs expect to continue to maintain current response personnel/assets and readiness.

McCollum Q128: The budget states that the proposed reduction to the Homeland Security: Preparedness, Response, and Recovery program project will cause the Agency to have to reevaluate the need to use PHILIS and ASPECT for emergency response activities. ASPECT is the nation's only airborne real-time chemical and radiological detection, infrared and photographic imagery platform and it is available to assist local, national, and international agencies supporting hazardous substance response radiological incidents, and situational awareness in the US. PHILIS is EPA's mobile laboratory asset for the on-site analysis of chemical warfare agent and toxic industrial compound contaminated environmental samples Is EPA considering discontinuing ASPECT and PHILIS? Does the budget request impact operation of ASPECT and PHILIS? If discontinued, how would EPA fill this gap, what platform would conduct this work? How would states and local governments obtain these services?

Answer: EPA will continue to meet requirements of Homeland Security Presidential Directives. The Agency will evaluate PHILIS and ASPECT and will investigate with our partners the availability and suitability of other analytical assets to continue Chemical, Biological, Radiological and Nuclear (CBRN) preparedness and response work.

McCollum Q129: How will this affect workplace morale? Is discontinuing these services consistent with the rest of the federal government?

Answer: EPA remains committed to its response responsibilities in the event of emergencies.

McCollum Q130: The budget cuts $34 million from the Superfund: Emergency Response and Removal program project. How will this cut affect EPA's ability to respond to emergency response actions, removal assessments, and time critical response actions? What won't get done as a result of this reduction?

Answer: EPA will continue to prioritize and respond to releases of hazardous substances, and pollutants or contaminants, as required under the Comprehensive Environmental Response, Compensation, and Liability (CERCLA) with resource priority given to emergency response actions. The Agency may reassess its resource allocation on non-emergency time-critical and non-time critical removal response actions to focus on site stabilization.

McCollum Q131: The budget proposes to cut $167 million or 33% from the Superfund: Remedial program and as a result will have to prioritize resources on NPL sites that present the highest risk to human health. How many NPL sites will not receive funding as a result of the cut?

How many new sites will not be listed or have the cleanup process initiated as a result of the cuts?

Answer: The FY 2018 President's Budget request lays out a comprehensive back-to-basics and foundational strategy to maintain core environmental protection with respect to statutory and regulatory obligations. The Agency is in the process of determining what additional sites may be ready to initiate new construction work in FY 2018. In order to speed the pace of cleanups, a Task Force has been created to review best practices and new approaches in dealing with successfully restoring sites to productivity. The Task Force will outline steps to be taken in the near term to more expeditiously and effectively handle remediation of sites.

Leaking Underground Storage Tanks

McCollum Q132: The budget request cuts $16 million from LUST Cooperative Agreements, which support states in managing, overseeing, and enforcing cleanups at LUST sites. The budget request also eliminates fund for LUST Prevention. What will be the resulting cut to each state? How many fewer LUST cleanups will occur due to the cuts? How much of a states' budget for LUST cleanups does this funding represent? How many fewer inspections will occur?

Answer: LUST funding supports states in managing, overseeing, and enforcing cleanups at LUST sites. EPA will work with state partners to provide flexibility and focus on the highest environmental priorities. The amount of change for each state varies with the overall allocation received and each state's individual contribution to the effort. Approximately 71,000 releases remain that have not reached cleanup completion.

Pollution Prevention

The budget proposes to eliminate work in several EPA offices authorized under the Pollution Prevention Act, which was enacted in 1990 to focus industry, government and public attention on reducing the amount of pollution through cost effective changes. It also eliminates EPA's pollution prevention work under the Clean Air Act, Section 7401(c), of which the "primary goal is to encourage or otherwise promote ... actions...for pollution prevention."

McCollum Q133: The budget justifies significant reductions and program eliminations as the Agency refocusing on core work. Under Administrator Pruitt's leadership, does EPA consider pollution prevention part of EPA's core statutory work?

Answer: EPA has made great strides in carrying out the intent of Congress to encourage reductions in the generation, use and release of hazardous substances while helping businesses reduce operational costs. Based on previous investments in P2 solutions, partners are expected to be able to continue to share best practices. Within EPA, programs implementing environmental laws will continue to pursue approaches that prevent pollution at the source. For example, pollution prevention has, and is expected to be, a key tool in implementing the Toxics Substances Control Act, as amended in 2016, which requires EPA, in promulgating rules to

mitigate unreasonable risk, to consider technically and economically feasible alternatives that benefit health or the environment (TSCA Section 6(c)(2)C),

Marine Pollution

The budget proposes to eliminate the Marine Pollution Program. EPA is responsible for managing, along with the Army Corps, ocean disposal of sediments dredged from our ports, harbors and shipping channels to maintain the safe passage of military, commercial, and recreational vessels. EPA helps to ensure that radioactive waste, toxic chemicals, and sewage sludge that directly affect human health are not dumped into our coastal and ocean waters.

McCollum Q134: What is the impact of this proposed elimination on the health of the marine ecosystem? By how much will the percent decline of active dredged material ocean dumping sites achieving environmentally acceptable conditions?

Answer: EPA will seek opportunities to continue to meet statutory mandates, including those of the Marine Protection, Research, and Sanctuaries Act (MPRSA), to the extent possible within the Surface Water Program.

McCollum Q135: How will the proposed cuts affect data collection and maintenance?

Answer: EPA will seek opportunities to continue to meet statutory mandates, including activities pursuant to the MPRSA such as development of site management and monitoring plans, to the extent possible within the Surface Water Program.

McCollum Q136: State and local governments will be directly impacted by degradation of their coastal resources, however, these entities do not have authority over ocean dumping in marine waters. If the marine program is eliminated as requested, how will EPA prevent, monitor, and control pollution in those waters?

Answer: EPA will seek opportunities to continue to meet statutory mandates, including those of MPRSA, to the extent possible within the Surface Water Program.

Drinking Water

Just last year we had a public health disaster in Flint, Michigan, where local residents were exposed to dangerously high levels of lead in their drinking water. Yet, the budget proposes to cut the drinking water program funding by 17 percent and the Public Water System Supervision Categorical Grant program by 30 percent.

McCollum Q137: How will these proposed reductions impact the States' abilities to provide technical assistance to owners of public water systems?

Answer: EPA will work with states and tribes to target the funds to core statutory requirements while providing states and tribes with flexibility to best address their particular priorities. In FY 2018,

EPA will provide funds to support state and Tribal efforts to assist water systems in meeting existing drinking water regulations and in working to develop the financial and managerial capacity needed to protect federal investments that remedy aging or inadequate infrastructure (e.g., pipe replacement to prevent failures in distribution systems; installation of treatment to remove harmful drinking water contaminants). EPA will encourage states to use grant funds to focus on the most immediate challenges public water systems are facing today that impede their ability to properly operate and maintain their infrastructure to protect public health and achieve long-term sustainability. These challenges include difficulties achieving readiness to obtain financial assistance, limited access to well-qualified and experienced utility personnel, and lack of technical expertise and managerial capacity.

McCollum Q138: How will the proposed cuts affect data collection and maintenance?

Answer: Funding in the FY 2018 President's Budget request supports the completion of Safe Drinking Water Information System (SDWIS) modernization with the release of SDWIS Primacy Agency (Prime) and the initiation of support for state and regional transition to SDWIS Prime.

In FY 2016, EPA released the Compliance Monitoring Data Portal (CMDP) enabling drinking water utilities and laboratories to report data electronically to primacy agencies with fewer errors and in a more efficient manner. The portal will increase data accuracy and completeness and could decrease the overall reporting burden for primacy agencies by hundreds of thousands of hours. Primacy agencies can use the portal-reported data to make more informed decisions about water system compliance and focus their limited resources on preventing and responding to public health problems. In FY 2017, EPA is assisting primacy agencies in transitioning to and utilizing CMDP, and will continue this assistance in FY 2018.

In FY 2018, EPA will continue work with states to develop SDWIS Prime. SDWIS Prime is a centralized infrastructure technology system that will replace SDWIS State (the management and reporting tool used by 43 state drinking water programs) and other systems that are hosted and operated separately by each primacy agency. EPA also will work with states to initiate their transition to SDWIS Prime. Benefits of this transition include: improvements in program efficiency and data quality; greater public access to drinking water data; facilitation of electronic reporting; reductions in reporting burdens on laboratories and water utilities; reductions in data management burden for states; and, a reduction risk to public health.

McCollum Q139: What will be the impact of the reductions on laboratory certification and sample analysis?

Answer: States have the primary responsibility for certification and oversight of the commercial and municipal laboratories that generally analyze compliance-monitoring samples for PWSs. Some states also operate their own laboratories for the analysis of compliance-monitoring, investigatory, and incident-response samples. Public Water System Supervision grants provide states with resources to assure timely and accurate compliance monitoring, respond to violations that may impact public health, and share results with the public. States will determine the relative support to provide to their areas of responsibility such as laboratory certification and sample

analysis. Additionally, funding for the Unregulated Contaminant Monitoring Rule (UCMR) is not reduced and provides critical implementation support for emerging-contaminant occurrence data collection. This includes support to labs that conduct Unregulated contaminant occurrence monitoring (UCMR) and sample analyses for the nations' small public drinking water systems (PWS), as well as support training for regional and state certification officers and technical support/troubleshooting to regions, states, and laboratories.

McCollum Q140: How will the proposed cut impact EPA's training and technical assistance to States, tribes, and public water systems for compliance with Safe Drinking Water Act regulations?

Answer: EPA will streamline and prioritize support activities such as training and technical assistance to states, tribes, and public water systems for compliance with Safe Drinking Water Act regulations. EPA will target its support as outlined: the Agency will continue to work with states and tribes to implement requirements for all National Primary Drinking Water Regulations (NPDWRs) which require that systems install, operate, and maintain appropriate levels of treatment and effectively manage their distribution systems. In particular, EPA will continue to focus on working with states to optimize corrosion control treatment to minimize exposure to lead. EPA also will continue to require states to report violations data at all public water systems for all rules, including requirements to protect against Cryptosporidium, to control disinfection byproducts, and to implement the Revised Total Coliform Rule.

In addition, EPA will continue to focus on small systems by strengthening and targeting financial assistance, in coordination with state infrastructure programs, to support rehabilitation of the nation's infrastructure. The Agency also will look for ways to promote partnerships among water systems to build capacity and work with states and tribes, as well as with utility associations, third-party technical assistance providers, and other federal partners, to promote the sustainability practices that are the foundation for building technical, managerial, and financial capacity, known as Capacity Development.

McCollum Q141: According to the budget request, in FY 2016, nearly ten percent of the population served by Community Water Systems received drinking water that did not meet all applicable health-based drinking water standards. How will these proposed cuts affect EPA's ability to address on-going compliance challenges? What activities will be reduced?

Answer: The 1996 Safe Drinking Water Act (SDWA) Amendments established a strong emphasis on enhanced water system management to achieve and maintain technical, managerial, and financial (TMF) capacity of the nation's drinking water systems. EPA resources and grants that states use to implement the drinking water program will primarily target small systems that lack the capacity to comply with health based drinking water standards. While most small systems consistently provide safe and reliable drinking water to their customers, many small systems face challenges with aging infrastructure, complying with regulatory requirements, workforce shortages and high staff turnover, increasing costs, and declining rate bases. In FY 2016, small community water system violations made up 94 percent of overall violations; however, in Indian Country, only 88 percent of the population served by CWSs received drinking water that met all applicable health-based standards. EPA will continue to focus on

small systems by strengthening and targeting financial assistance, in coordination with state infrastructure programs, to support rehabilitation of the nation's infrastructure. The agency also will look for ways to promote partnerships among water systems to build capacity and work with states and tribes, as well as with utility associations, third-party technical assistance providers, and other federal partners, to promote the sustainability practices that are the foundation for building technical, managerial, and financial capacity.

Research and Development

EPA laboratories are resources for EPA as well as states, tribes, municipalities, and other federal agencies.

McCollum Q142: At the proposed funding levels in the FY 2018 budget request, how will EPA retain the expertise of the scientists at these laboratories? Does the Agency intend to close any of the labs?

Answer: EPA will endeavor to retain its workforce with the proper distribution of skills. In addition, EPA will carefully review its footprint and continue efforts to reconfigure EPA's workspaces in order to release square footage and reduce long-term rent.

National Vehicle and Fuels Emission Laboratory

The National Vehicle and Fuel Emissions Laboratory (NVFEL), located in Ann Arbor, Michigan, is an integral part of EPA Office of Transportation and Air Quality. Through this program EPA develops, implements, and ensures compliance with national emission standards to reduce mobile source related pollution and ensure air quality benefits and fair competition in the marketplace.

McCollum Q143: The budget request notes that there is an increased demand for the outcomes from this program, but proposes reducing the program by $17 million. Has EPA analyzed the resultant economic impact on manufacturers or the health and economic impact on consumers' from this proposed reduction of work?

Answer: The Agency will continue to perform its compliance oversight functions on priority matters and will conduct compliance oversight tests where there is evidence to suggest noncompliance.

McCollum Q144: The Lab's work also protects industry by ensuring all automakers play by the same rules and to hold companies accountable that gain an unfair and illegal competitive advantage. Engineers at this Lab were instrumental in uncovering evidence on Clean Air Act violations that led to Volkswagen paying billions of dollars to their customers and to mitigate for pollution emitted from their cars and the current lawsuit against Fiat Chrysler and discrepancies in its auxiliary emission control devices. How would the proposed reduction impede the oversight that results from the work of this Lab?

Answer: The Agency will focus its efforts on certification decisions. EPA will continue to perform its compliance oversight functions on priority matters; and will conduct compliance oversight tests where there is evidence to suggest noncompliance.

McCollum Q145: In order to meet the demand from the auto industry, how will EPA fill the funding gap that would result from the proposed reduction? Does EPA intend to create new user fees for the lab above the ones that the industry already pay?

Answer: The Agency will focus its efforts on certification decisions. The agency also will assess the capabilities of new and current vehicle technologies and focus efforts to detect violations of clean air standards in a more efficient matter. New user fees are not included in this budget request.

McCollum Q146: In March, EPA issued a notice of intent to reconsider the final determination on the appropriateness of the Model Year 2022-2025 Light-Duty Vehicle Greenhouse Gas Emissions Standards. At the proposed budget levels, how does EPA intend to conduct the analysis that this reconsideration will entail?

Answer: EPA will utilize the available resources to conduct the reconsideration of the Model Year 2022-2025 standards Mid-term Evaluation Final Determination. EPA will not only make use of its data and analysis, but also information from stakeholders, federal and state partners, and other resources to support the reconsideration process.

McCollum Q147: What are the next steps in the process?

Answer: The Administrator intends to make a new Final Determination no later than April 1, 2018; in accordance with EPA's regulations governing the Mid-term Evaluation process.

McCollum Q148: Will EPA officially withdraw the final determination? If so, when?

Answer: The Administrator announced in March 2017, his intention to reconsider the January 2017 Final Determination and his plans to issue a new Final Determination no later than April 1, 2018.

McCollum Q149: Will there be another proposed determination and public comment period?

Answer: The Administrator intends to make a new Final Determination no later than April 1, 2018; in accordance with EPA's regulations governing the Mid-term Evaluation process. EPA will follow applicable notice and comment procedures.

McCollum Q150: Will EPA and NHTSA produce another Technical Assessment Report? If so, does the proposed FY18 EPA budget provide enough resources to ensure a robust assessment?

Answer: Through prioritization of activities, EPA expects to have adequate resources to conduct the analysis that this reconsideration will require.

Eliminating Programs
Great Lakes

The Great Lakes support a $7B annual fishing industry and over 40 million people in this region depend on the Lakes for drinking water. Ecologically healthy lakes are necessary for the lakefront and recreational opportunities the Lakes provide for millions of people which contributes to local economies. Yet the FY 2018 budget shortsightedly proposes to eliminate $300 million for the Great Lakes Restoration Initiative. This reduction will impact cleaning up toxic algae, phosphorus from sewage treatment plants, and other pollutants that threaten water supplies and make it dangerous to eat the Lakes' fish. It is will also jeopardize the work of Federal agencies, states and stakeholders to address invasive species like Asian carp.

McCollum Q151: How does EPA justify eliminating this program, and the many other geographic programs like it that are critical for healthy regional ecosystems?

Answer: The Great Lakes are an important part of the U.S. fresh water supply, and EPA is committed to improving environmental conditions and human health for Americans that live and work in the Great Lakes region. EPA will continue to engage in meaningful discussions with Congress and with stakeholders in the region about how shared environmental goals related to the Great Lakes can be achieved.

McCollum Q152: Why aren't protecting these irreplaceable resources considered a basic function of EPA?

Answer: EPA will continue to engage in meaningful discussions with Congress and with stakeholders in the region about how shared environmental goals related to the Great Lakes can be achieved.

McCollum Q153: The Great Lakes effort is a multi-state effort which benefits from federal funding and staff support. Absent federal participation which encourages a collaborative effort to clean up ecosystems that span more than one state, what does EPA envision these efforts will look like moving forward?

Answer: EPA will encourage the eight Great Lakes states, tribal, and local entities to continue to make progress in restoring the Great Lakes from within core water programs, while continuing to engage with Congress and stakeholders in the region about how shared environmental goals can be achieved.

McCollum Q154: If funding is eliminated as proposed, how will EPA handle projects which are and could be in the middle of sediment remediation? Is there any risk that halting work could result in an environment hazard more dangerous than if the work had not been initiated?

Answer: EPA anticipates that at least one project will be under active sediment remediation at the beginning of FY 2018. This ongoing phase of work is fully funded. EPA will work to minimize costs and environmental risks as work on the project ramps down.

McCollum Q155: What would happen to projects which are recently completed but may be in the warranty work phase where habitat restoration or continued treatment for invasive species is being carried out? Sometimes these activities continue for 2-3 years. If this work is stopped, wouldn't the full benefit of the investment be lost?

Answer: EPA anticipates that at least five projects will be in the warranty work phase at the beginning of FY 2018. This ongoing phase of work is fully funded. EPA will work to minimize costs and environmental risks as work on the projects ramps down.

McCollum Q156: How would EPA manage the internal support contacts and the contract with Cetacean Marine associated with the maintenance and operation of the research vessels Lake Guardian and Mudpuppy II?

Answer: Management of internal support contractors will be handled through a negotiations process with the contractors.

McCollum Q157: What would be the associated costs of ceasing operations of the Lake Guardian and Mudpuppy II? Would the vessel be put into dry dock or would EPA dispose of it?

Answer: EPA is still evaluating options for the Lake Guardian and the Mudpuppy II. Once final decisions are made, costs would be determined through a negotiation process with the contractors.

Managing Environmental Protection
Merging Regional Offices

It has been reported that EPA is conducting an analysis regarding merging regional offices that is due to the Office of Management and Budget on June 15, 2017.

McCollum Q158: How would EPA plan to continue the Agency's close working relationship with states, with less regional staff and more distance involved?

Answer: EPA's mission will be accomplished by engaging with state, local, and tribal partners to create and implement sensible regulations. EPA continues to prioritize its relationship with states and will continue to invest in this relationship.

McCollum Q159: What are the specific health impacts and environmental impacts of closing regional offices? How will these closures affect EPA's mission to enforce environmental laws and otherwise protect the environment and human health?

Answer: The FY 2018 budget request does not propose to close any EPA regional offices.

McCollum Q160: Please outline in detail the costs to close these facilities and how EPA expects to absorb these costs within the proposed budget, including both the real estate costs of facility closure and the costs of personnel separations.

Answer: The FY 2018 budget request does not propose to close any EPA regional offices.

McCollum Q161: How would EPA manage an immediate disaster response to a natural disaster, industrial accident, or terrorist attack affecting our environment that adequately and rapidly coordinates federal, state and local first responders, environmental agencies, law enforcement and others, in the total absence of a nearby regional EPA office?

Answer: The FY 2018 budget request does not propose to close any EPA regional offices.

McCollum Q162: How would EPA replace the on-the-ground knowledge, technical expertise and leadership in these regions, so essential to developing an acceptable resolution when a company is charged with a violation, to ensure that environmental compliance?

Answer: The FY 2018 budget request does not propose to close any EPA regional offices.

Combined Heat and Power Partnership

The Combined Heat and Power Partnership provides technical support, makes business-to-business connections, and issues achievement awards to its roughly 400 partners. Since its launch, the Partnership has been credited with supporting roughly one-third of CHP installations. These projects slash energy use and costs, making their hosts more competitive and cutting carbon emissions. They also make our energy infrastructure more reliable, since CHP projects can keep the lights on when the grid goes down.

More than 100 businesses, advocates and associations – including Ameresco, Siemens and Solar Turbines – have joined a letter reaffirming the great value of the CHP Partnership and of CHP itself.

McCollum Q163: Given the Administration's commitment to improving our industrial competitiveness compared to our international competitors – and the great support that the CHP Partnership has provided since 2002, why does the Administration want to eliminate it?

Answer: EPA will explore options for the potential transfer of the CHP Partnership Program to non-governmental entities.

Environmental Monitoring

EPA tracks changes in nitrogen deposition and sulfur deposition to assess the effectiveness of the Acid Rain Program and related programs. The agency also tracks changes in surface water acidity in lakes and streams in acid sensitive regions to assess the change in the number of

chronically acidic water bodies. The Administration budget proposes that EPA close seven of 59 EPA-sponsored CASTNET monitoring sites (six on Tribal lands) and seven of EPA's 32 National Atmospheric Deposition Program sites.

McCollum Q164: How will this reduce EPA's ability to measure the results of the Acid Rain Program and related programs?

Answer: Under the proposed FY 2018 funding levels, the Agency would close seven of 59 EPA-sponsored CASTNET monitoring sites including six on tribal lands. The Agency would also close seven of EPA's 32 National Atmospheric Deposition Program sites. In both instances, the sites are newer, meaning long-term trend data will continue to be available. EPA will base its assessment on the remaining monitoring sites.

Elimination of Alternative Dispute Resolution

McCollum Q165: What are the benefits of EPA's use of alternative dispute resolution, and what analysis has EPA done that indicates program offices are able to conduct ADR on their own, without support?

Answer: EPA's use of alternative dispute resolution (ADR) has been shown to save time and money, and result in improved outcomes. These benefits have been documented in a variety of studies and peer-reviewed literature. EPA regional and program offices will continue to pursue ADR support services and training on an as needed decentralized basis.

Climate Change: GAO High Risk Area

McCollum Q166: According to EPA's budget, in 2013, the Government Accountability Organization designated climate change as a "High Risk" area, noting that climate change poses management challenges for the federal government at large, and that EPA will play a role in addressing this challenge. Since the budget request eliminates 91% of the climate change funding, what role will the Agency play in addressing this challenge?

Answer: Through this budget, EPA has laid out a strategy to maintain core environmental protection with respect to statutory and regulatory obligations. This budget provides the direction and resources to return EPA to its core mission.

Clean Power Plan

McCollum Q167: What is EPA's plan to provide the same level of greenhouse gas emissions reductions as the Clean Power Plan and other rules the Agency plans to reexamine?

Answer: The Supreme Court ruled, in *Massachusetts v. EPA*, that EPA has the authority to regulate carbon dioxide as an air pollutant under the Clean Air Act. Congress as a body,

however, has not weighed in on the question about whether the Agency is obligated to regulate carbon dioxide.

Pursuant to the Presidential Executive Order on Promoting Energy Independence and Economic Growth, the Agency is reviewing several regulations and, if appropriate, will initiate reconsideration proceedings to suspend, revise, or rescind these rules.

McCollum Q168: When does EPA anticipate its review of the Clean Power Plan will be completed as every passing month delays the important emission reductions this plan was designed to achieve?

Answer: EPA is reviewing the Clean Power Plan and has submitted to OMB a proposal arising from that review.

McCollum Q169: Is EPA planning to extend the administrative stays of any other regulations that reduce greenhouse gases from stationary sources which it is currently reviewing?

Answer: The President has directed agencies to review existing regulations that potentially burden the development of domestic energy resources; and, appropriately suspend, revise, or rescind regulations that unduly burden the development of U.S. energy resources beyond what is necessary to protect the public interest or otherwise comply with the law.

Ozone

McCollum Q170: Ozone is the main component in smog and has been scientifically proven to aggravate lung diseases, increase the frequency and severity of asthma attacks, and reduce lung function. EPA estimated that the benefit of an updated standard of 70 parts per billion will yield health benefits of $13 billion each year. However, Administrator Pruitt has delayed the compliance deadline by a year. What will be the health impact and additional cost to the public of this delay?

Answer: EPA is currently evaluating its options with regard to implementation of the 2015 Ozone NAAQS to allow EPA to further evaluate a host of complex issues regarding the 2015 ozone NAAQS and its implementation, such as: further understanding the role of background ozone levels and international transport; developing additional flexibilities for states to comply with the ozone NAAQS; and considering completely all designation recommendations provided by state governors, including full consideration of exceptional events impacting designations.

Chlorpyrifos

Administrator Pruitt, during your testimony to our subcommittee you stated that the USDA had a differing opinion from EPA's scientists on the dangers of chlorpyrifos. You sided with the USDA in that disagreement when you rejected the petition to revoke food tolerances of chlorpyrifos.

McCollum Q171: What scientific evidence and peer-reviewed studies were the basis of the USDA's conclusions? Do they have data that shows there is a safe level of exposure to chlorpyrifos, particularly for children and pregnant women? Who determined that the USDA's science is more reliable or valid than EPA's, and what process or standards did they use to come to that conclusion?

Answer: EPA received numerous comments raising concerns with the analysis EPA issued for public comment in November 2016, as part of the chlorpyrifos tolerance revocation rulemaking process. Among those concerns were comments submitted by the U.S. Department of Agriculture, available at:https://www.regulations.gov/document?D=EPA-HQ-OPP-2015-0653-0648. USDA's concerns mirrored similar comments submitted by other stakeholders, leading EPA to conclude that further evaluation of the science addressing neurodevelopment effectsduring the remaining time for completion of registration review is warranted to achieve greater certainty as to whether the potential exists for adverse neurodevelopmental effects to occur from current human exposures to chlorpyrifos. Notably, a recent decision by the U.S. Court of Appeals for the Ninth Circuit supported the evaluation and administrative processes designed under FIFRA. Pursuant to FIFRA's 15-year review requirement, EPA expects to complete the registration review of chlorpyrifos by October 1, 2022.

McCollum Q172: EPA has historically consulted with the USDA on pesticide related issues, but your testimony indicated that the USDA now has the power to overturn the conclusions of the Agency's own scientists. Has the USDA been elevated to the role of overseeing any decisions on pesticides under the Trump Administration? If so, who issued and approved of this guidance.

Answer: EPA has historically consulted with the USDA on pesticide-related issues and continues to do so. EPA engages USDA, as well as its other federal partners, in a collaborative manner to achieve regulatory decisions that reflect transparency and sound science. EPA routinely seeks USDA's input on pesticide-related issues, and routinely uses USDA data (e.g., NASS use survey information) to inform our risk assessments and regulatory decisions.

McCollum Q173: The mission of the USDA is very different from the mission of EPA. The USDA's mission is to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues. EPA's mission is to protect human health and the environment. Is the protection of human health and the environment still the mission that is guiding decisions on pesticide use under your leadership?

Answer: Yes, under the authorities of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA); the Federal Food, Drug, and Cosmetic Act (FFDCA); as amended by the Food Quality Protection Act of 1996, the Endangered Species Act (ESA), and the Pesticide Registration Improvement Renewal Act (PRIA), the protection of human health and the environment is still the mission guiding decisions on pesticide use.

Environmental Impact on Children's Health

It is estimated that 88% of the existing global burden of disease attributable to climate change occurs in children younger than 5 years old in both industrialized and developing countries. Climate change is currently affecting child health through increased heat stress, decreased air quality, altered disease patterns of some climate-sensitive infections, physical and mental health effects of extreme weather events, and food insecurity in vulnerable regions. Outdoor air pollution is linked to respiratory problems in children, including decreased lung function, coughing, wheezing, frequent respiratory illness, and asthma exacerbation. Children bear the burden of negative health outcomes resulting from exposure to pollutants across their lifespan.

McCollum Q174: EPA has put a hold on efforts to make our air cleaner by pausing work on the ozone standard and the Clean Power Plan. Is EPA calculating the costs to children and their families from all of the health effects of polluted air and accelerated climate change?

Answer: Administrator Pruitt is committed to protecting childrens' health and the health of the general public. EPA will continue to consider the impacts of all the regulations it issues.

McCollum Q175: As EPA Administrator overseeing this regulatory review, are you consulting with pediatric associations, patient organizations, or other representatives for children's health to determine the cost burdens that rolling back these regulations would place on impacted families and our health care system as a whole?

Answer: EPA has a Children's Health Protection Advisory Committee whose charter was renewed in June of 2017. The duties of this Advisory Committee are to provide advice and recommendations to EPA on policy issues associated with regulations, economics, and outreach/communications to address prevention of adverse health effects to children, and improve the breadth and depth of analyses related to these effects. Many of the members are from pediatric associations and other representatives of children's health.

McCollum Q176: How will the benefits to children of strong environmental regulations be weighed in comparison to the costs to some businesses of meeting those regulations in any final decisions?

Answer: The cost, benefits, and distributional impacts of regulations are one of the factors, along with others, that inform proposed and final regulations.

Tribal Treaty Rights and Tribal Consultation

In February 2016, the Agency finalized the "EPA Policy on Consultation and Coordination with Indian Tribes: Guidance for Discussing Tribal Treaty Rights". That Guidance begins with the statement that, "EPA recognizes the importance of respecting tribal treaty rights and its obligation to do so."

McCollum Q177: Does the Agency intend to continue to implement this Guidance under your leadership? Does the Agency continue to stand by the conclusion that you have an obligation to protect treaty rights and consult with tribal nations if those rights may be impacted by a proposed EPA action?

Answer: The Agency will continue to follow the law as it relates to tribal treaty rights and believes that the Guidance, which complements EPA's existing tribal consultation policy, serves as a framework to inform EPA's actions and decisions.

The U.S. Constitution defines treaties as part of the supreme law of the land, with the same legal force as federal statutes.

McCollum Q178: The Guidance states that, "As part of its commitment, EPA will emphasize staff training and knowledge-sharing on the importance of respecting tribal treaty rights in order to better implement this Guidance". What training has been done for staff on this topic since you were confirmed as Administrator? Does the Agency intend to provide such training in the future?

Answer: EPA's American Indian Environmental Office, within the Office of International and Tribal Affairs, has hosted a number of trainings on EPA *Policy on Consultation and Coordination with Indian Tribes: Guidance for Discussing Tribal Treaty Rights* in 2017, and continues to work with our regional and national offices to schedule more training opportunities for EPA staff.

In addition to our specific training on treaty rights, the Agency requires staff to take a short training course every two years on "*Working Effectively with Tribal Governments*" which includes information on treaty rights. This training is required of staff in FY 2017.

McCollum Q179: Is the Agency engaging in formal tribal consultation during the review of regulations that you are currently undertaking? What efforts is the Agency undertaking to evaluate the impact that any changes to existing regulations may have on tribal treaty rights throughout the nation?

Answer: The Agency hosted two tribal-specific national outreach calls for tribal governments to provide their input into our regulatory reform agenda. The calls included EPA representatives from each of the major program offices. EPA also invited tribes to participate in the five other media-specific public meetings. As the agency continues to work through the input received from tribes and other stakeholders, the agency will work with EPA's American Indian Environmental Office and other program offices on appropriate next steps.

EPA has also engaged in formal tribal consultation in relation to its review of the 2015 "Waters of the United States" rule.

McCollum Q180: Tribal nations rely on many EPA grants and programs to protect their treaty rights and maintain the environmental health of the ecosystems that support their hunting, fishing, and gathering rights. Has the Agency engaged with tribal nations following the release of

the Fiscal Year 2018 budget about the decision to cut funding for programs across the Agency that tribes rely on such as the Indian General Assistance Program, the State and Tribal Assistance Grants, the Great Lakes Restoration and Puget Sound geographic programs, and others? Are you consulting with tribal leaders around planning for implementation of this budget? Are you seeking tribal input on investments needed to protect tribal treaty rights as you develop your Fiscal Year 2019 budget?

Answer: Annually, EPA's senior leadership, including the EPA Administrator, meets with the National Tribal Caucus (NTC) to discuss planning and budget priorities. The NTC is a national body of elected officials and other representatives of federally recognized tribes. Members are selected by tribes in each EPA region to represent the perspectives of tribes within their regions. The NTC's primary focus is to identify and address tribal environmental issues that are national in scope, cross-agency, or cross-media in nature, or that may be emerging or urgent. The NTC executive committee met with Administrator Pruitt (April 2017) and plans are underway to have the full NTC meeting with EPA's senior leadership this fall.

The Agency is currently undergoing tribal consultation on the FY 2018-2019 National Program Guidance. These planning documents describe how EPA will carry out the Agency's strategic direction and annual budget by providing operational direction to EPA regions, states and tribes on implementing environmental and human health programs.

McCollum Q181: Please provide the Committee with a detailed list of all efforts to engage in tribal consultation. Additionally, please provide the Committee with a detailed analysis of the current funding that EPA distributes to tribal nations across all accounts and grants, and how the cuts proposed in the Trump Administration FY18 budget would affect it.

Answer: EPA maintains a listing of on-going tribal consultations on its tribal consultation web site, https://tcots.epa.gov. To date, EPA has engaged in over 400 consultations with tribal governments since the issuance of its consultation policy in 2011. Funding varies across programs depending on specific requirements of the statutes and allocations. OITA funding changes will be part of the grant work plan development for the proposed FY 2018 funding. The agency will continue to work with Tribes to target funds to core requirements while providing flexibility to address and focus on the highest environmental priorities.

Questions from Ms. Pingree:

Brownfields

An EPA program that is of vital importance to the communities of New England and Maine in particular, is the Brownfields program. The capital raised through Brownfields investments has been extremely effective in turning community liabilities into assets throughout the state. And EPA itself has told us that brownfields leverage $17 dollars for each dollar spent.

Pingree Q1: When you have publically supported the work of this program, why would this Administration turn away from the Brownfields program that leverages its funds so efficiently with a $17 to $1 return on investment?

Answer: The Agency remains committed to this important program. Under the FY 2018 request, approximately 834 sites will be assessed, 111 sites cleaned up, and 5,865 jobs and $1.1 billion will be leveraged. Additionally, grant-supported state and tribal response programs will oversee the cleanup at approximately 26,032 properties, making over 90,000 acres ready for reuse.

National Estuary Program

One of the programs that you have at EPA that is relatively small in the scope of your budget, but that brings critical funds to coastal communities is the National Estuary Program. The work that they are doing on the ground in habitat restoration and protection helps in the 28 watersheds nationwide.

One of those critical watersheds is in Maine, the Casco Bay Estuary. They work with partners across Southern Maine to monitor our watershed in the Casco Bay and to use the data they find to help our fishermen, and our communities. But under your budget proposal, the program is proposed for elimination and the funds are not repurposed elsewhere but the work of this program will be entirely gone. On average, the NEPs raise $18 for every $1 provided by EPA.

Pingree Q2: Why does the FY 2018 budget propose to eliminate the NEP which provides such a clear benefit to the American taxpayer?

Answer: The FY 2018 President's Budget request lays out a comprehensive back-to-basics and foundational strategy to maintain core environmental protection with respect to statutory and regulatory obligations. EPA will continue to encourage the National Estuary Programs (NEPs) to make progress implementing their Comprehensive Conservation Management Plans (CCMP) from within a core water program.

Wood Heater Standards

Pingree Q3: Can you provide for the record information and status of EPA's New Source Performance Standards for New Residential Wood Heaters given that there is a May 2020 effective date for Step 2 of this rule?

Answer: EPA set a two-phased New Source Performance Standard (NSPS) for residential wood heaters. The 2015 rule phased in standards for new heaters over five years. Existing wood heaters are not affected by the 2015 rule. Step 1 went into effect in 2015 and was widely accepted by industry. Step 2 has a 2020 effective date, and two impacted industry stakeholders have challenged the rule on the basis of technical and legal concerns. EPA is considering the concerns raised by stakeholders and will consider options, as they relate to the existing rule.

EPA Water Sense Program

Pingree Q4: Given that fact that many business and citizens were affected by drought and water supply shortages in recent years, and given the proposed cuts to programs at EPA such as Energy Star and Water Sense, how will EPA continue to support economic development that is based on significant water savings in drought stricken areas?

Answer: The FY 2018 President's Budget request for EPA reflects the success of environmental protection efforts, a focus on core legal requirements, and the important role of federal-state partnerships in implementing the nation's environmental laws.

Toxics Funding

Pingree Q5: Given the 31% cut to the Chemical Safety for Sustainability research program, what are the potential impacts on the research and evaluation of human health effects of chemicals?

Answer: The Chemical Safety and Sustainability (CSS) program provides methods, data, information, and tools enabling more informed, timely decisions about chemicals. CSS products currently inform Agency program offices responsible for the implementation of TSCA, SDWA, and CERCLA. Products provided by CSS inform agency and state decisions related to chemical safety and the protection of public health and the environment.

The funding provided for the CSS program in the FY 2018 President's Budget supports work to continue to produce innovative tools that accelerate the pace of data-driven chemical evaluations, enables EPA and state decisions to be environmentally sound and public health protective, and supports chemical innovation.

Questions from Mr. Kilmer:

EPA Ecolabel Program

In 2015, EPA issued procurement recommendations for forest products that discriminated against two recognized and credible forest certification standards - the Sustainable Forestry Initiative (SFI) and the American Tree Farm System (ATFS) – thereby excluding forest products produced from hundreds of millions acres of private, state, and federal forestlands. These recommendations were also inconsistent with the USDA's Biopreferred Program, which puts all forest certification programs on a level playing field. The Fiscal Year (FY) 2017 Consolidated Appropriations Act directed EPA to provide a report to the Committee within 60 days regarding the current state of the agency's Ecolabel program. The Committee also recommended that in developing the guidelines to evaluate eco labels that are used in Federal purchasing for building construction and other uses, EPA should be fair, transparent, and consistent with other product requirements.

Kilmer Q1: What is the anticipated timing for the completion of the report called for in the FY 2017 Consolidated Appropriations Act?

Answer: The agency has been working to meet this new requirement. The report is currently in draft and undergoing EPA management review. Interagency review is required before the report is finalized.

Kilmer Q2: Please outline the steps EPA will take to ensure that guidelines for the Ecolabel program will be developed in a transparent manner, inclusive to all certified sustainable US grown and manufactured forest products, and consistent with existing federal procurement policies like the USDA's Biopreffered program.

Answer: Based on stakeholder concerns and interagency discussions, EPA recommendation for the lumber/wood product category was removed in December 2016 and put on hold. The Fiscal Year 2018 President's Budget eliminates funding for the program-project under which Ecolabels activities are funded.

Energy Star

EPA has a voluntary, non-regulatory, partnership program with private and public property owners called ENERGY STAR for buildings. Foundational to the program is an energy management and tracking tool developed and maintained by EPA called "Portfolio Manager" that enables properties to measure utility performance over time. Forty-four billion square feet of commercial space including school, office and apartments buildings – roughly half the commercial real estate market in the United States – use Portfolio Manager to measure and track how much energy and water is consumed by building occupants. This tool has become the trusted standard for building owners to identify opportunities for more efficient operation and achieve utility cost savings. Moreover, without Portfolio Manager, the real estate industry would

be left without its key compliance tool to meet the increasing number of state and local regulations that require buildings to measure and report their energy use in a transparent manner.

Kilmer Q3: Is Administrator Pruitt aware of the important role that the buildings branch of ENERGY STAR and the Portfolio Manager tool play in supporting the private real estate industry?

Answer: EPA will continue to find ways to partner with stakeholders in the private sector to innovate, improve our environment, and strengthen our economy.

Kilmer Q4: Without funding, how does EPA plan to continue supporting Portfolio Manager?

Answer: EPA will continue to find ways to partner with stakeholders in the private sector to innovate, improve our environment, and strengthen our economy. Portfolio Manager support will be part of the overall evaluation of next steps.

Puget Sound

Puget Sound, Washington, is among the most important estuary ecosystems in the United States, providing critical human and ecological values. The ecosystem supports more than 4. 7 million people, including 19 federally recognized tribal governments; 211 fish species; l00 sea bird species; and 13 marine mammal species, including endemic orca whales. It also annually handles over $77 billion in imports and exports, $10 billion in outdoor recreation, and $2 billion in agriculture revenue. Decades of human activity and development have degraded the ecological function of Puget Sound, and EPA has numerous statutory obligations to support Puget Sound recovery efforts.

Kilmer Q5: Please provide a list of all federal laws that mandate EPA's role in Puget Sound recovery efforts.

Answer: Puget Sound-related mandates are found in the following:

Clean Water Act §320: Establishes the National Estuary Program and includes the Management Conference/Action Agenda: "The Governor of any State may nominate to the Administrator an estuary lying in whole or in part within the State as an estuary of national significance and request a management conference to develop a comprehensive management plan for the estuary."

Estuaries and Clean Waters Act of 2000: "This legislation makes restoring the nation's estuaries a national priority and funds community-based estuary restoration projects. Reauthorization of EPA's National Estuary Program is included, with funds for estuary management in addition to planning. The core of the bill establishes a five-year program through which the federal government will promote and track estuary restoration."

Kilmer Q6: Please provide a summary of the total amount spent by EPA towards meeting its statutory obligations with respect to Puget Sound recovery over the past 5 years broken out by individual programs including State and Tribal Assistance Grants.

Answer: Geographic Funds: $140 million (Geographic Program: Puget Sound)

NEP Funds: $2.8 million (NEP Base Grant)

The following STAG programs also support Puget Sound Recovery (note these are statewide allocations for the past five years and not all these resources are applied in the Puget Sound basin.)

- Clean Water Act Section 319 Washington Allocation: $14.7 million
- Clean Water Act Section 106 Washington Allocation: $30.2 million
- CWSRF Washington Allocation: $120.9 million
- DWSRF Washington Allocation: $ 102.3 million

Kilmer Q7: Please provide a list and brief description of all the current actions carried out by EPA (including those supported through grants/cooperative agreements with the state and tribes) that would be terminated if the Puget Sound Geographic program is eliminated.

Answer: Below is a list of actions where EPA currently provides funds:

- Development and update of the 2018 Action Agenda (Comprehensive Conservation and Management Plan).
- Support for science and monitoring planning, implementation, and use for tracking progress and adaptive management.
- Leadership and staffing of the Puget Sound Federal Task Force and implementation of the federal five-year Action Plan.
- The U.S. staffing and support for the US/Canada Salish Sea Statement of Cooperation and shared efforts the SOC Action Plan.
- Planning and involvement in the bi-annual Salish Sea Ecosystem Conference.

Tribal Programs

EPA's Region 10 office serves 271 federally recognized tribes in Alaska, Idaho, Oregon, and Washington. EPA is responsible for upholding federal trust responsibility to protect treaty rights that fall within its jurisdiction.

Kilmer Q8: Is the Administrator committed to upholding EPA's trust responsibility to all federally recognized tribes?

Answer: EPA recognizes the federal government's trust responsibility, which derives from the historical relationship between the federal government and tribes as expressed in certain treaties and federal Indian law. EPA remains committed to honoring the government-to-government

relationship the United States has with federally recognized tribes as well as fulfilling our federal trust responsibility.

Kilmer Q9: What legal consequences would EPA face if it fails to meet these obligations as a result of inadequate funding?

Answer: EPA will continue to work with Congress to finalize the budget and then will work with states, tribes, and local governments to ensure that key program priorities continue to be appropriately implemented across the country

Questions from Ms. Kaptur:

CWA: Impaired water of Lake Erie

Two years ago, Toledo's fresh water supply was shut down over an entire weekend due to toxic algal blooms from Lake Erie that crept into the water treatment facility. The algal bloom was a result of the overwhelming nutrient pollution running into the Lake. The amount of money required to fix this tri-state/binational environmental threat is enormous, and the responsibility for purifying the water should not simply rest with the City of Toledo, a community of 250,000 inside a watershed of over 2 million people and 10 million livestock. Further, Michigan has declared Lake Erie impaired; Ohio has not.

Kaptur Q1: During our hearing, you stated that Ohio had not assessed the waters of Lake Erie. However, under Section 305(b) of the Clean Water Act, states are required to assess all waters. Do you not agree that Ohio is required to assess those waters? Based on what authority did you defer to the state of Ohio's decision not to assess those waters? How can you approve an incomplete assessment?

Answer: States have the primary responsibility, under Sections 305(b) and 303(d), to assess their waters and to identify waters that are impaired. Ohio's 2014 list identified the Western Basin Shoreline of Lake Erie as impaired for the Public Drinking Water Supply (PDWS) use. In its 2016 303(d) list submission, Ohio retained the Western Basin Shoreline and added the Lake Erie Central Basin Shoreline and the Lake Erie Islands Shoreline as impaired for the PDWS use based on microcystin data. The Ohio EPA has not assessed the open waters of Lake Erie beyond the shoreline. Section 303(d) of the CWA and its implementing regulations provide EPA with the authority to approve a state's list of impaired waters. EPA relied on this authority to defer to the state's decision not to assess these open waters for the 2016 list. Importantly, EPA recognizes the state's ongoing efforts to control nutrient pollution in the Western Basin of Lake Erie. EPA understands that the Ohio EPA intends to evaluate options for developing objective criteria (e.g. microcystin or other metrics) to assess the Western Basin of Lake Erie, including open waters beyond the shoreline, for future lists. EPA is committed to working with the State in those efforts.

Kaptur Q2: By default, by accepting Ohio's non-assessment, USEPA is declaring the open waters of Lake Erie not impaired. How can waters which are clearly comingled across state lines be considered clean on one side and impaired on the other?

Answer: Individual state water quality standards and assessment approaches vary, which can lead to differing impairment determinations by states assessing portions of interstate waters within their jurisdictions. To clarify, however, EPA has not made a determination that the open waters of Lake Erie in Ohio are not impaired.

Kaptur Q3: Can you please answer my question from the hearing: is not a tri-state watershed draining into a binational body of water with disputes over the water quality status precisely where EPA is statutorily mandated to take action?

Answer: EPA does not believe the language in the Clean Water Act Section 303(d) mandates it to take specific actions in a binational or tri-state body of water. However, EPA is supportive of, and is willing to facilitate, efforts between states to harmonize assessment of interstate waters. EPA is working with Canada and the states in the Lake Erie Basin to develop action plans to achieve the reductions determined to be necessary to meet the Great Lakes Water Quality Agreement Annex 4 targets.

Kaptur Q4: In their letter to USEPA on September 30, 2016, Ohio EPA indicated that USEPA should lead efforts to assess the nutrients and algae problems, as well as to develop a coordinated response, in Lake Erie. Do you disagree with their interpretation?

Answer: EPA is supportive of, and is willing to facilitate efforts between states to harmonize assessment of interstate waters. EPA is working with Canada and the states in the Lake Erie Basin to develop action plans to achieve the reductions determined to be necessary to meet the GLWQA Annex 4 targets. States have the primary responsibility for assessing and listing their waters, including those shared between states or other countries.

Kaptur Q5: Are you committed to upholding the 40% reduction of nutrient loading as agreed to in the Great Lakes Water Quality Agreement Annex 4, and supported by the Great Lakes Governors and Canada?

Answer: The Great Lakes Water Quality Agreement is a commitment between Canada and the United States federal government, not just EPA. EPA is working with four federal agencies and five states to develop phosphorus reduction plans for Lake Erie and intends to begin public engagement in mid-July 2017 on the first draft of a U.S. Action Plan for meeting this commitment.

Kaptur Q6: What is EPA doing to assist the states in developing criteria to address harmful algal blooms and nutrient pollution? How much funding is provided for this work in FY 2017? How much is proposed in the FY 2018 budget request?

Answer: EPA does not track spending for HABs.

EPA looks forward to working with other federal agencies to support and encourage state, tribal, and local investment in preventing nutrient pollution and responding to HABs across the nation.

Funding for Water Infrastructure

USDA's budget proposes to eliminate the entire $500 million Rural Water and Wastewater loan program with the expectation that rural communities will compete for the limited Drinking Water SRF funds. The Drinking Water SRF does not increase by the $500 million lost in the Rural Water and Wastewater loan program.

Kaptur Q7: How will rural water systems struggling to provide clean water to their neighbors find funding for clean water if the Drinking Water SRF is already woefully underfunded and now has to absorb a $500 million program for rural communities?

Answer: The FY 2018 President's Budget request for EPA includes $863 million for the Drinking Water State Revolving Fund (DWSRF) to help finance critical infrastructure improvement projects to public drinking water systems. This funding level furthers the President's ongoing commitment to infrastructure repair and replacement and would allow states, municipalities, and private entities to continue to finance high-priority infrastructure investments that protect human health.

In addition, EPA will continue to foster its strong partnership with the states to provide small system technical assistance, with a focus on rule compliance, operational efficiencies, and system sustainability to ensure drinking water meets regulatory standards. In FY 2018, EPA will continue its effort to build the capacity of local utilities and existing state programs to expand their contribution to the array of funding options to meet future infrastructure needs. The requested funding for this program will support critical infrastructure investments to rebuild and enhance America's drinking water infrastructure.

EPA also is requesting $20 million for the Water Infrastructure Financing Innovation Act (WIFIA) program. The WIFIA program complements the SRFs and is another source of financing to improve water infrastructure. EPA estimates that the $20 million requested in FY 2018 could provide approximately $1 billion in low-cost loans for eligible water infrastructure projects.

The FY 2018 President's Budget request also continues to provide funding for the Environmental Finance Centers which deliver financial outreach services, such as technical assistance, training, expert advice, and full cost pricing analysis to states, local communities, and small businesses.

Kaptur Q8: How will these small communities compete with the medium and large systems that will also be applying for SRF funds?

Answer:. As noted above, the EPA will continue to work to target resources to assist small and underserved communities with limited ability to repay SRF loans. In the FY 2018 President's Budget, EPA proposes to work with states to ensure not less than 20 percent and not more than 30 percent of a state's capitalization grant is provided as additional subsidization. EPA encourages states to utilize subsidization to assist communities and sustainability efforts.

Funding to States

Ohio EPA Director Craig Butler said that these cuts in your budget would result in a 30% cut to their budget, forcing major cuts to the state Superfund program and to Clean Water and Clean Air initiatives. If Ohio is not provided with adequate funding to implement those programs there

will be significant problems. The Agency will not be able to process permit applications, conduct inspections/reviews, and will likely reduce staff.

Kaptur Q9: How do you imagine that reality lines up with your priority of growing the economy and protecting the environment?

Answer: EPA believes environmental stewardship, without unnecessarily hurting the economy, is essential to the American way of life. Economic growth and environmental stewardship are not mutually exclusive, in fact from 1970 to 2015, aggregate national emissions of the six common air pollutants dropped an average of 70 percent while gross domestic product grew by over 246 percent. However, much work remains to be done in streamlining the Agency's guidance documents and regulations to not overburden states. The FY 2018 President's Budget request reflects the EPA's role in a model of cooperative federalism that emphasizes strong cooperative state and tribal partnerships and is guided by Congressional direction in core environmental statutes. EPA will work with our state partners to provide flexibility to address local priorities.

Budget Cuts

Kaptur Q10: If the agency staff and funding levels are substantially cut, as the administration has proposed, and if the agency pursues all of the reconsideration and similar actions it has already announced, can you assure us that the agency will not miss any mandatory statutory deadlines for action?

Answer: EPA will adhere to the statutory obligations Congress has mandated.

Enforcement

Kaptur Q11: You talk about returning EPA to basics, but compliance levels with environmental laws in some sectors is dangerously low. How will you increase compliance with laws that protect our health, when your enforcement staff does not have any money to conduct casework?

Answer: EPA works in partnership with state and tribal agencies to assure compliance, protect public health and the environment and ensure a level playing field for companies that follow the rules. In FY 2018, the Agency will work to make more effective use of the full array of tools to assist and encourage compliance, in concert with traditional enforcement approaches, while focusing on our direct implementation responsibilities, the most egregious cases, and in areas that address the most substantial impacts to human health and the environment.

Environmental Justice

Kaptur Q12: The Administration's proposed budget would do away with the office of Environmental Justice altogether. Do you believe that environmental costs and degradation has

fallen disproportionately heavily on people of color, individuals in low-income neighborhoods, and those who have the least voice in the process? Does your plan to eradicate the office that is specifically tasked with addressing this issue indicate that you do not take it seriously? How do you propose to address environmental racism and environmental justice while your agency cuts staff, enforcement, and the entire office tasked with tackling these problems?

Answer: The Agency remains committed to working with communities to develop solutions to the environmental and public health challenges they face. Environmental justice will continue to be considered within the work done at EPA and also is specifically incorporated into future policy work within the Agency's Integrated Environmental Strategies program.

Budget for Science and Research

The President's proposed budget request for FY2018 lays out a reduction in staffing at EPA by almost 25% over the FY2017 Annualized Continuing Resolution Full-Time Equivalent (FTE) levels. This proposed staffing cut hits the Science and Technology Appropriation, which houses EPA's Office of Research and Development, by 32.5%.

Kaptur Q13: Can you justify the budget reduction of the only Appropriation within the Agency that is responsible for providing robust scientific evidence to guide EPA in developing its regulatory decisions?

Answer: Sound science is the backbone of EPA's rule-making process. The Agency's ability to pursue its mission to protect human health and the environment depends upon the integrity of the science on which it relies. Current resource levels will allow for EPA to meet its core mission.

Kaptur Q14: With states relying on the scientific and technical expertise that EPA retains in-house to assist them in meeting their statutory requirements for environmental protection, how will the Agency be able to continue to meet the expectations of their state partners with such a substantial reduction in staff?

Answer: Science at EPA provides the foundation for credible decision-making to safeguard human health and ecosystems from environmental pollutants. EPA will continue technical service to the states and meet its core mission within the confines of its appropriation.

Kaptur Q15: How can you justify such a dramatic cut that would seriously jeopardize the Agency's ability to use the best available science to protect human health and the environment?

Answer: EPA will prioritize activities that support decision-making related to core environmental statutory requirements.

We hope that EPA getting "back to basics" means that EPA will continue its mission to protect human health and the environment. However, recent activity at the Agency has provided some cause for concern, specifically, the decision to not renew the terms of several members of the

Board of Scientific Counselors for EPA's Office of Research and Development, with the stated intention of replacing those members with industry representatives.

Kaptur Q16: How do you reassure the American people that the quality of their air and water will not be compromised by the very same billion dollar industries you have spent decades representing, who now have a bigger seat at the table, and a greater ability to influence Agency decisions to improve their bottom line at the expense of the taxpayers health and well-being?

Answer: EPA works to ensure our future generations will inherit a better and healthier environment. Environmental stewardship, while growing our economy, is essential to the American way of life and key to economic success and competitiveness. Regulation and policy will incorporate robust input from the public through formal and informal mechanisms to seek full understanding of the impacts of proposed policy on public health, the environment, the economy, jobs, families, and our communities. The fundamental role of sound science at the Agency is providing input into regulatory decisions.

Questions from Ms. Lowey:

Climate Change

According to EPA's own information on Climate Change Indicators, between 1901-2015:

- Average surface temperature across the contiguous 48 states have risen more quickly since the late 1970s;
- Eight of the top 10 warmest years on record have occurred since 1998, with 2012 and 2015 being the two warmest years on record;
- 2006-2015 was the warmest decade on record; and
- Since the late 1970s the United States has warmed faster than the global rate.
- In addition, temperature is only one indicator of climate change, we could look at other indicators such as precipitation or extreme weather events.

Judging from your history as a climate change skeptic, I suspect you have little respect for these figures. But let's be outright with it.

Lowey Q1: Yes or no - is human activity a contributor to climate change?

Answer: Human activity impacts our changing climate in some manner. The ability to measure with precision the degree and extent of that impact, and what to do about it, are subject to continuing debate and dialogue.

Lowey Q2: With the drastic reductions in your FY 2018 budget request, how will EPA continue to study and address the impacts of climate change?

Answer: EPA will continue to conduct a range of economic, scientific, and technical analyses for Clean Air Act (CAA) regulatory actions, technical input, and policy support. EPA will continue to look for ways to improve program efficiency and effectiveness across the suite of its core responsibilities with a focus on streamlining activities.

Addressing the impacts of climate change/Paris Accord

I am deeply concerned by the Administration's decision to withdraw from the Paris Agreement. Coupled with the budget's elimination of any funding to combat climate change, the Administration is ignoring changes in our environment that threaten food security, biodiversity, business interests, and even our coastal cities like New York. It is irresponsible to think we are putting America first by ignoring these global threats. Nicaragua and Syria are the only other nations not participating, though I should note that even Nicaragua declined to participate because they felt the agreement did not go far enough. International backlash to the U.S. pulling out has been unprecedented and appears to have undermined U.S. global leadership. You recently made the statement that you had not spoken with President Trump about whether he believes that climate change is real and whether humans impact it. You further stated that the focus of your discussions with the President has been on the merits and demerits of the Paris

Agreement. Because the Paris Agreement's central aim is to strengthen the global response to the threat of climate change, it baffles me that you two would not have discussed climate change.

Lowey Q3: To date, have you still not asked the President what his beliefs are regarding climate change?

Answer: The President's decision to withdraw from the Paris Agreement made clear his commitment to put the interests of the American people first. The Paris Agreement undermined our economic potential while having no meaningful impact on the environment. The United States has a strong record of action reducing our CO2 footprint and will continue to lead the world on growing the economy while protecting the environment through innovation and technological advancements. The President has directed agencies to review existing regulations that potentially burden the development of domestic energy resources; and appropriately, suspend, revise, or rescind regulations that unduly burden the development of U.S. energy resources beyond what is necessary to protect the public interest or otherwise comply with the law. The EPA is focusing its efforts on obligations on statutes passed by Congress.

Lowey Q4: You were in Italy this week for the G7 Meeting on the Environment. What has been the response from our international partners about President Trump's decision to withdraw from the Paris Agreement?

Answer: I spoke with G7 international partners when I was at the Environment Ministerial in Bologna, Italy. They were encouraged by our commitment to continue to work toward CO2 reductions.

Lowey Q5 (Q4a): Who will fill the void of U.S. leadership on climate issues?

Answer: The United States has a strong record of action reducing our CO2 footprint and will continue to lead the world on growing the economy while protecting the environment through innovation and technological advancements. The United States has always been a world leader when it comes to environmental stewardship.

American Energy Jobs

Pulling out of the Paris Agreement prioritizes jobs in the fossil fuel industry over renewable energy jobs. There are more than 678,000 jobs in renewable energy, more than the 515,000 jobs in oil/petroleum.

Lowey Q5: All jobs matter, so why are you arguing that protecting renewable energy jobs is bad for America?

Answer: The President has directed agencies to review existing regulations that potentially burden the development of domestic energy resources; and appropriately, suspend, revise, or rescind regulations that unduly burden the development of U.S. energy resources beyond what is

necessary to protect the public interest or otherwise comply with the law. I have not made that argument.

Lowey Q6: While we are discussing energy jobs, would you like to clarify the statement you made on Meet the Press on June 4 that since the fourth quarter of last year, 50,000 jobs in the coal sector have been added, and almost 7,000 in the month of May alone? Do you still believe those numbers to be accurate?

Answer: The Administrator was referring to industries in the mining sector, including coal.

Lowey Q7: It's important to get the facts right. According the U.S. Bureau of Labor Statistics, there were 51,000 total jobs as of May in coal mining, and 400 coal mining jobs were added in May.

Answer: The Administrator was referring to industries in the mining sector, including coal.

National Institute of Environmental Health Sciences

The National Institute of Environmental Health Sciences discusses how as global temperatures rise and extreme heat events increase in frequency due to climate change, we can expect to see more heat-related illnesses and mortality. Socioeconomic factors, such as economically disadvantaged individuals are at greater risk from heat-related burdens.

Lowey Q8: This Administration states it is concerned about the "forgotten men and women," but how does pulling out of the Paris agreement not forget about the men, women and children that will now suffer more heat-related illnesses because we have abandoned efforts to reduce greenhouse gas emissions, while at the same time working to pull back regulations on carbon emissions?

Answer: The Administration has signaled a commitment to the rule of law, cooperative federalism, and sound scientific rulemaking at EPA. Those that generate energy in communities across America are doing so with a commitment to being pro-environment and pro-growth, affirming that the U.S. can and will achieve both a healthy environment and a growing economy.

Superfund – Hudson River PCBs

I understand you are a strong supporter of the Superfund program and have made commitments to support clean-ups. Yet, your budget proposes to cut the Superfund program by 30%, diminishing EPA's ability to compel responsible parties to pay for site cleanups, which leaves taxpayers on the hook. You also cut EPA's direct funding for clean-up.

Lowey Q9: As a result, doesn't this mean hazardous sites won't get cleaned up? Does that include the eight in Oklahoma?

Answer: EPA is still in the process of determining what additional sites may be ready to initiate new construction work in Fiscal Years 2018. The NPL sites in Oklahoma will be prioritized in a manner consistent with the overall program approach, in which EPA generally prioritizes funding for cleanup activities that have already begun. In order to speed the pace of cleanups, EPA is actively looking to identify efficiencies and reduce administrative costs to the extent possible.

Lowey Q10: Can you specify which Superfund site cleanups will not be completed, and which will slow down from their currently planned time tables as a result of these proposed cuts?

Answer: The Agency is still in the process of determining what additional sites may be ready to initiate new construction work in FY 2018. In order to speed the pace of cleanups, a Task Force has been created to review best practices and new approaches in dealing with successfully restoring sites to productivity. The Task Force will outline steps to be taken in the near term to more expeditiously and effectively handle remediation of sites.

Lowey Q11: Can you specify which potential Superfund sites will not be thoroughly investigated as a result of these cuts?

Answer: EPA is not planning to alter the thoroughness of site investigations.

Lowey Q12: Can you estimate how much money from potentially responsible parties will be lost to the federal government from your reductions to this program?

Answer: Within our resource levels, the Agency will prioritize its efforts on the most significant sites in terms of environmental impact, particularly those that may present an imminent and/or substantial endangerment, and potential cost liability to the government. In addition, EPA has established a Task Force to streamline and improve the efficiency and efficacy of the Superfund program through the restructuring of the cleanup process, realigning incentives to promote expeditious remediation, reducing the burden on cooperating parties, and encouraging private investment in cleanups and sites to promote the revitalization of properties across the country.

The Hudson River is classified by EPA as a Superfund site and, at 200 miles, is one of the largest in the country. For a 30-year period, two General Electric manufacturing plants discharged Polychlorinated biphenyls (PCBs) into the Hudson River. GE only stopped this practice when EPA banned the production of PCBs in 1977. The PCBs in the Hudson mixed with the river's sediment and deposited on the river bottom and along the shoreline in the floodplain. Since 1977 there has been a fishing ban due to the health risk associated with the accumulation of PCBs in the human body by consuming contaminated fish. EPA just released a draft of its second five-year review of the Hudson River Superfund site that recommends following the plan outlined more than a decade ago.

Lowey Q13: How do you respond to those who feel this is not sufficient and that cleanup should be expanded?

Answer: On June 1, 2017, after an eleven-month evaluation process, EPA released its Proposed Second Five-Year Review Report[2]. In conducting the five-year review of the cleanup, EPA followed the federal Superfund statute and applied the best available science. The review includes a comprehensive assessment of the available data for PCB concentrations in sediment, water, and fish. The specific purpose of the review is to evaluate whether the remedy is, or will be, protective of human health and the environment, based on the data currently available. The Proposed Second Five-Year Review concludes that the Hudson River cleanup is working as designed and, while not yet protective, is expected to accomplish its long-term goal of protection of human health and the environment when the cleanup is completed. However, it will be necessary to collect several years of post-dredging PCB data in fish, sediment and water to determine with a reasonable degree of scientific certainty the rate at which PCB levels are declining. If EPA determines at some point in the future that the remedy is not expected to achieve its goals, EPA will consider what actions are needed. In the interim, the State of New York has fishing restrictions and advisories in place to control human consumption of contaminated fish.

This five-year review included a rigorous and unprecedented stakeholder and community engagement process, with EPA convening a 20-member five-year review team of EPA experts, state and federal agency representatives, and community stakeholders. Three public workshops were also held while the review was underway. All input received was considered during the review process. In addition, although EPA typically does not seek public comment on five-year reviews, EPA is providing an opportunity for the public to provide input on the findings of the Proposed Second Five-Year Review Report. On June 1, 2017, EPA released the report for a thirty-day public comment period. At the request of several parties, EPA has extended the public comment period until September 1, 2017.

Two public information meetings are also being held during the public comment period. At the meetings, EPA is discussing the purpose, scope and findings of the five-year review and answering questions from the public. The first of these meetings was held on June 28 in Poughkeepsie. The second meeting is scheduled for July 19, from 6 p.m. to 8 p.m. at The Saratoga Hilton in Saratoga Springs, New York.

Lowey Q14: How can you in good conscience propose not providing families in New York with clean water and accomplishing the task of cleaning up the PCBs in the Hudson River?

Answer: EPA shares the goal of protecting public health and the environment along the Hudson River. EPA has used the full power and authority of the federal Superfund law to require the General Electric Co. to conduct the largest and most expensive cleanup of river sediments in the history of the Superfund program.

As the project moves forward, EPA will continue to follow the science and the Superfund law. EPA will continue to monitor the river fish, water, and sediment and evaluate the reductions in PCB levels over time. In addition, EPA will continue to coordinate closely with the involved state and federal agencies including the New York State Department of Environmental

[2] The report is available at www.epa.gov/hudson.

Conservation, the New York State Department of Health, the U.S. Fish and Wildlife Service, and the National Oceanic and Atmospheric Administration. The Agency will also continue to coordinate with the Hudson River Foundation and others who are involved with the New York-New Jersey Harbor.

Long Island Sound

The FY 2018 budget proposes to eliminate the Geographic programs. This includes $8 million for Long Island Sound. These programs directly benefit the vast majority of our country's residents and businesses, and are focused on cleaning up pollution and promoting healthy ecosystems which benefit the economy.

Lowey Q15: Why do you feel it is prudent to eliminate funding when you are making progress in cleaning up these ecosystems?

Answer: We look forward to work together with Congress and all relevant stakeholders to achieve the shared environmental goals for Long Island Sound.

Lowey Q16: Can you guarantee that stakeholders are ready to step in to fill the void left by the elimination of federal funding?

Answer: The FY 2018 budget request provides the direction and resources to return EPA to its core mission. The Agency will continue to work in cooperation with states, tribes, and local governments to make and sustain improvements in water quality.

Lowey Q17: What discussions have you had with Governors, cities, and communities that have been active partners and will be affected by this proposed approach?

Answer: EPA will be discussing the proposed FY 2018 Long Island Sound budget through its participation on the Long Island Sound Management Conference, which has representatives from affected states, localities, and community stakeholders. This discussion will formally kick off at the July 20 Management Committee meeting. EPA will continue discussions with the Management Conference throughout the FY 2018 budget process.

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