

108TH CONGRESS
1ST SESSION

S. 1453

To expedite procedures for hazardous fuels reduction activities and restoration in wildland fire prone national forests and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 24 (legislative day, JULY 21), 2003

Mr. LEAHY (for himself and Mrs. BOXER) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To expedite procedures for hazardous fuels reduction activities and restoration in wildland fire prone national forests and for other purposes.

1 SECTION 1. SHORT TITLE.

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Forestry and Community Assistance Act of 2003”.

4 (b) **TABLE OF CONTENTS.**—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Purposes.

TITLE I—HAZARDOUS FUEL REDUCTION

Sec. 101. Definitions.

Sec. 102. Hazardous fuels reduction projects authorized.

Sec. 103. Collaboration and public input process.

Sec. 104. Expedited planning and implementation process.

- Sec. 105. Ongoing projects and existing authorities.
- Sec. 106. Preference to communities with fire prevention ordinances.
- Sec. 107. Firefighter safety and training.
- Sec. 108. Prohibition on the competitive sourcing initiative.
- Sec. 109. Sunset provision.
- Sec. 110. Authorization of appropriations.

TITLE II—FOREST HEALTH

- Sec. 201. Purpose.
- Sec. 202. Involvement by other agencies and organizations.
- Sec. 203. Authorization of appropriations.

TITLE III—WATERSHED FORESTRY ASSISTANCE

- Sec. 301. Findings and purpose.
- Sec. 302. Establishment of watershed forestry assistance program.
- Sec. 303. Watershed forestry assistance program.
- Sec. 304. Authorization of appropriations.
- Sec. 305. Forest and rangeland demonstration projects at the watershed scale.

TITLE IV—HEALTHY FORESTS RESERVE PROGRAM

- Sec. 401. Establishment of healthy forests reserve program.
- Sec. 402. Eligibility and enrollment of lands in program.
- Sec. 403. Restoration plans.
- Sec. 404. Involvement by other agencies and organizations.
- Sec. 405. Financial assistance.
- Sec. 406. Technical assistance.
- Sec. 407. Authorization of appropriations.

TITLE V—RURAL FOREST COMMUNITY INITIATIVE PROGRAM

- Sec. 501. Purpose.
- Sec. 502. Rural community forestry enterprise program.
- Sec. 503. Authorization of appropriations.

1 **SEC. 2. PURPOSES.**

2 (a) To allow for the implementation of hazardous
 3 fuels reduction projects with priority given to lands that
 4 are located within one-half mile of at-risk communities.

5 (b) To address long-term forest health issues as it
 6 relates to insect and disease infestations.

7 (c) To establish a watershed forestry assistance pro-
 8 gram that would provide States, through State foresters,
 9 technical, financial, and related assistance to expand for-

1 est stewardship capacities and activities and prevent water
 2 quality degradation, and address watershed issues, on
 3 non-Federal forest land.

4 (d) To establish the healthy forests reserve program
 5 for the purpose of conserving, restoring, and enhancing
 6 forest ecosystems to promote the recovery of threatened
 7 and endangered species as well as improve biodiversity and
 8 enhance carbon sequestration.

9 (e) To assist in the economic revitalization of the
 10 rural forest resource dependent communities through in-
 11 centives to promote investment in private enterprise, in-
 12 cluding small forest products businesses and community
 13 development, by the Department of Agriculture, the De-
 14 partment of the Interior, the Small Business Administra-
 15 tion, and land grant colleges.

16 **TITLE I—HAZARDOUS FUELS RE-**
 17 **DUCTION ON FEDERAL**
 18 **LANDS**

19 **SEC. 101. DEFINITIONS.**

20 (a) LAND TYPE AND FIRE REGIME DEFINITIONS
 21 FROM FOREST SERVICE ROCKY MOUNTAIN RESEARCH
 22 STATION.—In this Act:

23 (1) CONDITION CLASS 3.—The term “condition
 24 class 3” refers to land on which—

1 (A) fire regimes have been significantly al-
2 tered from their historical fire return intervals;

3 (B) there exists a high risk of losing key
4 ecosystem components; and

5 (C) has missed several fire cycles.

6 (2) FIRE REGIME I.—The term “fire regime I”
7 refers to lands—

8 (A) on which historically there are low se-
9 verity fires with a frequency of 0–35 years; and

10 (B) are located primarily in low elevation
11 forests of pine, oak, and pinyon-juniper.

12 (3) FIRE REGIME II.—The term “fire regime
13 II” refers to lands—

14 (A) on which historically there are stand
15 replacement severity fires with a frequency of
16 0–35 years; and

17 (B) are located primarily in low- to mid-
18 elevation forests, rangelands, grasslands, or
19 shrublands.

20 (4) FIRE REGIME III.—The term “fire regime
21 III” refers to lands—

22 (A) on which historically there are mixed
23 severity fires with a frequency of 35–100 years;
24 and

1 (B) are located primarily in forests of dry
2 mixed conifer and dry Douglas Fir.

3 (b) OTHER DEFINITIONS.—In this Act—

4 (1) ADMINISTRATIVE UNIT.—The term “admin-
5 istrative unit”, with respect to Federal lands, means
6 a unit of the National Forest System or a land man-
7 agement district of the Bureau of Land Manage-
8 ment.

9 (2) AT-RISK COMMUNITY.—The term “at-risk
10 community” means a geographic area designated by
11 the Secretary concerned as any area—

12 (A) defined as an interface community on
13 page 753 of volume 66 of the Federal Register,
14 as published on January 4, 2001, or consisting
15 of a collection of homes and other structures
16 with basic infrastructure and services, such as
17 utilities, collectively maintained transportation
18 routes, and emergency services;

19 (B) on which conditions are conducive to
20 large-scale fire disturbance events; and

21 (C) for which a significant risk exists of a
22 resulting spread of the fire disturbance event,
23 after ignition, which would threaten human life
24 and property.

1 (3) BEST VALUE CONTRACTING.—The term
2 “best value contracting” means the contracting proc-
3 ess described in section 15.101 of title 48, Code of
4 Federal Regulations, which allows the inclusion of
5 non-cost factors in the contract process.

6 (4) COMPREHENSIVE STRATEGY.—The term
7 “Comprehensive Strategy” means the Comprehen-
8 sive Strategy for a Collaborative Approach for Re-
9 ducing Wildland Fire Risks to Communities and the
10 Environment, dated May 2002, which was developed
11 pursuant to the conference report to accompany the
12 Department of the Interior and Related Agencies
13 Appropriations Act, 2001 (H. Rept. 106–646).

14 (5) FEDERAL LANDS.—Except as provided in
15 section 101(c), the term “Federal lands” means—

16 (A) National Forest System lands; and

17 (B) public lands administered by the Sec-
18 retary of the Interior acting through the Bu-
19 reau of Land Management.

20 (6) GOODS FOR SERVICE CONTRACTING.—The
21 term “goods for service contracting” means the con-
22 tracting process described in section 347 of the De-
23 partment of the Interior and Related Agencies Ap-
24 propriations Act, 1999 (as contained in section

1 101(e) of division A of Public Law 105–277; 16
2 U.S.C. 2104 note).

3 (7) HAZARDOUS FUELS REDUCTION
4 PROJECT.—The term “hazardous fuels reduction
5 project” means a project—

6 (A) undertaken for the purpose of reducing
7 the amount of hazardous fuels resulting from
8 alteration of a natural fire regime as a result
9 of fire suppression or other activities; and

10 (B) accomplished through the use of pre-
11 scribed burning or mechanical treatment, or
12 combination thereof.

13 (8) INVENTORIED ROADLESS AREA.—The term
14 “inventoried roadless area” means one of the areas
15 identified in the set of inventoried roadless areas
16 maps contained in the Forest Service Roadless
17 Areas Conservation, Final Environmental Impact
18 Statement, Volume 2, dated November 2000.

19 (9) LOCAL PREFERENCE CONTRACTING.—The
20 term “local preference contracting” means the con-
21 tracting process described in section 333 of the De-
22 partment of the Interior and Related Agencies Ap-
23 propriations Act, 2003 (division F of Public Law
24 108–7; 117 Stat. 277), that gives preference to local
25 businesses.

1 (10) MUNICIPAL WATER SUPPLY SYSTEM.—The
2 term “municipal water supply system” means res-
3 ervoirs, canals, ditches, flumes, laterals, pipes, pipe-
4 lines, or other surface facilities and systems con-
5 structed or installed for the impoundment, storage,
6 transportation, or distribution of drinking water for
7 a community.

8 (11) SECRETARY CONCERNED.—The term
9 “Secretary concerned” means—

10 (A) the Secretary of Agriculture (or the
11 designee of the Secretary) with respect to Na-
12 tional Forest System lands; and

13 (B) the Secretary of the Interior (or the
14 designee of the Secretary) with respect to public
15 lands administered by the Secretary through
16 the Bureau of Land Management.

17 (c) EXCLUDED FEDERAL LANDS.—This Act, includ-
18 ing the expedited process described in section 5, does not
19 apply to any Federal lands—

20 (1) included as a component of the National
21 Wilderness Preservation System;

22 (2) where logging is prohibited or restricted by
23 Act of Congress, presidential proclamation, or agen-
24 cy determination;

25 (3) included in a wilderness study area; or

1 (4) included in an inventoried roadless area.

2 **SEC. 102. HAZARDOUS FUELS REDUCTION PROJECTS AU-**
3 **THORIZED.**

4 (a) CONSISTENCY WITH IMPLEMENTATION PLAN.—

5 The processes authorized or required by this Act shall be
6 consistent with the implementation plan for the Com-
7 prehensive Strategy to reduce hazardous fuels on Federal
8 lands.

9 (b) PRIORITY HAZARDOUS FUELS REDUCTION
10 PROJECTS.—

11 (1) PROJECTS ON CERTAIN LANDS.—In imple-
12 menting hazardous fuels reduction projects under
13 this Act, the Secretary concerned shall give priority
14 to projects on the following Federal lands and other
15 lands:

16 (A) Lands that are located within one-half
17 mile of an at-risk community where fire regime
18 I, fire regime II, or fire regime III exists and
19 that are in condition class 3.

20 (B) Lands where fire regime I, fire regime
21 II, or fire regime III exists and that are in con-
22 dition class 3 and that are located in such prox-
23 imity to a municipal water supply system that
24 a hazardous fuels reduction project should be
25 carried out in order to reduce the risk of harm

1 to such system or the quality of a municipal
2 water supply resulting from an unusually severe
3 wildfire.

4 (2) LIMITATION ON OTHER PROJECTS PENDING
5 COMPLETION OF PRIORITY PROJECTS.—With respect
6 to projects on Federal lands in a State, the Sec-
7 retary concerned shall complete all projects on Fed-
8 eral lands identified in paragraph (1) in that State
9 before carrying out projects in areas outside of those
10 Federal lands in that State.

11 (c) COMPLIANCE WITH LAND MANAGEMENT
12 PLANS.—A hazardous fuels reduction project planned and
13 conducted under this Act must be consistent with the land
14 and resource management plan, land use plan, and other
15 agency plans and regulations applicable to the Federal
16 lands covered by the project.

17 (d) PROJECT CONTRACTING.—To conduct a haz-
18 ardous fuels reduction project under this Act, the Sec-
19 retary concerned shall use local preference contracting and
20 best value contracting. Payments under a contract entered
21 into to implement a project under this Act shall only be
22 made on a fee-for-service basis. The Secretary concerned
23 shall not use goods-for-service contracting to implement
24 a project under this Act.

1 (e) OLD GROWTH AND OTHER LIMITATIONS.—In
2 conducting a hazardous fuels reduction project under this
3 Act, the Secretary concerned—

4 (1) shall not construct new permanent or tem-
5 porary roads;

6 (2) shall fully maintain the structure, function,
7 processes and composition of structurally complex
8 older forests (old growth) according to each eco-
9 system type;

10 (3) shall focus on thinning from below when
11 using mechanical treatment;

12 (4) shall ensure that condition classes are as-
13 sessed and mapped at watershed and site-specific
14 scales; and

15 (5) shall apply the risk assessment methodology
16 and project selection process of the National Wild-
17 fire Coordinating Group.

18 (f) ACREAGE LIMITATION.—Not more than
19 20,000,000 acres of Federal land may be treated using
20 the authorities provided by this Act.

21 (g) FUNDING PRIORITY.—Of funds expended for haz-
22 ardous fuels reduction projects under this Act, at least 85
23 percent shall be expended on projects on lands described
24 in subparagraphs (A) and (B) of section 102(b)(1). Upon
25 forming cooperative agreements with the appropriate par-

1 ties, the Secretary concerned may use these funds for
2 treatment of non-Federal lands. Funds for treatment of
3 non-Federal lands shall be expended in the form of block
4 grants to States and local communities to plan and carry
5 out hazardous fuels reduction projects and other wildland
6 fire protection efforts on non-Federal lands in accordance
7 with the Comprehensive Strategy.

8 (h) MONITORING.—

9 (1) MONITORING REQUIRED.—The Secretary
10 concerned shall establish a balanced multiparty mon-
11 itoring process in order for Congress to assess a rep-
12 resentative sampling of the hazardous fuels reduc-
13 tion projects implemented under this Act.

14 (2) REPORT REQUIRED.—Not later than one-
15 year after the expiration of this Act, as provided in
16 section 109, the Secretary concerned shall submit to
17 Congress a report containing, at a minimum, the fol-
18 lowing—

19 (A) an assessment of the cumulative ac-
20 complishments or adverse impacts of the fuels
21 reduction projects conducted under this Act;

22 (B) a description of the ecological effects
23 of the projects conducted under this Act; and

1 (C) a description of the economic viability,
2 impacts, and costs of the projects conducted
3 under this Act.

4 **SEC. 103. COLLABORATION AND PUBLIC INPUT PROCESS.**

5 (a) PROCESS REQUIRED.—

6 (1) DEVELOPMENT.—As a condition on the se-
7 lection of hazardous fuels reduction projects under
8 section 102, the Secretary of Agriculture and the
9 Secretary of the Interior shall jointly develop a col-
10 laborative process with interested parties, consistent
11 with the implementation plan for the Comprehensive
12 Strategy. The collaborative process developed by the
13 Secretaries may be the process set forth in title II
14 of the Secure Rural Schools and Community Self-
15 Determination Act of 2000 (Public Law 106–393;
16 16 U.S.C. 500 note).

17 (2) REQUIRED MAPS AND PUBLIC MEETINGS.—

18 As part of the process developed under subsection
19 103(a), the Secretaries shall—

20 (A) produce maps, at the appropriate land-
21 scape scale, designating the condition class of
22 Federal lands and other lands and including a
23 fire risk assessment based on natural and
24 human-caused factors, including insect and dis-
25 ease mortality, associated with those lands;

1 (B) make such maps readily available for
2 public inspection; and

3 (C) hold a public meeting by administra-
4 tive unit to discuss condition class and associ-
5 ated fire risk factors and to identify priority
6 areas for the hazardous fuels reduction
7 projects.

8 (b) PUBLIC NOTICE.—

9 (1) QUARTERLY NOTICE.—The Secretary con-
10 cerned shall provide quarterly notice of each haz-
11 ardous fuels reduction project proposed to be con-
12 ducted using the expedited process described in sec-
13 tion 104. The quarterly notice shall be provided in
14 the Federal Register, in a local paper of record, and
15 on an agency website. The Secretary concerned may
16 combine this quarterly notice with other quarterly
17 notices otherwise issued regarding Federal land
18 management.

19 (2) CONTENT.—The notice required by section
20 103(b)(1) shall include, at a minimum, the following
21 information regarding each hazardous fuels reduc-
22 tion project contained in the notice—

23 (A) specific identification that the project
24 is a hazardous fuels reduction project for which
25 the expedited process described in section 104

1 will be used, including a clear statement wheth-
2 er the agency intends to use a categorical exclu-
3 sion or to prepare an environmental assessment
4 or environmental impact statement;

5 (B) a description of the project, including
6 as much information on its geographic location
7 as practicable;

8 (C) the approximate date on which scoping
9 for the project will begin; and

10 (D) information regarding how interested
11 members of the public can take part in the de-
12 velopment of the project pursuant to the expe-
13 dited process described in section 104.

14 (c) PUBLIC MEETING.—Following publication of each
15 quarterly notice under section 103(b), but before the be-
16 ginning of scoping for the project pursuant to the expe-
17 dited process described in section 104, the Secretary con-
18 cerned shall conduct a public meeting at an appropriate
19 location in each administrative unit of the Federal lands
20 regarding those hazardous fuels reduction projects con-
21 tained in the quarterly notice that are proposed to be con-
22 ducted in that administrative unit. The Secretary con-
23 cerned shall provide advance notice of the date and time
24 of the meeting in the quarterly notice described in section
25 103(b)(1).

1 (d) FINAL AGENCY ACTION.—The Secretary con-
2 cerned shall provide notice in the local paper of record and
3 on an agency website of any final agency action regarding
4 a hazardous fuels reduction project for which the expe-
5 dited process described in section 104 are used.

6 **SEC. 104. EXPEDITED PLANNING AND IMPLEMENTATION**
7 **PROCESS.**

8 (a) SCOPING.—The Secretary concerned shall con-
9 duct scoping with respect to each hazardous fuels reduc-
10 tion project for which the expedited process established by
11 this section is to be used.

12 (b) CATEGORICAL EXCLUSIONS.—

13 (1) PRESUMPTION NEAR COMMUNITIES.—If a
14 hazardous fuels reduction project covered by section
15 102, for which the collaborative and public input
16 process required by section 103 is used, covers Fed-
17 eral lands located within one-half mile of an at-risk
18 community, the project is deemed to be categorically
19 excluded from further analysis under the National
20 Environmental Policy Act of 1969 (42 U.S.C. 4331
21 et seq.). The Secretary concerned need not make any
22 findings as to whether the project, either individually
23 or cumulatively, has a significant effect on the envi-
24 ronment. However, within one-half mile of an at-risk
25 community, the Secretary concerned shall vary the

1 treatments used to achieve heterogeneity of forest
2 conditions and to ensure forest health.

3 (2) EXTRAORDINARY CIRCUMSTANCES EXCEP-
4 TION.—Section 104(b)(1) shall not apply to Federal
5 lands located within one-half mile of an at-risk com-
6 munity if extraordinary circumstances exist with re-
7 spect to the lands.

8 (3) EXTRAORDINARY CIRCUMSTANCES.—In the
9 case of a hazardous fuels reduction project for which
10 a categorical exclusion applies under section
11 104(b)(1), if extraordinary circumstances exist with
12 respect to the project, the Secretary concerned shall
13 follow agency procedures (as contained in CEQ reg-
14 ulation 1508.4, Forest Service Handbook 1909.15,
15 chapters 30–33, as of August 22, 2002, and Bureau
16 of Land Management Handbook H–1790–1, 516
17 DM 2.1–2.10) related to categorical exclusions and
18 extraordinary circumstances.

19 (4) APPEALS.—Hazardous fuels reduction
20 projects implemented using a categorical exclusion
21 under paragraph (1) are not subject to appeal re-
22 quirements imposed by section 322 of the Depart-
23 ment of the Interior and Related Agencies Appro-
24 priations Act, 1993 (Public Law 102–381; 16

1 U.S.C. 1612 note), or the Department of the Inte-
2 rior Office of Hearings and Appeals.

3 (c) ENVIRONMENTAL ASSESSMENTS.—

4 (1) IN GENERAL.—With respect to priority
5 lands identified in section 102(b), if a categorical ex-
6 clusion does not apply under section 102(b) to a
7 hazardous fuels reduction project under section 104
8 for the lands, the Secretary concerned shall deter-
9 mine, consistent with the National Environmental
10 Policy Act of 1969, whether an environmental as-
11 sessment will be sufficient to meet the requirements
12 for the project under such Act.

13 (2) CONTENT.—An environmental assessment
14 prepared for a hazardous fuels reduction project
15 under section 102 shall—

16 (A) be concise, if possible not more than
17 10–15 pages;

18 (B) describe sufficient information and
19 analyses for determining whether to prepare an
20 environmental impact statement or a finding of
21 no significant impact;

22 (C) state the need for the proposed action;

23 (D) describe alternative actions, as re-
24 quired by section 102(a)(2)(E) of the National
25 Environmental Policy Act of 1969;

1 (E) briefly describe the environmental im-
2 pacts of the proposed action and alternatives;

3 (F) list the agencies and persons con-
4 sulted, as required by section 1508.9 of title 40,
5 Code of Federal Regulations, with respect to
6 National Forest System lands;

7 (G) reference supporting data, inventories
8 and other documents on which the Secretary
9 concerned relied to make the decision; and

10 (H) involve interested agencies and the
11 public in the preparation of the environmental
12 assessment.

13 (3) AVAILABILITY OF DECISION DOCUMENT.—
14 When the decision document is complete for a haz-
15 ardous fuels reduction project under section 102 for
16 which an environmental assessment or categorical
17 exclusion memo is prepared, the Secretary concerned
18 shall—

19 (A) provide notice of the decision docu-
20 ment in the Federal Register, the local paper of
21 record, and an agency website, including notice
22 stating how the documentation listed in section
23 104(c)(3)(B) will be available; and

24 (B) make the environmental analysis docu-
25 ment, administrative record, and decision docu-

1 ment for the project, pursuant to section 215.2
2 of title 36, Code of Federal Regulations, readily
3 available for public review.

4 (4) APPEALS.—Notwithstanding the appeal re-
5 quirements imposed by section 322 of the Depart-
6 ment of the Interior and Related Agencies Appro-
7 priations Act, 1993 (Public Law 102–381; 16
8 U.S.C. 1612 note), or the Department of the Inte-
9 rior Office of Hearings and Appeals—

10 (A) persons must file any administrative
11 appeal of a project under this subsection within
12 30 days after the date of issuance of the deci-
13 sion document for the project;

14 (B) the Secretary concerned shall resolve
15 any appeal not later than 20 days after the
16 closing date for filing an appeal; and

17 (C) the Secretary concerned shall stay im-
18 plementation of the project until the end of the
19 15-day period beginning on the date on which
20 the Secretary concerned resolves any adminis-
21 trative appeal that complies with the require-
22 ments in section 104(d).

23 (d) ADDITIONAL LIMITATION ON ADMINISTRATIVE
24 APPEALS.—Notwithstanding section 322 of the Depart-
25 ment of the Interior and Related Agencies Appropriations

1 Act, 1993 (Public Law 102–381; 16 U.S.C. 1612 note),
2 if a draft document prepared pursuant to the National
3 Environmental Policy Act of 1969 for a hazardous fuels
4 reduction project covered by section 3 was available for
5 public comment, the Secretary of Agriculture may require
6 that a person filing an administrative appeal with respect
7 to the project must have been involved in the public com-
8 ment process for the project by submitting written com-
9 ments raising specific issues with regard to the project.

10 (e) STATEMENT OF COMPLIANCE.—A categorical ex-
11 clusion memo or environmental assessment decision docu-
12 ment prepared under this section shall include a short
13 statement as to how the hazardous fuels reduction project
14 complies with the requirement of section 102(c).

15 **SEC. 105. ONGOING PROJECTS AND EXISTING AUTHORI-**
16 **TIES.**

17 Nothing in this Act shall affect a hazardous fuels re-
18 duction project for which scoping has begun before the
19 date of the enactment of this Act or affect authorities oth-
20 erwise granted to the Secretary concerned under existing
21 law.

22 **SEC. 106. PREFERENCE TO COMMUNITIES WITH FIRE PRE-**
23 **VENTION ORDINANCES.**

24 In determining the allocation of funding for the Com-
25 munity and Private Land Fire Assistance program under

1 section 10A(b) of the Cooperative Forestry Assistance Act
2 of 1978 (16 U.S.C. 2106c(b)), the Secretary of Agri-
3 culture shall prioritize funding to those communities that
4 have taken proactive steps through the enactment of ordi-
5 nances and other means to encourage property owners to
6 reduce fire risk on private property.

7 **SEC. 107. FIREFIGHTER SAFETY AND TRAINING.**

8 The Secretaries shall track funds expended for fire-
9 fighter safety and training and include a line item for such
10 expenditures in all budget requests after October 1, 2003.

11 **SEC. 108. PROHIBITION ON THE COMPETITIVE SOURCING**
12 **INITIATIVE.**

13 The Competitive Sourcing Initiative and the Office
14 of Management and Budget Circular No. A-76, dated
15 May 29, 2003, shall not apply to the Forest Service.

16 **SEC. 109. SUNSET.**

17 The provisions of this section shall expire at the end
18 of the five-year period beginning on the date of the enact-
19 ment of this Act, except that a hazardous fuels reduction
20 project for which a decision notice, or memo in the case
21 of a categorical exclusion, has been issued before the end
22 of such period may continue to be implemented using the
23 provisions of this Act.

1 **SEC. 110. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) NATIONAL FOREST SYSTEM LANDS.—For the
3 purpose of planning and conducting hazardous fuels re-
4 duction projects under this Act on National Forest System
5 lands, there are authorized to be appropriated to the Sec-
6 retary of Agriculture \$1,250,000,000 during the five-fiscal
7 year period beginning October 1, 2003.

8 (b) BLM LANDS.—For the purpose of planning and
9 conducting hazardous fuels reduction projects under this
10 Act on Federal lands described in section 101(b)(2)(B),
11 there are authorized to be appropriated to the Secretary
12 of the Interior \$1,250,000,000 during the five-fiscal year
13 period beginning October 1, 2003.

14 (c) OTHER LANDS.—For the purpose of planning and
15 conducting hazardous fuels reduction projects under this
16 Act on tribal lands, nonindustrial private lands, and State
17 lands, there are authorized to be appropriated to the Sec-
18 retary of the Interior \$2,500,000,000 during the five-fiscal
19 year period beginning October 1, 2003.

20 (d) UNOBLIGATED FUNDS.—Subject to section 109,
21 amounts appropriated in one fiscal year and unobligated
22 before the end of that fiscal year shall remain available
23 for use in subsequent fiscal years.

1 **TITLE II—FOREST HEALTH**

2 **SEC. 201. PURPOSE.**

3 The Secretaries shall ensure that a forest health pro-
4 gram includes research on—

5 (1) determining how to best use mechanical
6 thinning and prescribed fire to modify fire behavior
7 and reduce fire risk, and to improve the scientific
8 basis for design, implementation and evaluation of
9 hazardous fuels reduction treatments;

10 (2) gathering systematic information on insect
11 and associated disease types, including Emerald Ash
12 Borers, Gypsy Moth, Red Oak Borers, Asian
13 Longhorned Beetles, Sudden Oak Death Syndrome,
14 and Bark Beetles, that have caused large-scale dam-
15 age to forest ecosystems, to establish early detection
16 programs for insect and disease infestation in order
17 to prevent massive breakouts, to prevent introduc-
18 tion and spread of new exotic insects, to determine
19 the correlation between insect and disease mortality
20 and fire risk in specific forest types, and to test sil-
21 vicultural systems that use integrated management
22 practices; and

23 (3) developing new technologies and markets
24 for value-added products that use the byproducts of

1 insect and disease infestation or hazardous fuels re-
2 duction treatments.

3 **SEC. 202. INVOLVEMENT OF OTHER AGENCIES AND ORGA-**
4 **NIZATIONS.**

5 The Secretaries shall establish and carry out the pro-
6 gram in cooperation with scientists from universities and
7 forestry schools, State agencies, and private and industrial
8 land owners. The Secretaries shall designate universities
9 and forestry schools, including Land Grant Colleges and
10 Universities and 1890 institutions, to carry out the pro-
11 gram.

12 **SEC. 203. AUTHORIZATION OF APPROPRIATIONS.**

13 During fiscal years 2004 and 2008, the Secretaries
14 jointly shall make available from funds otherwise available
15 in the Treasury, without further appropriation,
16 \$25,000,000 each fiscal year to conduct a systematic in-
17 formation gathering program on certain insect types and
18 associated diseases that could cause large-scale damage to
19 forest ecosystems in order to complete research that can
20 be applied to forest management treatment and product
21 utilization. The funds authorized in this section shall also
22 be made available to expand the joint Forest Service—
23 APHIS early detection network, to provide for control pro-
24 grams for new exotic insects; and to expand cooperative
25 programs that prevent transport of exotics overseas.

1 **TITLE III—WATERSHED**
2 **FORESTRY ASSISTANCE**

3 **SEC. 301. FINDINGS AND PURPOSE.**

4 (a) FINDINGS.—Congress finds that—

5 (1) there has been a dramatic shift in public at-
6 titudes and perceptions about forest management,
7 particularly in the understanding and practice of
8 sustainable forest management;

9 (2) it is commonly recognized that proper stew-
10 ardship of forest land is essential to—

11 (A) sustain and restore watershed health;

12 (B) produce clean water; and

13 (C) maintain healthy aquatic systems;

14 (3) forests are increasingly important to the
15 protection and sustainability of drinking water sup-
16 plies for more than ½ of the population of the
17 United States;

18 (4) forest loss and fragmentation in urbanizing
19 areas are contributing to flooding, degradation of
20 urban stream habitat and water quality, and public
21 health concerns;

22 (5) scientific evidence and public awareness
23 with respect to the manner in which forest manage-
24 ment can positively affect water quality and quan-
25 tity, and the manner in which trees, forests, and for-

1 forestry practices (such as forest buffers) can serve as
2 solutions to water quality problems in rural and
3 urban areas, are increasing;

4 (6) the application of forestry best management
5 practices developed at the State level has been found
6 to greatly facilitate the achievement of water quality
7 goals;

8 (7) significant efforts are underway to revisit
9 and make improvements on needed forestry best
10 management practices;

11 (8) according to the report of the Forest Serv-
12 ice numbered FS*09660 and entitled “Water and
13 the Forest Service”, forests are a requirement for
14 maintenance of clean water because—

15 (A) approximately 66 percent of the fresh-
16 water resources of the United States originate
17 on forests; and

18 (B) forests cover approximately $\frac{1}{3}$ of the
19 land area of the United States;

20 (9) because almost 500,000,000 acres, or ap-
21 proximately $\frac{2}{3}$, of the forest land of the United
22 States is owned by non-Federal entities, a significant
23 burden is placed on private forest landowners to pro-
24 vide or maintain the clean water needed by the pub-

1 lic for drinking, swimming, fishing, and a number
2 of other water uses;

3 (10) because the decisions made by individual
4 landowners and communities will affect the ability to
5 maintain the health of rural and urban watersheds
6 in the future, there is a need to integrate forest
7 management, conservation, restoration, and steward-
8 ship in watershed management;

9 (11) although water management is the pri-
10 mary responsibility of States, the Federal Govern-
11 ment has a responsibility to promote and encourage
12 the ability of States and private forest landowners to
13 sustain the delivery of clean, abundant water from
14 forest land;

15 (12) as of the date of enactment of this Act,
16 the availability of Federal assistance to support for-
17 est landowners to achieve the water goals identified
18 in many Federal laws (including regulations) is lack-
19 ing; and

20 (13) increased research for, education for, and
21 technical and financial assistance provided to, forest
22 landowners and communities that relate to the pro-
23 tection of watersheds and improvement of water
24 quality, are needed to realize the expectations of the

1 general public for clean water and healthy aquatic
2 systems.

3 (b) PURPOSES.—The purposes of this section are
4 to—

5 (1) improve the understanding of landowners
6 and the public with respect to the relationship be-
7 tween water quality and forest management;

8 (2) encourage landowners to maintain tree
9 cover and use tree plantings and vegetative treat-
10 ments as creative solutions to water quality and
11 quantity problems associated with varying land uses;

12 (3) enhance and complement source water pro-
13 tection in watersheds that provide drinking water for
14 municipalities;

15 (4) establish new partnerships and collaborative
16 watershed approaches to forest management, stew-
17 ardship, and protection; and

18 (5) provide technical and financial assistance to
19 States to deliver a coordinated program that through
20 the provision of technical, financial, and educational
21 assistance to qualified individuals and entities—

22 (A) enhances State forestry best manage-
23 ment practices programs; and

24 (B) protects and improves water quality on
25 forest land.

1 **SEC. 302. ESTABLISHMENT OF WATERSHED FORESTRY AS-**
 2 **SISTANCE PROGRAM.**

3 The Cooperative Forestry Assistance Act of 1978 is
 4 amended by inserting after section 3(c) (as added by sec-
 5 tion 303) the following:

6 **“SEC. 303. WATERSHED FORESTRY ASSISTANCE PROGRAM.**

7 “(a) ESTABLISHMENT.—Subject to the availability of
 8 appropriations, the Secretary shall establish a watershed
 9 forestry assistance program (referred to in this section as
 10 the ‘program’) to provide to States, through State for-
 11 esters or Indian tribes, technical, financial, and related as-
 12 sistance to—

13 “(1) expand forest stewardship capacities and
 14 activities through best management practices and
 15 other means; and

16 “(2) prevent water quality degradation, and ad-
 17 dress watershed issues, on non-Federal forest land.

18 “(b) WATERSHED FORESTRY EDUCATION, TECH-
 19 NICAL ASSISTANCE, AND PLANNING.—

20 “(1) PLAN.—

21 “(A) IN GENERAL.—In carrying out the
 22 program, the Secretary shall cooperate with
 23 State foresters or Indian tribes to develop a
 24 plan, to be administered by the Secretary and
 25 implemented by State foresters or tribal govern-

1 ment, to provide technical assistance to prevent
2 and mitigate water quality degradation.

3 “(B) PARTICIPATION.—In developing the
4 plan under section 303(b)(1)(A), the Secretary
5 shall encourage participation of interested mem-
6 bers of the public (including nonprofit private
7 organizations and local watershed councils).

8 “(2) COMPONENTS.—The plan described in sec-
9 tion 303(b)(1) shall include provisions to—

10 “(A) build and strengthen watershed part-
11 nerships focusing on forest land at the national,
12 State, regional, and local levels;

13 “(B) provide forestry best management
14 practices and water quality technical assistance
15 directly to private landowners;

16 “(C) provide technical guidance relating to
17 water quality management through forest man-
18 agement in degraded watersheds to land man-
19 agers and policymakers;

20 “(D) coordinate with State agencies and
21 tribal governments where it will—

22 “(i) complement nonpoint source as-
23 sessment and management plans estab-
24 lished under section 319 of the Federal

1 Water Pollution Control Act (33 U.S.C.
2 1329); and

3 “(ii) provide enhanced opportunities
4 for coordination and cooperation among
5 Federal and State agencies having respon-
6 sibility for water and watershed manage-
7 ment under that Act; and

8 “(E) provide enhanced forest resource data
9 and support for improved implementation of
10 forestry best management practices, includ-
11 ing—

12 “(i) designing and conducting effec-
13 tiveness and implementation studies; and

14 “(ii) meeting in-State water quality
15 assessment needs, such as the development
16 of water quality models that correlate the
17 management of forest land to water quality
18 measures and standards.

19 “(c) WATERSHED FORESTRY COST-SHARE PRO-
20 GRAM.—

21 “(1) ESTABLISHMENT.—In carrying out the
22 program, the Secretary shall establish a watershed
23 forestry cost-share program, to be administered by
24 the Secretary and implemented by State foresters or
25 tribal governments, to provide grants and other as-

1 sistance for eligible programs and projects described
2 in section 303(c)(2).

3 “(2) ELIGIBLE PROGRAMS AND PROJECTS.—A
4 community, nonprofit group, or landowner may re-
5 ceive a grant or other assistance under this sub-
6 section to carry out a forestry best management
7 practices program or a watershed forestry project if
8 the program or project, as determined by the Sec-
9 retary—

10 “(A) is consistent with—

11 “(i) nonpoint source assessment and
12 management plan objectives established
13 under section 319 of the Federal Water
14 Pollution Control Act (323 U.S.C. 1329);
15 and

16 “(ii) the cost-share requirements of
17 this section; and

18 “(B) is designed to address critical forest
19 stewardship, watershed protection, and restora-
20 tion needs through—

21 “(i) the use of trees and forests as so-
22 lutions to water quality problems in urban
23 and agricultural areas;

1 “(ii) community-based planning, in-
2 volvement, and action through State, local
3 and nonprofit partnerships;

4 “(iii) the application of and dissemi-
5 nation of information on forestry best
6 management practices relating to water
7 quality;

8 “(iv) watershed-scale forest manage-
9 ment activities and conservation planning;
10 and

11 “(v) the restoration of wetland and
12 stream side forests and establishment of ri-
13 parian vegetative buffers.

14 “(3) ALLOCATION.—

15 “(A) IN GENERAL.—After taking into con-
16 sideration the criteria described in section
17 303(c)(3)(B), the Secretary shall allocate
18 among States and tribal governments, for
19 award by State foresters and tribal govern-
20 ments under section 303(e)(4), the amounts
21 made available to carry out this subsection.

22 “(B) CRITERIA.—The criteria referred to
23 in section 303(c)(A) are—

1 “(i) the number of acres of forest
2 land, and land that could be converted to
3 forest land;

4 “(ii) the nonpoint source assessment
5 and management plans as developed under
6 section 319 of the Federal Water Pollution
7 Control Act (33 U.S.C. 1329);

8 “(iii) the acres of wetland forests that
9 have been lost or degraded or cases in
10 which forests may play a role in restoring
11 wetland resources;

12 “(iv) the number of non-Federal for-
13 est landowners; and

14 “(v) the extent to which the priorities
15 of States are designed to achieve a reason-
16 able range of the purposes of the program
17 and, as a result, contribute to the water-
18 related goals of the United States.

19 “(4) AWARD OF GRANTS AND ASSISTANCE.—

20 “(A) IN GENERAL.—In implementing the
21 program under this subsection, the State for-
22 ester, in coordination with the State Coordi-
23 nating Committee established under section
24 19(b) of the Act referenced, shall provide an-
25 nual grants and cost-share assistance to com-

1 communities, nonprofit groups, and landowners to
2 carry out eligible programs and projects de-
3 scribed in section 303(c)(2).

4 “(B) APPLICATION.—A community, non-
5 profit group, or landowner that seeks to receive
6 cost-share assistance under this subsection shall
7 submit to the State forester or tribal govern-
8 ment an application, in such form and con-
9 taining such information as the State forester
10 or tribal government may prescribe, for the as-
11 sistance.

12 “(C) PRIORITIZATION.—In awarding cost-
13 share assistance under this subsection, the Sec-
14 retary shall give priority to eligible programs
15 and projects that are identified by the State
16 foresters or tribal governments and the Stew-
17 ardship Committees as having a greater need
18 for assistance.

19 “(D) AWARD.—On approval by the Sec-
20 retary concerned of an application under section
21 303(c)(3)(B), the state forester or tribal gov-
22 ernment shall award to the applicant, from
23 funds allocated to the State or tribal govern-
24 ment under section 303(c)(3), such amount of

1 cost-share assistance as is requested in the ap-
2 plication.

3 “(5) COST SHARING.—

4 “(A) FEDERAL SHARE.—The Federal
5 share of the cost of carrying out any eligible
6 program or project under this subsection shall
7 not exceed 75 percent, of which not more than
8 50 percent may be in the form of assistance
9 provided under this subsection.

10 “(B) NON-FEDERAL SHARE.—The non-
11 Federal share of the cost of carrying out any el-
12 igible program or project under this subsection
13 may be provided in the form of cash, services,
14 or in-kind contributions.

15 “(d) WATERSHED FORESTER.—A State or tribal gov-
16 ernment may use a portion of the funds made available
17 to the State under section 304 to establish and fill a posi-
18 tion of ‘Watershed Forester’ to lead programs and coordi-
19 nate watershed-level projects.”.

20 **SEC. 304. AUTHORIZATION OF APPROPRIATIONS.**

21 (a) FUNDING.—

22 (1) IN GENERAL.—There are authorized to be
23 appropriated to carry out this section \$20,000,000
24 for each of fiscal years 2004 through 2008.

1 (2) ALLOCATION.—Of the funds made available
2 under paragraph (1)—

3 (A) 75 percent shall be used to carry out
4 subsection 303(c); and

5 (B) 25 percent shall be used to carry out
6 provisions of this section other than subsection
7 303(c).

8 **SEC. 305. FOREST AND RANGELAND HEALTH DEMONSTRATION**
9 **PROJECTS AT THE WATERSHED SCALE.**

10 (a) DEMONSTRATION PROJECTS.—The Secretary of
11 Agriculture shall designate 10 demonstration projects, and
12 the Secretary of the Interior shall designate 5 demonstra-
13 tion projects, whose purpose shall be to restore forest and
14 rangeland health and reduce unnatural hazardous fuels at
15 a landscape scale, setting ecosystem restoration objectives,
16 using adaptive management, and integrating scientific re-
17 search with the restoration and hazardous fuel reduction.
18 These projects shall demonstrate cost-effective and sci-
19 entifically credible methods for the large-scale restoration
20 forests and rangelands at other locations.

21 (b) PROJECT CHARACTERISTICS.—

22 (1) STUDY AREAS.—The study area for each
23 treatment should be at the watershed scale.

1 (2) ACREAGE LIMITS.—The total acreage of
2 projects authorized under this section shall be no
3 more than two million acres.

4 (c) FOREST HEALTH RESTORATION.—

5 (1) CATEGORIES.—Categories of ecosystem res-
6 toration objectives shall include, to the extent appli-
7 cable:

8 (A) change in composition and extent of
9 unnatural and hazardous fuel loads;

10 (B) change in ecosystem distribution,
11 structure, function and composition;

12 (C) reintroduction of fire as a natural
13 process;

14 (D) protection and restoration of at-risk
15 species, such as species listed as threatened or
16 endangered under the Endangered Species Act,
17 16 U.S.C. §§ 1531 et seq., and species des-
18 ignated as Forest Service sensitive species;

19 (E) maintenance and/or improvement of
20 water quality and quantity;

21 (F) detection and control of ecologically
22 harmful non-native species; and

23 (G) prevention of unnaturally severe native
24 insect or disease epidemics.

1 (2) OBJECTIVES.—Objectives should be directed
2 towards ecological conditions within the historical
3 range of natural variability.

4 (d) ANALYSIS.—Specific, measurable ecosystem res-
5 toration objectives shall be established for projects. Objec-
6 tives shall be analyzed at the landscape level, using the
7 best available information. The analysis may include a
8 consideration of how specific projects would carry out the
9 objectives. The analysis does not commit resources or limit
10 the range of alternatives at the project level. This initial
11 analysis may identify multiple opportunities for manage-
12 ment activities that meet 305(b) and (c) criteria. Projects
13 identified through this watershed scale review will be sub-
14 ject to all applicable laws, including the National Environ-
15 mental Policy Act of 1969 (42 U.S.C. 4331 et seq.) and
16 section 322 of the Department of the Interior and Related
17 Agencies Appropriations Act, 1993 (Public Law 102–381;
18 16 U.S.C. 1612 note), or the Department of the Interior
19 Office of Hearings and Appeals.

20 (e) ADAPTIVE MANAGEMENT.—

21 (1) MONITORING.—The Secretary concerned
22 shall monitor the accomplishment of the objectives in
23 section 305(c)(1), issuing a report at least every five
24 years that includes the following information—

25 (A) the monitoring results;

1 (B) an evaluation of progress towards spe-
2 cific objectives; and

3 (C) recommendations for modifications to
4 the strategies, projects and management treat-
5 ments.

6 Projects approved following the issuance of the mon-
7 itoring reports shall be consistent with any rec-
8 ommendations in the reports.

9 (2) AVAILABILITY OF RESULTS.—Results of the
10 demonstration projects should be distributed to, and
11 used where appropriate at, projects in similar eco-
12 systems on Federal lands. The requirement for use
13 of adaptive management and ecosystem restoration
14 objectives on these projects does not preclude the
15 agencies from using these practices on other lands.

16 (f) COLLABORATIVE PROCESS.—The Secretary con-
17 cerned shall develop the objectives in section 305(e)(2)
18 through a collaborative framework as described in the Im-
19 plementation Plan for the 10-year Comprehensive Strat-
20 egy for a Collaborative Approach for Reducing Wildland
21 Fire Risks to Communities and the Environment, dated
22 May 2002, developed pursuant to the Conference Report
23 to the Department of the Interior and Related Agencies
24 Appropriations Act, FY 2001 (H. Rept. 106–646) to re-
25 duce hazardous fuels. Projects shall be consistent with the

1 applicable forest plan or resource management plan, and
2 other applicable agency plans.

3 (g) USE OF RESEARCH.—Research Institutions and
4 Forest and Rangeland Health Demonstration Projects at
5 the Watershed Scale:

6 (1) The Secretary concerned may contract with
7 universities, scientific non-governmental organiza-
8 tions and other research institutions to assist federal
9 agencies in planning, implementing, and assessing
10 the effectiveness of projects and management activi-
11 ties and research associated with the projects. Con-
12 tracts shall promote the use of science and adaptive
13 ecosystem management, and shall provide that:

14 (A) research provides timely information
15 and guidance on the development and imple-
16 mentation of practical, cost-effective, science-
17 based, ecological restoration treatments for for-
18 est and rangeland ecosystems affected by
19 wildfires, and on the use of adaptive ecosystem
20 management practices to Federal agencies;

21 (B) research includes field studies, mod-
22 eling, management experiments and monitoring,
23 or other scientific support deemed necessary to
24 accomplish project objectives; and

1 (C) research is fully integrated with eco-
2 system restoration objectives, and the results
3 are provided to the federal agencies.

4 (2) REPORTING.—As a condition of the receipt
5 of funds made available under this Act, for each fis-
6 cal year, each Research Institution shall submit to
7 the Secretary concerned an annual work plan that
8 includes assurances, satisfactory to the Secretary
9 concerned, that the proposed work of the Research
10 Institutions will serve the informational needs of af-
11 fected entities.

12 (h) FUNDING.—No more than ten (10) percent of the
13 total cost for each demonstration project shall be used for
14 field research, monitoring and modeling, or other activities
15 outlined in sections 305(g)(1)(A) and (B).

16 **TITLE IV—HEALTHY FORESTS**
17 **RESERVE PROGRAM**

18 **SEC. 401. ESTABLISHMENT OF HEALTHY FORESTS RE-**
19 **SERVE PROGRAM.**

20 (a) ESTABLISHMENT.—The Secretary of Agriculture
21 shall establish the healthy forests reserve program as a
22 program for the purpose of conserving, restoring, and en-
23 hancing forest ecosystems to promote the recovery of
24 threatened and endangered species as well as improve bio-
25 diversity and enhance carbon sequestration.

1 (b) COOPERATION.—The Secretary of Agriculture
2 shall carry out the healthy forests reserve program in co-
3 operation with the Secretary of the Interior, acting
4 through the United States Fish and Wildlife Service.

5 **SEC. 402. ELIGIBILITY AND ENROLLMENT OF LANDS IN**
6 **PROGRAM.**

7 (a) ELIGIBLE LANDS.—The Secretary of Agriculture,
8 in coordination with the Secretary of the Interior, shall
9 describe and define forest ecosystems to be eligible for the
10 healthy forests reserve program. The following lands are
11 eligible for enrollment in the healthy forests reserve pro-
12 gram—

13 (1) private lands whose enrollment will con-
14 serve, restore, enhance, or otherwise measurably in-
15 crease the likelihood of recovery of species listed as
16 endangered or threatened under section 4 of the En-
17 dangered Species Act of 1973 (16 U.S.C. 1533); and

18 (2) private lands whose enrollment will con-
19 serve, restore, enhance, or otherwise measurably im-
20 prove the well-being of species not listed as endan-
21 gered or threatened under section 4 of the Endan-
22 gered Species Act of 1973 (16 U.S.C. 1533) but
23 that are candidates for such listing, State-listed spe-
24 cies, or special concern species.

1 (b) OTHER CONSIDERATIONS.—In enrolling lands
2 that satisfy the criteria in paragraph (1) or (2) of sub-
3 section 402(a), the Secretary of Agriculture shall give ad-
4 ditional consideration to those lands whose enrollment will
5 also improve biological diversity and increase carbon se-
6 questration.

7 (c) ENROLLMENT BY WILLING OWNERS.—The Sec-
8 retary of Agriculture shall enroll lands in the healthy for-
9 ests reserve program only with the consent of the owner
10 of the lands.

11 (d) MAXIMUM ENROLLMENT.—The total number of
12 acres enrolled in the healthy forests reserve program shall
13 not exceed 2,000,000 acres.

14 (e) METHODS OF ENROLLMENT.—Lands may be en-
15 rolled in the healthy forests reserve program pursuant to
16 a 10-year cost-share agreement, a 30-year agreement, or
17 a permanent easement. The extent to which each enroll-
18 ment method is used shall be based on the approximate
19 proportion of owner interest expressed in that method in
20 comparison to the other methods.

21 (f) ENROLLMENT PRIORITY.—The Secretary of Agri-
22 culture shall give priority to the enrollment of lands that
23 provide the greatest conservation benefit to species listed
24 as endangered or threatened under section 4 of the En-
25 dangered Species Act of 1973 (16 U.S.C. 1533), and sec-

1 onarily to species not listed as endangered or threatened
2 under section 4 of the Endangered Species Act of 1973
3 (16 U.S.C. 1533) but that are candidates for such listing,
4 State-listed species, or special concern species. The Sec-
5 retary shall also consider the cost-effectiveness of each
6 agreement and easement and their associated conservation
7 plans so as to maximize the environmental benefits per
8 dollar expended.

9 **SEC. 403. RESTORATION PLANS.**

10 (a) **PLAN REQUIRED.**—Lands enrolled in the healthy
11 forests reserve program shall be subject to a restoration
12 plan, to be developed jointly by the landowner and the
13 U.S. Fish and Wildlife Service and National Marine Fish-
14 eries Service. The conservation plan shall include such res-
15 toration practices as are necessary to protect, restore, and
16 enhance habitat for federally-listed threatened and endan-
17 gered species and/or habitat for animal and/or plant spe-
18 cies before these species reach threatened or endangered
19 status, such as candidate, State-listed species, and special
20 concern species.

21 **SEC. 404. INVOLVEMENT BY OTHER AGENCIES AND ORGA-**
22 **NIZATIONS.**

23 The Secretary of Agriculture, where appropriate, may
24 consult with non-industrial private forest landowners,
25 other federal agencies, a State fish and wildlife agency,

1 State forestry agency, State environmental quality agency,
2 and other State conservation agencies and nonprofit con-
3 servation organizations for the development and imple-
4 mentation of the healthy forest reserve program.

5 **SEC. 405. FINANCIAL ASSISTANCE.**

6 (a) **PERMANENT EASEMENT.**—In the case of land en-
7 rolled in the healthy forests reserve program using a per-
8 manent easement, the Secretary of Agriculture shall pay
9 the owner of the land an amount not more than—

10 (1) the fair market value of the enrolled land
11 less the fair market value of the land encumbered by
12 the easement; plus

13 (2) the actual costs of the approved conserva-
14 tion practices or the average cost of approved prac-
15 tices, as established by the Secretary.

16 (b) **30-YEAR AGREEMENT.**—In the case of land en-
17 rolled in the healthy forests reserve program using a 30-
18 year agreement, the Secretary of Agriculture shall pay the
19 owner of the land not more than—

20 (1) up to 60 percent of the fair market value
21 of the land less the fair market value of the encum-
22 bered by the agreement; plus

23 (2) up to 60 percent of the actual costs of the
24 approved conservation practices or up to 60 percent

1 of the average cost of approved practices, as estab-
2 lished by the Secretary.

3 (c) 10-YEAR AGREEMENT.—In the case of land en-
4 rolled in the healthy forests reserve program using a 10-
5 year cost-share agreement, the Secretary of Agriculture
6 shall pay the owner of the land not more than—

7 (1) 30 percent of the actual costs of the ap-
8 proved conservation practices; or

9 (2) 30 percent of the average cost of approved
10 practices, as established by the Secretary.

11 (d) ACCEPTANCE OF CONTRIBUTIONS.—The Sec-
12 retary of Agriculture may accept and use contributions of
13 non-federal funds to make payments under this section.

14 **SEC. 406. TECHNICAL ASSISTANCE.**

15 The Secretary of Agriculture shall provide land-
16 owners with technical assistance to comply with the terms
17 of conservation plans as included in agreements and ease-
18 ments under the healthy forests reserve program. The Sec-
19 retary of Agriculture may request the services of, and
20 enter into cooperative agreements with, individuals or enti-
21 ties certified as technical service providers under title XII
22 of the Food Security Act of 1985, as amended (16 U.S.C.
23 3842), to assist the Secretary of Agriculture in providing
24 technical assistance necessary to develop and implement
25 the healthy forests reserve program.

1 **SEC. 407. AUTHORIZATION OF APPROPRIATIONS.**

2 There are authorized to be appropriated \$25,000,000
3 for fiscal year 2004 and such sums are necessary for fiscal
4 years 2005 through 2008.

5 **TITLE V—RURAL COMMUNITY**
6 **FORESTRY ENTERPRISE PRO-**
7 **GRAM**

8 **SEC. 501. PURPOSE.**

9 To assist in the economic revitalization of the rural
10 forest resource dependent communities through incentives
11 to promote investment in private enterprise, including
12 small forest products businesses and community develop-
13 ment, by the Department of Agriculture, the Department
14 of the Interior, the Small Business Administration, and
15 land grant colleges.

16 **SEC. 502. RURAL COMMUNITY FORESTRY ENTERPRISE**
17 **PROGRAM.**

18 (a) DEFINITIONS.—In this title—

19 (1) ELIGIBLE ENTITY.—The term “eligible enti-
20 ty” means a unit of State or local government, In-
21 dian tribes, a nonprofit organization, rural forest re-
22 source dependent community, small forest products
23 business, land grant college or 1890 institution.

24 (2) ELIGIBLE PROJECT.—The term “eligible
25 project” means proposals that will promote the eco-
26 nomic development in rural forest resource depend-

1 ent communities based upon responsible forest stew-
2 ardship, sustainable forest products or the develop-
3 ment of forest related tourism and recreation activi-
4 ties.

5 (3) FOREST PRODUCTS.—The term “forest
6 products” includes logs, lumber, chips, small diame-
7 ter finished wood products, energy biomass, mulch,
8 and any material derived from forest vegetation and
9 individual trees and shrubs.

10 (4) INDIAN TRIBE.—The term “Indian tribe”
11 has the meaning given the term in section 4 of the
12 Indian Self-Determination and Education Assistance
13 Act (25 U.S.C. 450b).

14 (5) NONPROFIT ORGANIZATION.—The term
15 “nonprofit organization” means any organization
16 that is—

17 (A) described in section 501(c) of the In-
18 ternal Revenue Code of 1986; and

19 (B) exempt from taxation under 501(a) of
20 the Internal Revenue Code of 1986.

21 (6) PROGRAM.—The term “program” means
22 the Rural Community Forestry Enterprise Program
23 established by subsection (b).

24 (7) SMALL FOREST PRODUCTS BUSINESS.—The
25 term “small forest products business” means a small

1 business concern (as defined under section 3 of the
2 Small Business Act) that is classified under sub-
3 sector 113 or code number 115310 of the North
4 American Industrial Classification System.

5 (8) RURAL FOREST RESOURCE DEPENDENT
6 COMMUNITY.—The term “rural forest resource de-
7 pendent community” means communities located in
8 rural environs throughout the nation that are tradi-
9 tionally dependent upon forestry products as a pri-
10 mary source of the community infrastructure. Exam-
11 ples include, but are not limited to, the Northern
12 Forest lands of Maine, New Hampshire, New York,
13 and Vermont, the Upper Peninsula of Michigan,
14 Northern California, Eastern Oregon, the
15 Bitterroot Valley of Montana, and the Northern
16 Panhandle of Idaho.

17 (9) SECRETARY.—The term “Secretary” means
18 the Secretary of Agriculture, acting through the
19 Chief of the Forest Service.

20 (b) ESTABLISHMENT.—

21 (1) IN GENERAL.—The Secretary shall, in co-
22 ordination with the Small Business Administration,
23 Economic Development Administration, land grant
24 colleges and 1890 institutions, establish within the
25 Forest Service a joint program between State and

1 Private Forestry and Research to be known as the
2 “Rural Community Forestry Enterprise Program”
3 which emphasizes, but is not limited to—

4 (A) enhancing technical and business man-
5 agement skills training;

6 (B) organizing cooperatives and marketing
7 programs;

8 (C) establishing and maintaining timber
9 worker skill pools;

10 (D) establishing and maintaining forest
11 product distribution networks and collection
12 centers;

13 (E) facilitating technology and transfer for
14 processing small diameter trees and bush into
15 useful products;

16 (F) developing, where support exists, a
17 program to promote science based technology
18 implementation and technology transfer which
19 would expand the capacity for small forest
20 product businesses to work within large market
21 areas;

22 (G) promoting forest-related tourism and
23 recreational activities; and

1 (H) enhancing the rural forest business in-
2 frastructure needed to reduce hazardous fuels
3 on public and private lands.

4 (2) FOREST ENTERPRISE CENTERS.—The Sec-
5 retary shall establish at least one Forest Enterprise
6 Center at each Research Station of the Forest Serv-
7 ice to be located at a forest science laboratory to
8 carry out activities under section 502(b)(1) of this
9 title and to coordinate assistance to small forest
10 products businesses with the Small Business Admin-
11 istration, USDA Rural Development and the Eco-
12 nomic Development Administration, including the
13 SBA Timber Set-Aside Program and the EDA Local
14 Technical Assistance Program.

15 (3) FOREST ENTERPRISE TECHNICAL ASSIST-
16 ANCE AND GRANT PROGRAM.—The Secretary,
17 through the Forest Enterprise Centers, shall estab-
18 lish a Forest Enterprise Technical Assistance and
19 Grant Program to fund eligible projects carried out
20 by an eligible entity to carry out activities listed in
21 section 502(b)(1) of this title.

22 (A) CRITERIA.—The Secretary shall work
23 with each Forest Enterprise Center to develop
24 appropriate program review and prioritization
25 criteria for each research station.

1 (B) MATCHING FUNDS.—Grants under
2 this section shall not exceed 50 percent of the
3 eligible project cost and be made on the condi-
4 tion that non-Federal sources, including in-kind
5 contributions of services or materials, provide
6 the remainder of eligible project costs.

7 **SEC. 503. AUTHORIZATION OF APPROPRIATIONS.**

8 There are authorized to be appropriated to carry out
9 this section \$15,000,000 for each fiscal year.

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