Statement of Ned Farquhar Deputy Assistant Secretary Land and Minerals Management Department of the Interior Senate Energy and Natural Resources Committee Subcommittee on Public Lands, Forests, & Mining S. 1300, Stewardship Contracting Reauthorization and Improvement Act July 30, 2013

Thank you for the opportunity to testify on S. 1300, the Stewardship Contracting Reauthorization and Improvement Act. This legislation would provide for the reauthorization of stewardship contracting authority for the Bureau of Land Management and the U.S. Forest Service. The Department supports the reauthorization of stewardship contracting authority, would support this legislation if amended, and would appreciate the opportunity to work with the sponsor to address a few technical concerns.

Background

Stewardship contracting authority was established for the BLM in the FY 2003 Omnibus Appropriations Act and expires at the end of FY 2013. The authority allows the BLM to award contracts for forest health and restoration treatments, including hazardous fuels reductions, for a period of up to ten years and to use the value of timber or other forest products removed as an offset against the cost of services received. The BLM has enjoyed many successes in using stewardship contracting authority, thereby achieving goals for forest and woodland restoration and conducting both hazardous fuels reduction and habitat restoration treatments. In addition, stewardship contracts create jobs and revenue growth for local communities and help to protect local communities from wildland fire. From 2003 through 2012, the BLM entered into over 400 stewardship contracts on approximately 108,000 acres of BLM-managed lands. The BLM's future strategy for stewardship projects includes increasing the size and duration of these projects.

S. 1300

S. 1300 extends until 2023 the authorization of stewardship contracting to achieve land management goals. The BLM supports stewardship contracting authority, as it provides the BLM with needed flexibility to work with contractors to achieve the agency's land and forest health goals, and saves taxpayer resources because the value of forest products removed are used to offset the cost of the management action. In addition, changing the requirement to obligate cancellation costs upfront is inconsistent with budgeting principles and would understate the Government's liability under the contract. Finally, the Administration has concerns about broad waivers of long-standing acquisition laws.

Conclusion

The Department looks forward to working with the sponsor and the Subcommittee on technical amendments. Thank you again for the opportunity to testify, and I would be glad to answer any questions.