

**Statement of Tom Tidwell, Chief of the USDA Forest Service
Before the Senate Committee on Energy and Natural Resources
Concerning President's Fiscal Year 2017 Proposed Budget
for the USDA Forest Service
March 8, 2016**

Madam Chairman and members of the Committee, thank you for inviting me here today to testify on the President's (FY) 2017 Budget request for the Forest Service. I appreciate the support this subcommittee has shown for the Forest Service in the past. I look forward to continuing to work together with members of the Committee to ensure that stewardship of our Nation's forests and grasslands continues to meet the desires and expectations of the American people. I am confident that this budget will allow the Forest Service to meet our mutual goals while demonstrating fiscal restraint, efficiency, and cost-effective spending.

Budget Request and Focus Areas

The President's proposed overall budget for discretionary funding for the Forest Service in FY 2017 is \$4.9 billion. That is \$787 million less than the FY 2016 enacted level and reflects strategic investments to reduce wildfire threats to communities and maintain forest restoration investments. The FY 2017 President's Budget for the Forest Service focuses on three strategic goals, as identified in our Strategic Plan for FY 2015–2020¹: (1) sustaining our Nation's forests and grasslands; (2) delivering benefits to the public; and (3) applying knowledge globally. Below, we outline how our budget for FY 2017 will fund programs corresponding to each strategic goal

Strategic Goal 1 -- Sustaining Our Nation's Forests and Grasslands

The Forest Service responds to the many stressors affecting our landscapes and watersheds by sustaining and restoring healthy, forests and grasslands. By restoration, we mean restoring the functions and processes characteristic of healthier, more resistant, more resilient ecosystems, even if they are not exactly the same ecosystems as before. Our goal is to protect and restore the ability of America's forests and grasslands to deliver all the social, economic, and ecological values and benefits that Americans want and need, both now and for generations to come.

The FY 2017 President's Budget for the Forest Service will fund the treatments and infrastructure needed to protect and restore the most critical landscapes¹. Our goal is to sustain and restore ecosystems that are capable of (1) furnishing clean and abundant drinking water; (2) resisting damage from fire, drought, floods, and insects and diseases; and (3) maintaining a strong productive capacity, thereby supporting economic opportunities for rural communities. To meet our goal, the FY 2017 President's Budget makes key investments in the following program areas:

- Collaborative Forest Landscape Restoration Program (\$40 million, the same level as enacted for FY 2016) -- to continue the 23 existing projects, which reduce the risk of catastrophic wildfires in high-priority, high-risk areas; improve water quality and quantity; increase carbon sequestration; and build on innovative implementation and monitoring work with our partners.

¹ U.S. Forest Service Strategic Plan 2015-2020: www.fs.fed.us/strategicplan.

- Suppression (\$873.9 million, an increase of \$62.9 million above the FY 2016 enacted level) -- this amount represents 70 percent of the 10-year average costs for fire suppression, currently calculated at \$1.248 billion. The proposed cap adjustment would cover the remaining 30 percent of the 10-year average suppression costs as well as any costs currently funded through fire transfers. For FY 2017, the proposed cap adjustment is \$864 million.
- Hazardous Fuels (\$384.1 million, an increase of \$9.1 million above the FY 2016 enacted level) -- focusing on fuels treatments in the wildland/urban interface to reduce the risk of catastrophic fire on 1.8 million acres.
- Land Acquisition Program (\$65.7 million in discretionary funding, \$2.2 million above the FY 2016 enacted level, and \$62.3 million in mandatory funding) to consolidate fragmented lands within National Forest System borders and specially designated areas to support effective land and watershed management. The mandatory funds are part of the President's proposal for Land and Water Conservation Fund reauthorization, which calls for full mandatory funding starting in FY 2018.
- Forest Legacy Program (\$62.3 million in discretionary funding, the same as the FY 2016 enacted level and \$37.7 million in mandatory funding) to focus on preventing the parcelization of ownership and conversion of private forests to other land uses. The Forest Legacy Program is a key component of the President's America's Great Outdoors Initiative to conserve critical landscapes and reconnect Americans to the outdoors through reauthorizing the Land and Water Conservation Fund, with full mandatory funding starting in FY 2018.
- Forest Products (\$359.8 million, the same as the FY 2016 enacted level) to accelerate the pace of restoration and continue to work to create healthy landscapes. We anticipate the sale of 3.2 billion board feet of timber with this funding level.

Strategic Goal 2. Deliver Benefits to the Public

The FY 2017 President's Budget will help the Forest Service with our goal to build thriving communities by helping ensure abundant clean water, jobs and flourishing local economies, and opportunities to connect to the outdoors. To meet our goal, the FY 2017 President's Budget makes key investments in the following program areas:

- Landscape Scale Restoration (\$23.5 million, an increase of \$9.5 million above the FY 2016 enacted level) – this increase will fund about 20 more innovative, cross-boundary projects that target high-priority areas identified in the States' forest action plans. This continued investment in cross-boundary, landscape-scale projects on State and private lands will spur innovation, bring partners to the table, support climate change mitigation and adaptation, and allow the agency to leverage partner contributions. This investment will sustain and restore forest health across large landscapes, assist urban communities in protecting their forests, and increase the number of cross-boundary projects.
- Recreation, Heritage, and Wilderness (\$264 million, an increase of \$2.2 million above the FY 2016 enacted level). This increase will modernize our recreation special uses program, expand access to the National Forest System, and increase the capacity of our community service and volunteer programs.

- Law Enforcement & Investigations (\$131.6 million, an increase of \$5 million above the FY 2016 enacted level). The funds will support intensive operations at marijuana plantations on the national forests and a comprehensive eradication, dismantling, and reclamation strategy. The additional resources will pay for removing infrastructure, trash, debris, and hazardous materials (such as rodenticides and herbicides) at the plantations and for reclaiming old marijuana sites.
- Facilities (\$71.6 million, a slight increase from the FY 2016 enacted level) to maintain our developed recreation sites and our fire, administrative, and other facilities.
- Secure Rural Schools (SRS)—the administration proposes reauthorization of the act. SRS is an important tool to strengthen economic opportunities for local communities.

Strategic Goal 3. Apply Knowledge Globally

The Forest Service has a long record of land management success, even though we work in complex and changing environments. We attribute our success in part to our world-class expertise in research and development; our capacity to develop new technologies; our innovation in forest products; our ability to conduct resource assessments; and our vast collection of geospatial information, inventory data, and monitoring information.

Through intellectual inquiry and knowledge transfer, the Forest Service will continue offering land managers and others better information, applications, and tools for natural resource management. By improving our fundamental understanding of forests and grasslands, we will make better decisions and better achieve our goals of sustaining the Nation’s forests and grasslands and delivering benefits to the people we serve.

The FY 2017 President’s Budget for the Forest Service will fund the research and development needed to sustain America’s forests and grasslands and to deliver benefits to people. From on-the-ground natural resource management to long-term strategic policy development, all of our efforts to sustain forests and grasslands and to deliver benefits to people depend on new knowledge, information, and applications.

To meet our goal, the FY 2017 President’s Budget makes key investments in the following program areas:

- Forest Inventory and Analysis (\$77 million, an increase of \$2 million from the FY 2016 enacted level) to continue to implement the annualized inventory program in all 50 States (including interior Alaska), the affiliated Pacific islands, Puerto Rico, and the U.S. Virgin Islands.
- Land Management Planning, Assessment, and Monitoring (\$183.9 million, a slight decrease from the FY 2016 enacted level). Through implementing the 2012 Planning Rule, we will achieve efficiencies in agency assessment and monitoring activities. The 2012 planning rule promotes a collaborative science-based approach for planning, monitoring, and conducting assessments.
- International Forestry (\$8 million, the same as the FY 2016 enacted level). These funds will support preventing illegal logging internationally, protecting U.S. forests from invasive species, supporting international policy discussions on climate change and the

role of forests and grasslands in greenhouse gas mitigation, and bringing innovative technology developments to the United States.

In connection with the FY 2017 President's Budget, we propose several key legislative changes to improve our effectiveness in delivering programs and services:

- *Fire Suppression Cap Adjustment.* We propose a budget cap adjustment to fund suppression costs for large and complex fires. Suppression would be funded at a level that covers 98 percent of the fires we fight, or 70 percent of our 10-year average suppression costs. Remaining fire costs would be funded through an "off-budget" fire suppression cap adjustment. Off-budget funding would follow from Secretarial declaration of need and the imminent end of appropriated discretionary funds.
- *Collaborative Forest Landscape Restoration Program.* We propose increasing the authorized funding level for this successful program from \$40 million to \$80 million which would fund up to 10 additional projects. The legislative proposal also extends the end date of the authority to 2026 to allow for the full implementation of additional projects should the Forest Service receive an increased appropriation.
- *Federal Lands Recreation Enhancement Act.* We propose permanent authorization of the Federal Lands Recreation Enhancement Act. Under the Act, 95 percent of the recreation fees collected on a national forest or grassland are retained at the unit where collected, to be reinvested in recreation sites and services. This is an interagency proposal together with the Department of the Interior. The current act expires on September 30, 2017.
- *Small Tracts Act Conveyance Authority.* We propose establishing additional categories of NFS land which the Secretary of Agriculture is authorized to sell, interchange or exchange, if in the public interest. By tying to the existing Small Tracts Act, the Forest Service will be better equipped to resolve landownership and management challenges, save limited resources, address community needs, and to move appropriate lands into private ownership. It would also minimally increase the maximum value of the land that could be conveyed to better align with current land values.
- *Land and Water Conservation Fund.* The Administration proposes permanent authorization for annual mandatory funding, without further appropriation or fiscal year limitation for the Departments of the Interior and Agriculture Land and Water Conservation Fund programs beginning in FY 2018. Starting in FY 2018, \$900 million annually in mandatory funds would become available. In FY 2017, our budget proposes \$900 million in total Land and Water Conservation Fund funding, comprising \$425 million in mandatory and \$475 million in discretionary funds. Proposed language will be transmitted to Congress shortly.
- *Secure Rural Schools and Community Self-Determination Act.* We support Congress reauthorizing the Secure Rural Schools and Community Self-Determination Act of 2000 making payments through mandatory funding. The funding for extending the act through 2020 is included in our Budget Justification, and we look forward to working with the Committees to develop the legislative proposal.
- *Extension of Grazing Permits.* We propose that the terms and conditions of section 325 of Public Law 108-108 (117 Stat. 1307), which regard grazing permits issued by the Forest Service on any lands not subject to administration under section 402 of the Federal Lands Policy and Management Act (43 U.S.C. 1752), shall remain in effect for FY 2017. This would address recent amendments to section 402 of the Federal Land Policy and

Management Act and public concerns that the amendments do not apply to grazing permits issued by the Forest Service on the national grasslands and on eastern national forests.

- *Direct-Hire Authority.* We propose Direct-Hire Authority for resource assistant interns who have successfully completed the new Resource Assistant Program. The program is designed to attract recent graduates of institutions of higher education, with particular emphasis on women and on graduates from historically Black, Hispanic, and Native American schools or other schools with diverse student populations. Direct-Hire Authority will give us more flexibility in recruiting successful graduates of the program into our workforce.
- *Grazing Administrative Processing Fees.* The Budget includes appropriations language for a three-year pilot project to allow the Forest Service to recover some of the costs of issuing grazing permits/leases on Forest Service lands. The Forest Service would charge a fee of \$2.50 per Animal Unit Month, which would be collected along with current grazing fees. The fee will assist the Forest Service in processing pending applications for grazing permit renewals. During the period of the pilot, the Forest Service would work through the process of promulgating regulations for the continuation of the grazing administrative fee as a cost recovery fee after the pilot expires. The fees will be credited to the Management of Lands and Resources appropriation. The estimate for 2017 is \$15,000,000.

Future Outlook

The Forest Service serves the American people by ensuring that their forests and grasslands deliver a full range of values and benefits, including hundreds of thousands of jobs and annual contributions to the economy worth many times more than our entire annual discretionary budget.

Now we are facing some of the greatest challenges in our history. Invasive species, climate change effects, regional drought and watershed degradation, fuel buildups and severe wildfires, habitat fragmentation and loss of open space, and devastating outbreaks of insects and disease all threaten the ability of America's forests and grasslands to continue delivering the ecosystem services that Americans want and need. In response, the Forest Service is increasing the pace and scale of ecological restoration. We are working to create healthy, resilient forest and grassland ecosystems capable of sustaining and delivering clean air and water, habitat for wildlife, opportunities for outdoor recreation, and many other benefits.

Our budget request focuses on restoring resilient landscapes, building thriving communities, and safely managing wildland fire while providing an effective emergency response. Our requested budget will enable us to address the growing extent and magnitude of our management challenges and to furnish the mix of values and benefits that the public expects from the national forests and grasslands. Our budget priorities highlight the need to strengthen cooperation, collaboration, and public/private partnerships that leverage our investments to reach shared goals. Through strategic partnerships, we can accomplish more work while also yielding more benefits for all Americans, for the sake of all generations to come.

This concludes my testimony, Madam Chairman. I would be happy to answer any questions that you or the Committee members have for me.