

Calendar No. 735

108TH CONGRESS }
2d Session }

SENATE

{ REPORT
108-376

HIGHLANDS CONSERVATION ACT

SEPTEMBER 28, 2004.—Ordered to be printed

Mr. DOMENICI, from the Committee on Energy and Natural Resources, submitted the following

R E P O R T

[To accompany H.R. 1964]

The Committee on Energy and Natural Resources, to which was referred the Act (H.R. 1964) to assist the States of Connecticut, New Jersey, New York, and Pennsylvania in conserving priority lands and natural resources in the Highlands region, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the Act, as amended, do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Highlands Conservation Act”.

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to recognize the importance of the water, forest, agricultural, wildlife, recreational, and cultural resources of the Highlands region, and the national significance of the Highlands region to the United States;

(2) to authorize the Secretary of the Interior to work in partnership with the Secretary of Agriculture to provide financial assistance to the Highlands States to preserve and protect high priority conservation land in the Highlands region; and

(3) to continue the ongoing Forest Service programs in the Highlands region to assist the Highlands States, local units of government, and private forest and farm landowners in the conservation of land and natural resources in the Highlands region.

SEC. 3. DEFINITIONS.

In this Act:

(1) **HIGHLANDS REGION.**—The term “Highlands region” means the area depicted on the map entitled “The Highlands Region”, dated June 2004, including

the list of municipalities included in the Highlands region, and maintained in the headquarters of the Forest Service in Washington, District of Columbia.

(2) **HIGHLANDS STATE.**—The term “Highlands State” means—

- (A) the State of Connecticut;
- (B) the State of New Jersey;
- (C) the State of New York; and
- (D) the State of Pennsylvania.

(3) **LAND CONSERVATION PARTNERSHIP PROJECT.**—The term “land conservation partnership project” means a land conservation project—

- (A) located in the Highlands region;
- (B) identified by the Forest Service in the Study, the Update, or any subsequent Pennsylvania and Connecticut Update as having high conservation value; and
- (C) in which a non-Federal entity acquires land or an interest in land from a willing seller to permanently protect, conserve, or preserve the land through a partnership with the Federal Government.

(4) **NON-FEDERAL ENTITY.**—The term “non-Federal entity” means—

- (A) any Highlands State; or
- (B) any agency or department of any Highlands State with authority to own and manage land for conservation purposes, including the Palisades Interstate Park Commission.

(5) **STUDY.**—The term “Study” means the New York-New Jersey Highlands Regional Study conducted by the Forest Service in 1990.

(6) **UPDATE.**—The term “Update” means the New York-New Jersey Highlands Regional Study: 2002 Update conducted by the Forest Service.

(7) **PENNSYLVANIA AND CONNECTICUT UPDATE.**—The term “Pennsylvania and Connecticut Update” means a report to be completed by the Forest Service that identifies areas having high conservation values in the States of Connecticut and Pennsylvania in a manner similar to that utilized in the Study and Update.

SEC. 4. LAND CONSERVATION PARTNERSHIP PROJECTS IN THE HIGHLANDS REGION.

(a) **SUBMISSION OF PROPOSED PROJECTS.**—Each year, the governors of the Highlands States, with input from pertinent units of local government and the public, may—

(1) jointly identify land conservation partnership projects in the Highlands region from land identified as having high conservation values in the Study, the Update, or the Pennsylvania and Connecticut Update that shall be proposed for Federal financial assistance; and

(2) submit a list of those projects to the Secretary of the Interior.

(b) **CONSIDERATION OF PROJECTS.**—Each year, the Secretary of the Interior, in consultation with the Secretary of Agriculture, shall submit to Congress a list of the land conservation partnership projects submitted under subsection (a)(2) that are eligible to receive financial assistance under this section.

(c) **ELIGIBILITY CONDITIONS.**—To be eligible for financial assistance under this section for a land conservation partnership project, a non-Federal entity shall enter into an agreement with the Secretary of the Interior that—

(1) identifies the non-Federal entity that shall own or hold and manage the land or interest in land;

(2) identifies the source of funds to provide the non-Federal share under subsection (d);

(3) describes the management objectives for the land that will ensure permanent protection and use of the land for the purpose for which the assistance will be provided;

(4) provides that, if the non-Federal entity converts, uses, or disposes of the land conservation partnership project for a purpose inconsistent with the purpose for which the assistance was provided, as determined by the Secretary of the Interior, the United States—

(A) may seek specific performance of the conditions of financial assistance in accordance with paragraph (3) in Federal court; and

(B) shall be entitled to reimbursement from the non-Federal entity in an amount that is, as determined at the time of conversion, use, or disposal, the greater of—

(i) the total amount of the financial assistance provided for the project by the Federal Government under this section; or

(ii) the amount by which the financial assistance increased the value of the land or interest in land; and

(5) provides that land conservation partnership projects will be consistent with areas identified as having high conservation value in—

(A) the Important Areas portion of the Study;

- (B) the Conservation Focal Areas portion of the Update;
- (C) the Conservation Priorities portion of the Update;
- (D) land identified as having higher or highest resource value in the Conservation Values Assessment portion of the Update; and
- (E) land identified as having high conservation value in the Pennsylvania and Connecticut Update.

(d) **NON-FEDERAL SHARE REQUIREMENT.**—The Federal share of the cost of carrying out a land conservation partnership project under this section shall not exceed 50 percent of the total cost of the land conservation partnership project.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Secretary of the Interior \$10,000,000 for each of fiscal years 2005 through 2014, to remain available until expended.

SEC. 5. FOREST SERVICE AND USDA PROGRAMS IN THE HIGHLANDS REGION.

(a) **IN GENERAL.**—To meet the land resource goals of, and the scientific and conservation challenges identified in, the Study, Update, and any future study that the Forest Service may undertake in the Highlands region, the Secretary of Agriculture, acting through the Chief of the Forest Service and in consultation with the Chief of the National Resources Conservation Service, shall continue to assist the Highlands States, local units of government, and private forest and farm landowners in the conservation of land and natural resources in the Highlands region.

(b) **DUTIES.**—The Forest Service shall—

(1) in consultation with the Highlands States, undertake other studies and research in the Highlands region consistent with the purposes of this Act, including a Pennsylvania and Connecticut Update;

(2) communicate the findings of the Study and Update and maintain a public dialogue regarding implementation of the Study and Update; and

(3) assist the Highland States, local units of government, individual landowners, and private organizations in identifying and using Forest Service and other technical and financial assistance programs of the Department of Agriculture.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Secretary of Agriculture to carry out this section \$1,000,000 for each of fiscal years 2005 through 2014.

SEC. 6. PRIVATE PROPERTY PROTECTION AND LACK OF REGULATORY EFFECT.

(a) **ACCESS TO PRIVATE PROPERTY.**—Nothing in this Act—

(1) requires a private property owner to permit public access (including Federal, State, or local government access) to private property; or

(2) modifies any provision of Federal, State, or local law with regard to public access to, or use of, private land.

(b) **LIABILITY.**—Nothing in this Act creates any liability, or has any effect on liability under any other law, of a private property owner with respect to any persons injured on the private property.

(c) **RECOGNITION OF AUTHORITY TO CONTROL LAND USE.**—Nothing in this Act modifies any authority of Federal, State, or local governments to regulate land use.

(d) **PARTICIPATION OF PRIVATE PROPERTY OWNERS.**—Nothing in this Act requires the owner of any private property located in the Highlands region to participate in the land conservation, financial, or technical assistance or any other programs established under this Act.

(e) **PURCHASE OF LAND OR INTERESTS IN LAND FROM WILLING SELLERS ONLY.**—Funds appropriated to carry out this Act shall be used to purchase land or interests in land only from willing sellers.

PURPOSE OF THE MEASURE

The purpose of H.R. 1964 is to assist the States of Connecticut, New Jersey, New York, and Pennsylvania in conserving priority lands and natural resources in the Highlands region.

BACKGROUND AND NEED

The Northeastern Highlands is a geographic region that encompasses over two million acres stretching from western Connecticut across the Lower Hudson River Valley and northern New Jersey into east central Pennsylvania. About 1.4 million people live in the Highlands Region, which is adjacent to one of the most populous metropolitan areas of the United States, and is the source of the

area's drinking water. The Highland Region is also home to a number of endangered species and cultural landmarks.

H.R. 1964 extends the area considered in the 2002 Forest Service update of the New York-New Jersey Highlands Region Study into northwestern Connecticut and southwest into Pennsylvania, and from the Delaware River, southwest to Harrisburg and York, Pennsylvania.

The overall purpose of the Highlands Conservation Act is to promote conservation of critical natural resources and priority conservation lands identified in the Forest Service's update of the New York-New Jersey Highlands Regional Study. The bill would authorize \$10 million annually over ten years in grants to the affected states for land conservation partnership projects, and \$1 million annually over ten years for Forest Service studies and technical assistance to private landowners and local communities.

LEGISLATIVE HISTORY

H.R. 1964 was introduced on May 6, 2003, by Congressman Rodney Frelinghuysen for himself and others. The House of Representatives passed H.R. 1964, as amended, by a voice vote on November 21, 2003. The Subcommittee on Public Lands and Forests held a hearing on H.R. 1964 on March 24, 2004 (S. Hrg. 108-531). A companion measure, S. 999 was introduced by Senator Corzine and others on May 6, 2003. Similar language was also adopted as a Senate amendment to H.R. 1964, the Healthy Forests Restoration Act. The bill passed the Senate, as amendment on October 30, 2003, although the Highlands title was not included in the conference report. At its business meeting on September 15, 2004, the Committee on Energy and Natural Resources ordered H.R. 1964 to be favorably reported with amendments.

COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in open business session on September 15, 2004, by a unanimous voice vote, of a quorum present, recommends that the Senate pass H.R. 1964, if amended as described herein.

COMMITTEE AMENDMENTS

During the consideration of H.R. 1964, the Committee adopted an amendment in the nature of a substitute deleting section 2 (containing congressional findings) and renumbering the following sections. It replaces the written description of the area with a map indicating the boundaries of the Highlands region. It also directs and authorizes the Forest Service to complete a study for those lands that have been added in the States of Connecticut and Pennsylvania and It clarifies the process under which areas within the Highlands region are to be recommended to the Secretary of the Interior for acquisition. Finally, the amendment includes standard language authorizing appropriations.

SECTION-BY-SECTION ANALYSIS

Section 1 provides the short title.

Section 2 states the purposes, which include authorizing the Secretary of the Interior to provide financial assistance to the States

of Connecticut, New Jersey, New York, and Pennsylvania to preserve and protect high priority conservation lands in the Highlands Region.

Section 3 defines key terms used in the bill.

Section 4 (a) directs the Governors of the States of Connecticut, New York, New Jersey, and Pennsylvania to annually submit proposed partnership projects to the Secretary of the Interior for Federal financial assistance.

Subsection (b) directs the Secretary of the Interior, in consultation with the Secretary of Agriculture, to annually submit a list of partnership projects to Congress that are eligible to receive financial assistance.

Subsection (c) describes the conditions for eligibility.

Subsection (d) directs that the Federal share of any project shall not exceed 50 percent of the total costs.

Subsection (e) authorizes up to \$10,000,000 annually to be appropriated from the general fund of the Treasury for land conservation projects identified in the section.

Section 6 authorizes the Secretary of Agriculture to provide technical and financial assistance to the affected States, local units of government and others, using technical and financial assistance programs of the Department of Agriculture, including undertaking other studies and research. Further, it authorizes the appropriations of \$1,000,000 annually to carry out this section.

Section 7 directs that funds appropriated under the Act shall be used to purchase lands or interests only from willing sellers. It directs that private land owners are not compelled to permit public access, or modify any provision of Federal, State, or local law with regard to public access. Additionally, the section directs that nothing in the Act shall be construed to modify any authority of Federal, State, or local government to regulate land use.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of costs of this measure has been provided by the Congressional Budget Office.

H.R. 1964—Highlands Conservation Act

Summary: H.R. 1964 would authorize the appropriation of \$11 million annually for fiscal years 2005 through 2014 for land preservation in the highlands area of the eastern United States. Most of this funding would be used by the Department of the Interior (DOI) to provide grants to four specified states: Pennsylvania, New York, New Jersey, and Connecticut. The eligible states would use the grant funds to acquire land or other real property interests. About \$1 million annually would finance U.S. Forest Service activities in the highlands area.

CBO estimates that implementing H.R. 1964 would cost \$44 million through 2008 (and an additional \$66 million over the 2009–2014 period), assuming appropriation of the authorized amounts. Enacting the bill would not affect revenues or direct spending.

H.R. 1964 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 1964 over the 2004–2008 period is shown in

the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—				
	2004	2005	2006	2007	2008
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization level	0	11	11	11	11
Estimated outlays	0	11	11	11	11

Basis of estimate: For this estimate, CBO assumes that the amounts authorized will be appropriated for each fiscal year. Of the \$11 million authorized for each year, \$10 million would be used by DOI for matching grants to finance land protection projects in the eligible states. The remaining \$1 million would be used by the Forest Service to continue its research of the area and its assistance to the four states. No specific amounts were appropriated for these purposes for fiscal years 2003 and 2004. Estimated outlays are based on historical spending patterns for similar programs.

Intergovernmental and private-sector impact: H.R. 1964 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this legislation would benefit the states of Connecticut, New Jersey, New York, and Pennsylvania because it would authorize federal assistance for conservation projects in those states. Any costs they might incur to comply with the conditions of that assistance would be voluntary.

Estimate prepared by: Federal Costs: Deborah Reis; Impact on State, Local, and Tribal Governments: Marjorie Miller; and Impact on the Private Sector: Selena Caldera.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out H.R. 1964.

The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of H.R. 1964.

EXECUTIVE COMMUNICATIONS

On September 11, 2003, the Committee on Energy and Natural Resources requested legislative reports from the Department of the Interior and the Office of Management and Budget setting forth Executive agency recommendations on H.R. 1964. These reports had not been received when this report was filed. The testimony provided by the Department of the Interior at the Subcommittee hearing on H.R. 1964 follows:

STATEMENT OF DAVID TENNY, DEPUTY UNDERSECRETARY,
NATURAL RESOURCES AND ENVIRONMENT, U.S. DEPART-
MENT OF AGRICULTURE

Mr. Chairman, thank you for the opportunity to appear before you today in order to provide the Department's views on H.R. 1964 The Highlands Conservation Act, S. 2180 to direct the Secretary of Agriculture to exchange certain lands in the Arapaho and Roosevelt National Forests in the State of Colorado and S. 433 The Clearwater Basin Project Act. I am accompanied today by, Marcus Phelps, Highlands Coordinator of the Forest Service Northeastern Area.

H.R. 1964, the Highlands Conservation Act would authorize the Secretary of the Interior and the Secretary of Agriculture to work with States, local units of government, and private landowners in the conservation of lands and natural resources in the Highlands region of Connecticut, New York, New Jersey, and Pennsylvania.

The Department defers to the Department of the Interior for general views on the bill but would like to offer several comments on section 6 of the bill as well as a brief discussion regarding the Department's previous and ongoing work within the Highlands.

H.R. 1964 directs the Secretary of Agriculture, acting through the Chief of the Forest Service and in consultation with the Chief of the Natural Resources Conservation Service, to continue to assist the Highlands States, local units of government, and private forest and farm landowners in the conservation of lands and natural resources in the Highlands region. H.R. 1964 would authorize appropriations of \$1,000,000 to the Secretary of the Agriculture for each of fiscal years 2005 through 2014 to carry out this section.

At the direction of Congress, in 1992, the USDA Forest Service completed the New York-New Jersey Highlands Regional Study that characterized the water resources, wildlife habitat, outdoor recreation opportunities, and agricultural resources in the region. This study identified lands with important resource values such as the Sterling Forest located near Tuxedo, NY.

At the direction of Congress, the Forest Service updated the New York-New Jersey Highlands Regional Study in 2002. The original study area was expanded from the Hudson River eastward to the New York-Connecticut border. The Update identifies a number of many important natural resources in the Highlands, and the effect of existing patterns of land use change on these resources. Some key findings from the 2002 Update include:

- The Highlands adjoin a metropolitan area of more than 20 million people.
- More than 11 million people rely on the Highlands water resources.
- More than 14 million people visit the Highlands each year for recreational opportunities.

- 5,200 acres per year of land was developed between 1995 and 2000.
- Almost 40 percent, 540,000 acres, are considered to have high conservation value. Nearly half of these lands are currently in some type of permanent conservation arrangement, such as an easement or under a nonprofit land trust holding.
- Approximately 100,000 acres considered to have high conservation value have a high likelihood of change.
- Forty two of the 51 existing Hydrologic Unit Code 11 watersheds (which have an average area of about 50 square miles) presently have 10 percent or less impervious surface cover (a significant indicator of water quality). Depending on the rate of land use change, the number of Hydrologic Unit Code 11 watersheds with less than 10 percent or less of impervious surface cover could fall from 42 to about 9 to 18 in the next thirty years.
- The future population in the New Jersey-New York Highlands could increase by 26 to 48 percent in the next 30 years, based on our analysis.

In addition to updating the 1992 Study, Congress directed the Secretaries of Agriculture and the Interior to jointly develop a set of recommendations identifying ways that Federal government can work with State, local and non-profit partners to address important resource issues, based on the findings of the 1992 Study and 2002 Update.

Our efforts to address these findings continue in the New York and New Jersey portions of the Highlands region through a Forest Service staff position established to coordinate and implement conservation strategies, and the ongoing support of an internet mapping system at Rutgers University to provide direct access to study data and maps. Also, a recent regional meeting held at the Lautenberg Visitor Center in what is now the Sterling Forest State Park in Tuxedo, New York, brought together, for the first time, representatives of the various Federal agencies involved with the Highlands region to share information and identify ways to improve inter-agency communication and coordination.

Over the past 10 years, the Forest Legacy program has protected 3444 acres with \$4,200,000 in Federal funds that has leveraged over \$14,000,000 in non-federal funds in New Jersey and New York. Over the last five years, the Forest Legacy program has provided \$14,300,000 of funding that is expected to protect over 8,700 acres in the New Jersey Highlands and to leverage over \$32 million of state and private partner funds for land conservation. In addition, the Forest Service has provided assistance to private landowners, nonprofits and State and local governments, through a range of Forest Service non-regulatory, cooperative programs of more than \$1,000,000 toward land conservation activities in those two states. These include technical and financial assistance to states and communities and landowner assistance for management planning and implementation of conservation practices.

I want to bring to the Committee some issues that the Department has identified with H.R. 1964 that may require further consideration by the Committee.

First, the legislation covers a four-state region. The Department's efforts to date have concentrated on the 1.5 million acre New York-New Jersey portion of the region, and have only generally characterized the resource values and boundaries of the Pennsylvania and Connecticut portions of the Highlands. More thorough consideration and inventory of the resource values in Pennsylvania and Connecticut is needed. In addition, the committee may wish to consider adding language that would direct the Secretaries to prepare a map to delineate the Highlands Conservation Area and eliminate any uncertainty regarding the area within projects would be eligible for assistance.

To our knowledge, the bill does not authorize any activity by the Forest Service and the Department of Agriculture that is not already authorized under current law. USDA could designate the Highlands area as a high priority within existing authorities to permit its agencies to address resource issues in the Highlands region. The bill's targeting of technical assistance, financial assistance, and land conservation projects could require USDA to determine the priority of these activities relative to other high-priority programs or projects that may rely on the same funding source.

STATEMENT OF ROBERT W. MCINTOSH, ASSOCIATE REGIONAL DIRECTOR FOR PLANNING AND PARTNERSHIPS, NORTHEAST REGION, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR

Mr. Chairman, thank you for the opportunity to present the views of the Department of the Interior on H.R. 1964, a bill to assist the States of Connecticut, New Jersey, New York and Pennsylvania in conserving priority lands and natural resources in the Highlands Region, and for other purposes.

The Highlands Region, comprising more than 2 million acres in one of the most urbanized sections of the country, contains numerous natural and cultural resources worthy of protection. It is a water supply source for over 11,000,000 persons, provides critical habitat to a wide variety of plant and animal species, and is the site of many historic events that have shaped our nation including significant actions related to the American Revolution. It is also an area rapidly experiencing the impacts of urbanization.

The Highlands Region also contains units of the National Park System including Morristown National Historical Park, Hopewell Furnace National Historic Site, and the Delaware Water Gap National Recreation Area; designated Wild and Scenic Rivers including the Upper Delaware and Farmington Rivers; and two designated national heritage areas—The Hudson River Valley National Herit-

age Area and the Delaware and Lehigh National Heritage Corridor. The National Park Service has enjoyed long-standing partnerships with the States and many of the governments and organizations in this region.

The Department of the Interior (Department) looks forward to continuing this productive relationship with the U.S. Department of Agriculture, the four states, local governments, and many present and new partners in the Highlands Region as we, together, strive to protect natural, historic, and cultural resources. We believe, however, that the goals of the bill can be best achieved through existing public and private partnerships between the Federal government, the States, local jurisdictions and the private sector, without earmarking funds from the Land and Water Conservation Fund (LWCF) Act.

On June 17, 2003, the Department testified before the House Subcommittee on National Parks, Recreation, and Public Lands on H.R. 1964. During that testimony, the Department indicated that it would defer to the position of the USDA, who was the lead agency in H.R. 1964, as introduced. We also cited concerns about cost and identified a number of existing programs that could meet the needs of the Highlands Region. During markup, H.R. 1964 was amended in several ways, including designating the Department rather than the USDA as the lead agency. For these and other reasons discussed below, the Department does not support this bill. We continue to defer to the USDA regarding provisions of the bill affecting the Forest Service.

The Highlands Region has been the subject of many past studies described in the bill that document its important natural and cultural resources. In 1992, the Forest Service completed its initial study of a portion of the Highlands Region as described in the bill, which was authorized by the 1990 Farm Bill. The study supported land stewardship and watershed-based planning activities, identified voluntary and non-regulatory means to protect important areas, fostered public awareness of the region's resources, and identified priority areas for protection. In 2000, under Representative Frelinghuysen's leadership, Congress recognized the need to revisit the study's findings and authorized an update in Public Law 106-291. The Forest Service completed the update in 2003 with the National Park Service providing comments on the draft report. The draft report is the product of extensive public participation across the Highlands Region, including involvement by members of the working group from over 120 municipalities, non-profit groups, private groups, and citizens in 12 counties as well as other Federal agencies and members of Congress.

Congress requested that at the conclusion of the update, the Secretaries of Agriculture and Interior report on how they will work together to implement the recommendations of the study. In the draft report, three recommendations are provided for a continued Federal role in the

Highlands Region including supporting the stewardship of the Highlands Region, ensuring the availability of science-based information, and partnering in local land stewardship activities. This report is currently pending inter-agency review.

As we mentioned in our previous testimony, we see many opportunities for participation in the Highlands Region through existing programs of the Department. Projects within the region may qualify for Rivers, Trails and Conservation Assistance and Wild and Scenic Rivers assistance, and the LWCF, among others. Through our Rivers, Trails and Conservation Assistance Program, we are working with local groups along the Delaware and Hudson Canal to create a 220-mile network of trails (including water trails), scenic railroads, and scenic byways. H.R. 1964 would authorize appropriations of \$100 million from the LWCF, or from the general funds of the Treasury, over 10 years beginning in FY 2005. We believe that financial assistance to the region should continue through existing authorities of the Department. For example, the Department has made LWCF grants available to the four States totaling over \$46.6 million between 2000 and 2003. Through the LWCF program, Rockaway Township in the Highlands Region in the State of New Jersey recently acquired 294 acres of land adjacent to the Wildcat Ridge Wildlife Management Area for trails, low impact recreation, and to protect open space inhabited by endangered species including the threatened Bald Eagle.

We have consistently opposed earmarking the state grant portion of LWCF because it circumvents state authority for determining its own priorities for use of fund monies through the comprehensive statewide outdoor recreation planning process. It potentially affects the amounts available to the other states that rely on this program. Significant protection can be accomplished through grants to the states as they choose to prioritize acquisitions and projects in the Highlands Region under the current provisions of Section 6 of the LWCF Act. We also would have concerns if the funds for this bill came from the general funds of the Treasury because we are trying to focus our resources on taking care of our current responsibilities in our national parks.

This concludes my testimony. I would be pleased to answer any questions the Committee may have this bill.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law made by the act H.R. 1964 as ordered reported.