

**Additional and Dissenting Views  
Committee on Natural Resources  
Views and Estimates for Fiscal Year 2009**

We believe that Congress is neglecting many of its chief responsibilities by not passing legislation that would open a small portion of the Coastal Plain of the Arctic National Wildlife Refuge (ANWR) in Alaska to environmentally sound oil and gas exploration. This is a fundamental budget issue, as illustrated by the billions in new federal revenues that would be generated for government services by its leasing, as estimated by the Administration. But it also is representative of much more than that. In a sense, it encapsulates much of what is wrong with decades of wrong-headed policies regarding the proper management of public lands.

The chief responsibility of the federal government is to defend the Nation. All other aspects of government become possible only when this first obligation is properly attended to. Unfortunately, the job of defending the Nation is made more difficult by the failure of the Congress to recognize the importance of using our own resources to supply the needs of our people.

Increasingly, the U.S. finds its position in the world threatened because of dependence on foreign nations for those energy and mineral resources so important to our economic well-being. In many cases, the United States possesses these energy and non-energy minerals in vast abundance, but because of government policies on public lands, we have become reliant on other regions of the world for these essential ingredients of modern life.

In no case is this more apparent than in the case of the Coastal Plain of ANWR, our Nation's most prospective onshore conventional energy province. It appears to be a deliberate policy of some to deny our Nation access to ANWR's resources, which could increase our total proven national reserves of oil by almost 50%. At February 27, 2009, oil prices, this represents some \$1 trillion less added to our bulging trade deficit. It represents \$1 trillion in new revenue created in the United States for the benefit of Americans. It also represents \$1 trillion less transferred to foreign nations which in many cases are unfriendly to the interests of the United States.

In the scope of the annual budget discussion, it is instructive to review how Members of Congress approach new revenue-generating sources like ANWR. Will Members simply point to shortfalls in limited funding for programs they suggest they support more strongly than the Administration does in their budget, or are they willing to add some revenues to the federal budget to benefit all the laudable programs the government might endeavor to fund?

To date, the record has been that the Congress collectively has been unable to make the same kind of tradeoffs every family must do to balance their budgets. Without additional revenues generated from economic activities on federal lands like ANWR, it is difficult to convince other Members of Congress to add money to those programs of particular interest to the Members of the Natural Resources Committee. If the Committee's entire purpose becomes a focus on what

people do on the weekends, rather than on the important things they do to make their living during the week, our programs will continue to be starved for attention and the dollars such attention attracts. More importantly, the Nation's place in the world that Americans have worked so hard to achieve will be threatened by other, highly motivated countries better willing or able to make the choices in life which must be made for great societies to thrive.

## **PRIORITY PROGRAMS**

**ANWR:** As stated above, we support the legislative proposal to open up the 1002 Coastal Plain of the Arctic National Wildlife Refuge (ANWR) to production. The Fiscal Year 2009 (FY'09) budget assumes enactment of legislation opening ANWR. It is estimated that ANWR would generate \$7 billion in bonus bids alone. According to the Congressional Research Service, at today's \$100/barrel oil price developing ANWR's conservatively estimated 10.4 billion barrels of oil would generate \$105.4 billion dollars in federal income tax revenues and \$47.5 billion in royalties. This is approximately \$152.9 billion in revenues to the federal government from energy production on just 2000 acres of the 1.5 million-acre Coastal Plain in the 19.6 million-acre Refuge.

**Payment in Lieu of Taxes (PILT):** The authorized level for PILT funding is approximately \$350 million, yet PILT has historically been woefully underfunded. Full funding of PILT remains a very high priority for the Committee Republicans. We are very disappointed to see the FY'09 request of \$195 million -- a \$34 million reduction from the FY'08 payment. We strongly believe that PILT funding is an indicator of the federal government's commitment to the States and counties containing a high percentage of federal lands, and represents an obligation to financially assist the taxpaying citizens of those States and counties that bear the real and disproportionate financial burdens imposed on them by an overwhelming federal presence. Accordingly, PILT should be increased by \$160 million to the fully authorized level of \$350 million.

**Wildland Fire Management:** We strongly support the Administration's request of \$850.1 million for preparedness, suppression, fuels reduction, and burned area rehabilitation. The President's budget increases funding for Wildland Fire Management by \$42.1 million over last year's enacted levels. Considering the current wildfire outlook and the amount of public land in need of reforestation (nearly one million acres according to the Government Accountability Office), funding for this program is crucial. With that said, we are concerned that the BLM has recommended a cut in the Rural Fire Assistance line item and recommend maintaining level funding by reinstating \$5.9 million.

**Native Americans:** We support robust funding to implement the provisions of the Energy Policy Act of 2005 concerning energy development in Indian Country. In particular we strongly support \$3 million for the Secretary of the Interior to review and approve, consistent with Title V of EPA Act 2005, anticipated tribal energy resource agreements (TERA) submitted by interested tribes. Such TERAs will vastly increase tribal independence in decisions affecting energy

development, production and refining on Indian lands, and it will also benefit the Nation, which needs more and more diverse sources of energy to fuel our economy.

### **DEPARTMENT OF THE INTERIOR**

The FY'09 Department of the Interior budget provides an estimated \$528.1 million for energy and mineral-related programs, an increase of \$15.1 million over the FY'08 enacted level. The Nation's federal lands and waters hold tremendous coal, oil, natural gas, hydropower, wind, and geothermal energy resources. While it could produce even more, almost one third of the Nation's domestic energy production is generated from Department of Interior managed lands and waters. Federal lands and waters supply:

- 42% of our domestic coal;
- 35% of our domestic oil;
- 39% of our domestic natural gas;
- 17% of our domestic hydropower;
- 3% of our domestic wind; and
- 50% of our domestic geothermal energy.

In addition to energy produced, the Department of Interior's energy program is expected to generate approximately \$16 billion in FY'09.

The FY'09 Department budget identifies four primary mission areas: resource protection, resource use, recreation, and serving communities. It should be noted that "resource use" and "recreation" missions share almost equal portions of the budget, \$1.7 billion for recreation and \$1.6 billion for resource use. In light of the American people's current concerns regarding the economy and jobs, with more jobs going overseas because of high energy costs here, we do not believe this to be a wise allocation of priorities. Equal amounts of money are being spent on what some fortunate people may do on the weekend as we spend on what all people need to make it through the week.

Moreover, the FY'09 Budget highlights the following Major Budget Initiatives: (1) National Parks Centennial, (2) Water for America, (3) Birds Forever, (4) Ocean and Coastal Frontiers, and (5) Safe Borderlands. Again, in light of the American people's current and growing concerns regarding the economy and jobs, it is alarming that not a SINGLE "Major Budget Initiative" includes an energy initiative.

### **NATIONAL PARK SERVICE**

The Committee Republicans cautiously support funding the National Park Service operations account at the President's requested level, but question the necessity of a \$160 million increase over the 2008 enacted level when the budgets of other land management bureaus are being cut. We note that Congress already increased the operations budget for FY'08 by \$122 million. We

are hopeful that the substantial increase in Park base funding will allow the National Park Service to adequately provide visitor services and continue to focus on reducing the maintenance backlog, rather than increasing the burden with costly land acquisition. We strongly caution that visitor safety must continue to be addressed in our Western parks, where drug smuggling, illegal immigration and drug cultivation abound. While the additional \$5 million toward this effort is a start, we support a greater commitment of National Park Service resources.

**BUREAU OF LAND MANAGEMENT (BLM)**

BLM Non-Energy Activities

<b>PROGRAM</b>	<b>FY'08 APPROP.</b>	<b>FY'09 REQUEST</b>	<b>FY'09 RECOMM..</b>
Range Improvement Fund	\$10,000,000	\$0	\$10,000,000 (+\$10,000,000)
Rangeland Management	\$73,036,000	\$70,726,000	\$77,733,000 (+\$7,007,000)
O & C Lands	\$108,522,000	\$108,253,000	\$113,253,000 (+\$5,000,000)
Land Acquisition	\$5,789,000	\$2,000,000	\$0 (-\$2,000,000)
Recreation Resources Management	\$50,543,000	\$42,576,000	\$53,793,000 (+\$11,217,000)
National Landscape Conservation System	\$0	\$18,825,000	\$0 (-\$18,825,000)
Wilderness Management	\$17,366,000	\$16,545,000	\$11,545,000 (-\$5,000,000)
Alaska Conveyance	\$36,346,000	\$33,382,000	\$38,382,000 (+\$5,000,000)

Range Improvement Act/Rangeland Management: We are strongly opposed to the proposal to amend the Federal Land Policy Management Act to redirect all funds from the Range

Improvement Fund (which is mandatory spending) to the U.S. Treasury to reduce the deficit. The Fund consists of monies from grazing fees paid by permittees for the use of grazing allotments. The Range Improvement Fund is necessary to properly maintain and pay for improvements for grazing allotments, such as water development and fence construction, grass seeding, and weed control. Grazing is an important tool for range management, as well as an essential part of the western culture, supporting rural communities and economies and maintaining open space on private lands adjacent to public land. We believe that without these important funds, many of our public rangelands would become unmanageable. Therefore, we recommend reinstating the \$10 million of mandatory spending for the Range Improvement Fund. We propose an increase for Rangeland Management which provides funding for the administration and management of rangelands.

Oregon and California Grant Lands: We recommend an additional \$5 million be added to O and C Grant Lands to ensure the Clinton-era Northwest Forest Plan is fully implemented. This funding would facilitate habitat improvement and thinning projects in late successional reserve forest areas. We believe the Northwest Forest Plan must be fully implemented to ensure important projects are completed and infrastructure is maintained to carry out such projects.

Land Acquisition: Once again, we recommend zeroing out the Land Acquisition account for BLM and using those funds for higher priority programs and projects. The agency already struggles to manage the land under its authority, and we cannot support any funding for the acquisition of more land.

Recreation: We strongly oppose the proposed decrease of roughly \$8 million for Recreation Resource Management. This funding pays for travel and transportation management on lands managed by the BLM, especially for off-highway vehicle use and access. Available public land for mechanized recreation has been decreasing while the number of recreation visitors has been increasing. A targeted effort to promote and properly manage public access and use on BLM lands is strongly supported by us. We believe that additional \$11 million dollars is needed to provide sufficient funding for this program, including all costs for management of the National Monuments and Conservation Areas identified as part of the National Landscape Conservation System (NLCS). These NLCS lands should not be funded through other resource management or unrelated line items, such Alaska Land Conveyance.

National Landscape Conservation System (NLCS): We strongly oppose the creation of this line item. The management of National Monuments and Conservation Areas should be paid for from funds in the Recreation Management program. The creation of this line item would legitimize the existence of a redundant organization within BLM that duplicates activities already performed by other programs.

Wilderness Management: While we recognize the need for wilderness management, we recommend cutting FY'08 funding for higher priorities. Due to the nature of managing wilderness areas (prohibition of anything motorized or mechanized including fuels reduction treatments) and the increasing needs of other BLM budget line items, we propose a cut of \$5 million.

Alaska Conveyance: While we recognize the need to reduce government spending, we cannot support reduction in a program designed to satisfy our obligations to the State of Alaska and to Alaska Native corporations. We recommend funding at the FY'08 level, adjusted for inflation.

Healthy Lands Initiative: The Healthy Lands Initiative is a relatively new program created to aid the management of wildlife habitat in conjunction with increased energy development and other resource use activities. For example, the BLM will build on its successful management of sage grouse habitat to prevent the need for listing under the Endangered Species Act. We support this important mitigation program and commend the BLM for this important wildlife conservation measure.

Wild Horse and Burro Management: Wild Horse and Burro management is an important issue for the health of America's wild horses as well as the proper stewardship of the land these horses graze. We support the increased funding proposed for this program.

### BLM Energy Activities

BLM's FY'09 budget proposes a net increase of approximately \$9 million for oil and gas management; however, this increase in the oil and gas management budget is achieved and more than offset by the Administration's legislative proposals to:

(1) Defund the very successful Energy Policy Act of 2005 (EPAAct 2005) oil and gas pilot office program. These pilot offices offer one-stop shopping for review of oil and gas permits. Since EPAAct 2005, these pilot offices process approximately 70% of all Applications for Permits to Drill. EPAAct 2005 directly funded the pilot offices with a portion of the rental revenue generated from onshore leases (approximately \$21 million per year for all seven offices). Because the pilot offices are considered one of the key success stories from EPAAct 2005 (helping to maintain domestic onshore oil and natural production vitality), we oppose the defunding of these offices.

(2) Impose a new \$4150 cost recovery fee on primarily independent oil and gas companies. This cost recovery fee will raise the costs of production and discourage domestic production of energy resources, therefore, we oppose this new fee.

(3) Reduce Western States' revenues from oil and gas development on federal lands by 2%. Under current law, the federal government shares 50% of its mineral leasing revenues with Western States (excepting Alaska, where the State's share is 90%). The funds generated from this federal/State partnership pay significant portions of State education and transportation costs. These cuts will further strain Western budgets at a time of declining revenues and therefore we oppose this proposal.

Upfront Bonus Payments for Coal: We oppose the legislative proposal regarding upfront bonus payments for coal. We believe this significant policy change will ultimately reduce the return to the federal government because fewer bidders will participate and bids will be lower than before as companies factor in the higher expense of paying the bonus bid upfront. Smaller companies will be less likely to bid since paying the bonus upfront rather than over five years will compromise their capital and liquidity positions. With fewer bidders, less competitive bids are likely, which will result in decreased federal revenues. Moreover, some bids may be deemed unacceptable since federal coal may not be leased at a price less than fair market value. In addition, upfront bonus bids will impact energy costs for consumers. Upfront bonus bids will increase costs for successful coal company bidders, costs that will be passed on to consumers. Upfront bonus bids could result in less federal coal being mined, which would also result in increased costs for consumers.

Geothermal Energy Receipts: The FY'09 budget assumes enactment of legislation to repeal Sections 224 and 234 of EPLA 2005. These provisions of EPLA 2005 direct that geothermal lease revenue be allocated 50% to the States, 25% to the counties and 25% to a new BLM Geothermal Steam Act Implementation Fund. If repealed, geothermal revenue would revert back to its historical formula of 50% to the States and 50% to the Treasury. We oppose these changes in policy which were intended to provide the counties (which host the people conducting geothermal exploration and development activities) the resources needed to address impacts to county infrastructure and increasing demands on county services resulting from the increase in development activity on federal lands. In addition, we oppose the repeal of the remaining two years of the five-year direct spend program that was designed to provide BLM and the U.S. Forest Service with the financial resources needed to come into compliance with the geothermal provisions of EPLA 2005 and increase their staffing requirements to meet the expected increase in geothermal exploration and development on federal lands. These policy proposals will make geothermal energy production more difficult and make it more difficult to increase renewable energy supply.

## **BUREAU OF RECLAMATION**

The Bureau of Reclamation's dams, reservoirs and associated delivery sources provide much needed water and clean, renewable hydropower to millions of citizens in the Western United States. These vital supplies will not only be critical for the future of the West, but will also enhance flood control efforts, recreational pursuits and environmental benefits. More water storage and alternative water supply methods will be needed to provide reliable water and power supplies in the West.

The agency is charged with the enormous responsibility of managing its aging infrastructure while adapting to the growing needs of the 21<sup>st</sup> century. In response to criticism over bloated bureaucracy, conflicting decision-making, unusually high costs, ineffective communication and lack of transparency, among other things, the agency has recognized the need to reform its management structure to better reflect its changing mission through its "Managing for Excellence" effort. Committee Republicans support this initiative, but also strongly believe that the agency should not pursue this initiative solely within and, instead, should seek more customer input and outside peer-review as larger, more complex decisions are made. As part of this effort, the agency needs to be more proactive in transferring more irrigation projects to local beneficiaries. This "title transfer" effort helps the American taxpayer and promotes local ownership.

## **U.S. FISH AND WILDLIFE SERVICE**

The Republican Members of the House Natural Resources Committee support the Bush Administration's FY'09 request for enhanced funding for the National Wildlife Refuge System, Migratory Bird Management and the North American Wetlands Conservation Act. The most important of these requests is the allocation of \$297 million for the operation of our 548 National Wildlife Refuge units. This is a dramatic increase of \$37 million above last year's request and it is our hope that these additional revenues will postpone, if not eliminate, the draconian staff reductions contained in the 2007 Regional Workforce Plans. In our views and estimates last year, we noted that the Refuge system faced an unprecedented operational crisis. The Administration's inadequate FY'08 recommendation did not even begin to offset the various "uncontrollable costs" such as employee salaries, federal pay raises, health benefit plans, rent increases and energy. Without additional revenues, the net result would have been less refuge staff, closed refuges and a significantly diminished visitors experience. Since the American people deserve the finest refuge system in the world, we are pleased that the Administration has embraced our position and even requested \$1.3 million more than was appropriated last year. While the \$297 million is a positive step, this funding must be sustained in the future.

While this is a hugely positive development, we are disappointed that the Administration has significantly underfunded the Multinational Species Conservation Funds, decreased by \$2 million funds to operate the aging National Fish Hatchery System, provided less money for the Marine Mammal Account, cut to a new historic low level of 40 percent the Administration's



commitment to the National Wildlife Refuge Fund, reduced funding for the Partners for Fish and Wildlife Program and unjustifiably eliminated the digital mapping system for the Coastal Barrier Resources System. In 2002, Congress enacted and the President signed into law legislation mandating that the outdated hand-drawn paper coastal barrier maps be replaced with updated digital versions. In the FY'08 Omnibus Appropriations bill, \$1 million was allocated to begin the conversion process and it is incomprehensible why the Administration has abandoned this modernization program which is likely to find numerous mapping errors unfairly penalizing thousands of coastal residents.

Finally, the Republican Members of the Committee recommend adequate funding levels for each of the six individual accounts incorporated within the Multinational Species Conservation Fund. This money to conserve highly imperiled elephants, rhinoceros, tigers, Great Apes, marine turtles and neotropical migratory birds is a wise investment of U. S. tax dollars.

### **MINERALS MANAGEMENT SERVICE (MMS)**

MMS's FY'09 budget request for MMS energy programs is \$301 million, \$10.5 million above the FY'08 enacted budget. An increase of \$8.5 million is requested for environmental studies, resource assessments, and leasing consultations in areas of new leasing activity in Alaska and the Gulf of Mexico as identified in the 2007-2012 Outer Continental Shelf Five Year Plan.

Under the Five Year Plan, the Department proposes 20 lease sales in seven of the Outer Continental Shelf (OCS) planning areas in the Gulf of Mexico, Alaska, and Atlantic during the period 2007-2012. Six sales are scheduled for the Central Gulf of Mexico Planning Area and five sales are scheduled for the Western Gulf of Mexico Planning Area. In the Alaska Region, two sales are scheduled for the Beaufort Sea Planning Area, three sales in the Chukchi Sea Planning Area, one sale in the North Aleutian Basin Planning Area, and two sales in the Cook Inlet Planning Area. We note with approval that the first Central Planning Area sale brought in \$2.9 billion in bonus bids and the first Chukchi Sea lease sale brought in \$2.6 billion in bonus bids. Both leases sales were record-setting sales and brought in far more revenue than expected. We support funding these environmental studies.

MMS's FY'09 budget requests an increase of \$1 million to allow MMS to implement its alternative energy responsibilities outlined in the Energy Policy Act of 2005 (EPAAct 2005) by funding environmental work and permitting of alternative energy projects. MMS was given broad and plenary jurisdiction over alternative energy projects in the outer continental shelf in EPAAct 2005 and we support funding the alternative energy program.

In response to the Office of Inspector General recommendations, the FY'09 budget includes a \$2 million increase to implement recommendations for improving audits and compliance reviews, including increasing the audit staff by four FTE. An increase of \$1.7 million will be used to

improve automated interest billing that, once implemented, will allow MMS to streamline and expedite interest invoicing, enhance internal controls, reduce manual intervention, allow closure of audit cases sooner, and redirect staffing to other high priority projects. The Department of Interior's energy and minerals revenue collection program is expected to generate approximately \$16 billion in FY'09 and obviously we support funding the tools needed to ensure that revenues are collected accurately and timely.

## **U.S. GEOLOGICAL SURVEY (USGS)**

The impact of the Nation's energy and minerals inputs to the economy is often overlooked and misjudged. The President's FY'09 proposed budget for USGS is no exception.

The USGS Minerals Information Team (MIT) has for many years published commodity reports that show the value of domestically produced raw mineral materials from mining (copper ore, iron ore, sand and gravel, stone, etc.). MIT's 2008 report shows that these domestically mined raw mineral commodities had an estimated value of \$68 billion in 2007. The Nation's manufacturers and producers use these mined raw mineral commodities to turn out basic processed materials (aluminum, brick, cement, copper, fertilizers, steel, etc.). In 2007, these manufacturers and producers shipped basic products that had an estimated value of \$575 billion. These basic products were further processed by manufacturing industries to create durable and non-durable goods that were valued at \$2.21 trillion. Taken together with the rest of the Nation's economy, energy and mineral resources provide the physical basis of the Nation's \$13.8 trillion economy.

The President's FY'09 budget proposes to reduce the USGS Minerals Resources program by \$25 million and 210 FTEs. The FTEs are scientific and technical positions from ten locations across the country including: Anchorage, AK; Denver, CO; Flagstaff, AZ; Menlo Park, CA; Mounds View, MN; Reno, NV; Reston, VA; Spokane and Seattle, WA; and, Tuscan, AZ. The money will be redirected towards high priority programs such as Water for America, Birds Forever, Healthy Lands Initiative, Oceans and Coastal Frontiers and Climate Change.

Under this program the USGS conducts numerous studies and assessments including but not limited to: updating the 1995 National Mineral Resource Assessment (which will be delayed by 2 to 3 years as a result of these cuts); conducting specialized studies of materials flows and recycling of nonfuel minerals throughout the economy; supporting geochemical, geophysical and geographic laboratories; providing research grants to States and other non-federal entities conducting research on non-fuel minerals; and generating the Annual Mineral Commodity Summaries.

The Annual Mineral Commodity Summary is important for tracking where mineral resources are produced (what State or country), what percentage of mineral resources the U.S. imports and other statistical information relating to the minerals industry. Some version of the Mineral Commodity Data Time Series has been maintained by the federal government for more than a hundred years and is the only widely available data series of its type.

## **DEPARTMENT OF AGRICULTURE**

### **U.S. FOREST SERVICE**

The just-released, Administration's budget for the Forest Service reflects one overriding problem—fire suppression. We are alarmed by ever-increasing fire costs. Annual funding for fire fighting is done by a formula based on the last ten-year's average cost. This year suppression is funded at \$994 million – a 9% increase over last year's funding of \$911 million. Consequently, wildland fire management now totals 44% of the entire Forest Service budget. This is shocking when compared to 1991 when only 13% of the agency's budget was allocated to fire management. With the budget caps, this means that a large increase in suppression costs translates to decreases in almost all other programs. In fact, the Forest Service is planning on a 2,707 reduction in FTEs, overall. This is a continuation of major restructuring of the mission of the Forest Service – not by Congressional intent – but by the structure of the budgeting process. Moreover, this underscores the vital need for fuels reduction in our national forests through stewardship contracts, mechanical thinning and prescribed burns and timber sales. Until the Forest Service makes substantial progress towards returning our national forests to a healthy state, which is increasingly difficult given current budget parameters, catastrophic wildfires will continue to burn and the need for rehabilitation, restoration and reforestation will continue to grow. The Committee Republicans pledge to work with the Majority to develop an alternative funding source for large-fire suppression costs. This will aid in reinstating much-needed funding for crucial Forest Service projects and line items.

We recommend action be taken to fund the reauthorization of the Secure Rural Schools and Community Self Determination Act and strongly support several programs related to the Healthy Forests Restoration Act (Public Law 108-148), the Healthy Forests Initiative, the Northwest Forest Plan, and Forest Products. We recommend enhancing funding for the following programs: the Economic Action Program under State and Private Forestry; Grazing Management, and Vegetation and Watershed Management under National Forest System; Hazardous Fuels, and Rehabilitation and Restoration under Wildland Fire Management. We recommend cutting funding for the following programs: Forest Legacy and Urban and Community Forestry under State and Private Forestry; Ecosystem Service Pilot Projects under National Forest System; and Land Acquisition.

Secure Rural Schools and Community Self-Determination Act (County Payments): In 1908, during the debate over the creation of public lands in the West, in place of the revenues normally generated by property taxes, Congress passed a revenue sharing law that ensured Western counties would receive 25% of all revenues generated from public lands in their counties. After the precipitous decline of the timber program and subsequent drastic decline in revenues, the County Payments legislation was passed in 2000. This legislation has funded important educational programs in over 4,400 rural schools, allowed counties to address severe public road maintenance backlogs, and has successfully created Resource Advisory Committees which, among other things, bring vested and differing interests to the table to conduct meaningful forest restoration projects on public land. We believe Congress must hold true to its original promise to support counties with an enormously high amount of public land.

Wildfire Suppression Funding: The massive buildup of dead and dying trees in National Forests has significantly increased the number and size of catastrophic wildfires in recent years. With that said, we also consider it essential to include cost-control measures. An incentives system, using both sticks and carrots, is needed to ensure controlled and restrained spending by the Forest Service. We appreciate many of the efforts already being implemented in this regard and will continue working with the Administration on further cost controls.

<b>PROGRAM</b>	<b>FY'08 APPROP.</b>	<b>FY'09 REQUEST</b>	<b>FY'09 RECOMM.</b>
<b>State and Private Forestry</b>			
Economic Action Program	\$4,206,000	\$0	\$5,000,000 (+\$5,000,000)
Forest Legacy Program	\$52,317,000	\$12,500,000	\$0 (-\$12,500,000)
Urban and Community Forestry	\$27,691,000	\$5,000,000	\$0 (-\$5,000,000)
<b>National Forest System</b>			
Grazing Management	\$48,163,000	\$47,025,000	\$51,052,000 (+\$4,000,000)

Vegetation Management	\$177,437,000	\$165,309,000	\$177,437,000 (+\$12,128,000)
<b>Wildland Fire Management</b>			
Hazardous Fuels	\$310,086,000	\$297,000,000	\$310,086,000 (+13,086,000)
Rehab and Restoration	\$10,828,000	\$0	\$7,000,000 (+\$7,000,000)
Ecosystem Service Pilot Projects	\$0	\$10,000,000	\$0 (-\$10,000,000)
<b>Land Acquisition</b>	\$41,827,000	\$5,000,000	\$0 (-\$5,000,000)

State and Private Forestry/Economic Action Program: The President’s budget recommended eliminating the Economic Action Program. This program has been very helpful to rural communities, states, and counties by providing them with technical and financial assistance to develop or enhance markets for wood-based products. For example, many biomass utilization projects in rural communities have benefitted from the program. We recommend a minimum of \$5 million for a base program with no earmarks.

State and Private Forestry/Forest Legacy Program: We have strong reservations about the funding increase proposed for this program. In 2002 the House Appropriations Committee released an investigative report that stated, “inadequate Forest Service oversight and management of the program have hampered the program’s success.” Specifically, the audit found that a “number of national program policies are unclear and are leading to confusion in the field, particularly in regard to project selection, cost share, appraisal reviews, easement negotiations, and monitoring.” While the Forest Service has addressed some of these problems, this, combined with the tight budget, renders the increase unnecessary. In light of other essential programs in need of funding increases, we recommend cutting the Forest Legacy Program by \$12.5 million, thus eliminating funding for the program in FY’09.

National Forest System/Grazing Management: The grazing program plays an important role in range management and is also a tool for reducing fuel loads. Additionally, it supports many rural communities and benefits both the Forest Service as well as ranchers. We recommend funding the program at the FY’06 level, adjusted for inflation, adding roughly of \$4 million to the President’s budget request.

National Forest System/Forest Products: This program focuses on the use of wood resources from National Forests and helps to accomplish vegetation management objectives. We strongly support this year's requested increase for Forest Products. Without this increase we will continue to experience a loss of milling and logging infrastructure. Not only does this program sustain viable rural economies, it's also a tool for many management objectives including wildlife habitat restoration, fuels reduction and watershed restoration. We would also like to emphasize that it's essential all regions have adequate funding to implement forest plans and offer a sustainable amount of timber.

National Forest System/Vegetation Management: This program focuses on vegetation management objectives supporting most of the other resource management programs and is essential to completion of many fuels reduction projects. We recommend continued funding at the FY '08 level.

Land Acquisition: Once again, we recommend zeroing out the Land Acquisition account for the Forest Service and using those funds for higher priority programs and projects. The agency already struggles to manage the land under its authority and, therefore, we cannot support any funding for the acquisition of more land.

## **DEPARTMENT OF COMMERCE**

### **NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION**

The Republican Members are concerned with the continued erosion of funding for ocean programs within the National Oceanic and Atmospheric Administration (NOAA). This continued reduction of NOAA's ocean or "wet" programs comes despite the President's U.S. Ocean Action Plan recommendations. This erosion of the "wet" programs undermines one of NOAA's key duties - to manage and conserve the Nation's ocean resources.

In addition, Republican Members have raised concerns over the agency's plans to continue transferring specific program line item funding into base accounts. There should be transparency within the agency's budget as to which programs will be funded through the base account. There are a number of reasons the NOAA budget has received so many line items in the Congressional appropriation bills. Primary among them are that NOAA would not fund responsibilities specifically authorized by Congress and that Congress could not tell where the money it appropriated went. Continued transparency is necessary to restore confidence in NOAA's ability to follow through in its duties and missions in a way that its constituents and Congress can see.

Within the National Ocean Service, the Republican Members support increases to the mapping and charting base program for the benefits which will accrue to ocean and coastal commerce and reduce the potential for vessel groundings and accidents. The Republican Members are concerned with the continued backlog in necessary coastal surveys to provide accurate nautical charts and urge the Administration to acquire the appropriate funds to address the survey backlog. While progress above expectations was made in the last year to address these charting needs, the Republican Members are concerned with the overall decrease in funds for mapping and charting activities, ocean assessment programs, and response and restoration activities.

The NOAA budget request includes an additional increase for the implementation of the newly enacted Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006. While the legislation passed late in the 109<sup>th</sup> Congress, this request for FY'09 in addition to the FY'08 increase is welcome. Whether this level of funding for FY'09 will be adequate to meet all of the new mandates in the Act remains a concern for Republican Members.

Additional funds for increased fishery stock assessments have been requested in past budget requests and this budget item continues to require additional funds. The Republican Members strongly support the need to update stock assessments to enable fishery managers to use more timely data when developing and implementing scientifically-based, sustainable harvest levels. In addition, the Republican Members support the Regional Fishery Management Council system and supports additional funding for these Councils. Republican Members also continue to support cooperative research initiatives. These cooperative efforts can help increase the fisheries database and improve management decisions, as well as involve the fishing industry in the gathering of important fisheries dependent data.

In addition to fisheries research, reductions in marine mammal research programs undercut the federal government's ability to defend management decisions and have led to an increase in the petitions or lawsuits to list marine mammals as threatened or endangered. Marine mammal science -- both agency research and agency-funded research -- should be complete enough to provide managers with information adequate to support management decisions and that do not force managers to rely on "best available" science rather than the best science.

Republican Members have raised concerns that while increased survey information to provide fishery data is important, the agency and the Councils also need to collect better socio-economic data. While this has been an area of increased funds in past years, the need continues.

The agency also needs to maintain its partnerships with State fishery managers and the three regional Marine Fisheries Commissions which coordinate State and federal conservation and management regimes. These Commissions have provided important data from State managers while also providing information on near shore fisheries including survey information. Data

collection programs such as AKFIN, PacFIN, RecFIN, SEAMAP, as well as the management activities of the Atlantic States Marine Fisheries Commission, require the federal partners to maintain adequate funding levels for these important programs. These Commissions also have proven to be valuable partners in dealing with the threat of aquatic nuisance species that affect our coastal areas and need to receive continued support for those research and management programs.

In light of the decrease in funding for the National Marine Sanctuary Program despite the addition of the Papahānaumokuākea Marine National Monument (the largest marine conservation area in the world), concern about eroding the support for the existing sanctuaries is warranted. Congress amended the National Marine Sanctuaries Act to prevent the creation of any new sanctuaries until assurances could be made that the available funding was adequate for all of the existing sanctuaries' needs. Congress continues to raise concern about the maintenance backlog for the Wildlife Refuge System and the National Parks System and the concern for the future of the National Marine Sanctuary Program remains valid. Republican Members are concerned that the addition of any new marine monuments may stress the already reduced budget for this program and new monuments or sanctuaries should not be designated if the addition would reduce funds for the existing sanctuaries. In addition to the National Marine Sanctuary Program, other statutory authorities exist for creating different types of marine protected areas. Each of these authorities allow unique designations for specific reasons or management purposes. Efforts to lump these very different marine protected areas under one umbrella management regime or linking different managed areas under a new designation should be avoided so as not to diminish or alter the original reason for the designation.

Within the Oceanic and Atmospheric Research Service, the Republican Members are concerned with the decrease in funding for the important programs under the Ocean, Coastal and Great Lakes Research programs. The Republican Members continue to support the National Sea Grant College Program, the National Undersea Research Program and Ocean Exploration and adequate funding for these programs.

## **DEPARTMENT OF ENERGY**

### **POWER MARKETING ADMINISTRATIONS**

#### **Bonneville Power Administration (BPA)**

Committee Republicans are aware that almost a quarter of BPA's wholesale electricity rates are related to endangered salmon recovery and that misguided efforts are underway to decommission four Snake River dams that provide multi-purpose benefits (including hydropower) to the region. While we realize that regional salmon recovery efforts are pending in federal court, we look



forward to working with the Administration and others to ensure that recovery efforts are results- and performance-based and how those efforts are made in conjunction with harvest, hatchery and habitat measures. We also look forward to working with BPA to ensure that salmon recovery costs are provided on a reasonable and understandable basis to energy consumers.

## **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

### **INDIAN HEALTH SERVICE (IHS)**

We are pleased to see \$58,515,000 in the President's budget for contract medical care to carry out the medical needs not provided in IHS or tribal facilities.

We support new funding of \$14 million for methamphetamine treatment and prevention programs to treat the rise of methamphetamine use in Indian country. Of this, \$5 million is to be used for the behavioral health issues associated with methamphetamine use including combating suicide. Additionally, tele-medicine technology should be used when possible to support remote or isolated communities that would otherwise have difficulty obtaining services, such as in Alaska.

We support funding for Contract Support Costs for new or expanded self-determination contracts, grants, self-governance compacts or annual funding agreements. This funding will help tribes who enter into new compact agreements for the first time to use CSC funds rather than program funding to cover administrative costs.

Don Young

DON YOUNG  
Ranking Republican

Alum Pearce

Hy E Bang

Tor Torcedo

Doug Lamborn

Amodeo

Mary Fallin

Cathy Hanover Rodger

Louis Lohmeyer

Gene Cole

Jeff Flaker

Bill Shuster

Alan Bost

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